



# *City of Albuquerque*

## **Office of Internal Audit**

FOLLOW-UP OF THE  
Office of the City Clerk Follow-up of  
Maintenance of Administrative Instructions  
Report 23-16-101F  
Date: April 26, 2023

### **INTRODUCTION**

The Office of Internal Audit (OIA) issued Audit No. 16-101 Maintenance of Administrative Instructions on April 27, 2016. OIA completed a follow-up to determine the corrective actions that the Chief Administration Officer (CAO) and Office of the City Clerk have taken in response to the report. The audit report contained three recommendations that have been implemented and are now considered closed.

### **BACKGROUND**

OIA completed a performance audit of the maintenance of the City of Albuquerque's (City) Administrative Instructions. This audit was included in OIA's fiscal year 2016 audit plan. The objective of the audit was to determine if the City's Administrative Instructions are maintained to ensure they are relevant and up-to-date.

Administrative Instructions are city-wide internal policies and operational procedures that have been written by various City departments and approved by the CAO in place at the time. All city employees and departments are required to comply with the provisions of all Administrative Instructions. City-wide compliance helps establish clear expectations and provides additional guidance for City departments and employees

Further information pertaining to the audit scope, limitations, and methodology can be found in Appendix A of the original audit report.

The audit found that the City had 172 active Administrative Instructions at the time of the audit. Of the 172, 124 are more than 10 years old and 150 are more than 5 years old. A review of 21 Administrative Instructions found that 18 contained outdated information. The following issues were identified as part of the original audit:

- References made to non-existent City departments,
- Processes that are no longer in place or followed,
- Unnecessary requirements,
- Incorrect fees, and
- Incorrect amounts.

### **FOLLOW-UP OBJECTIVE**

The objective of this follow-up was to determine whether CAO has taken the corrective actions recommended in OIA's original audit report. Consistent with *Government Auditing Standards*, Section 9.08, promulgated by the U.S. Government Accountability Office, the purpose of audit reports includes facilitating a follow-up to determine whether appropriate corrective actions have been taken. This field follow-up is a non-audit service. *Government Auditing*

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*Standards* does not cover non-audit services, which are defined as professional services other than audits or attestation engagements. Therefore, the City Clerk and the CAO are responsible for the substantive outcomes of the work performed during this follow-up and are responsible to be in a position, in both fact and appearance, to make an informed judgment on the results of the non-audit service. OIA limited our scope to actions taken to address our audit recommendation from the original audit report dated April 27, 2016 through the submission of actions on March 21, 2023.

### **METHODOLOGY**

To achieve the objective, OIA performed the following steps:

- Obtained documentary evidence from the City Clerk and the CAO,
- Interviewed the City Clerk and CAO staff to understand and verify the status and nature of the corrective actions taken, and
- Verified the status of the recommendations that the City Clerk and the CAO had reported as implemented.

### **RESULTS**

The three recommendation included in the original audit report have been implemented and are now considered closed. See ATTACHMENT 1.

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## ATTACHMENT 1

Recommendations	Responsible Agency	Department Response	OIA Conclusion	<u>OIA Use Only</u> Status Determination
<p><u>Recommendation #1</u></p> <p>The Chief Administrative Officer (CAO) should:</p> <ul style="list-style-type: none"> <li>• Review and update the current <i>Procedures for Approval, Issuance and Revision of Administrative Instructions</i> to address: <ul style="list-style-type: none"> <li>o How frequently Administrative Instructions are to be reviewed, revised, and updated;</li> <li>o Who is responsible for reviewing, revising and updating Administrative Instructions;</li> <li>o What is each department’s role with regard to maintaining Administrative Instructions; and</li> <li>o What are the consequences for non-compliance with Administrative Instructions.</li> </ul> </li> <li>• Review, or establish a committee to review, all</li> </ul>	<p>Chief Administrative Officer</p>	<p>“The original response to this recommendation was made by a previous Mayoral administration and CAO, and the plan for corrective action was neither communicated to or initiated by Mayor Keller’s administration. We are open to future discussions on this matter if they remain relevant.”</p> <p><b>Documentation:</b> Email received on March 15, 2023 from Stephanie Yara with CAO response to the Request of Action Taken.</p> <p><b>Completion:</b> n/a</p>	<p>The Office of Internal Audit (OIA) recognizes that the previous administration did not communicate the plan for corrective action with the current Mayoral administration and CAO. As a result, OIA looked at other activities that would address the risks noted in the audit report.</p> <p>OIA consulted with the City of Albuquerque’s (City) Legal Department (Legal) who stated that Administrative Instructions (AIs), “don’t ever need to be updated. They are in effect until rescinded either by their own language or by an affirmative action by the Chief Administrative Officer or Mayor. AIs are preliminarily approved by the Primary Department, but are ultimately approved by the CAO.” Therefore, AIs are reviewed, revised and updated by each department on an as-needed basis.</p> <p>Legal also advised that there</p>	<p><input type="checkbox"/> Open</p> <p><input checked="" type="checkbox"/> Closed</p> <p><input type="checkbox"/> Contested</p>

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<p>active Administrative Instructions to determine which are applicable and relevant to the current operations of the City of Albuquerque, and which should be revised or rescinded.</p> <ul style="list-style-type: none"> <li>• Communicate and distribute the revised information to all City departments.</li> </ul>			<p>are consequences for not complying with AIs, stating, “Ignoring or violating an AI can result in disciplinary action resulting in adverse employment actions up to and including termination. AIs are effectively standing orders from the CAO and ignoring them is (...) the same as ignoring a direct order from the CAO.”</p> <p>All updates to AIs are communicated and available online on the AmLegal website. Per their response below, the City Clerk also sends a notice each July to Department Directors with a list of all the AIs the department is responsible for.”</p> <p>It is also OIA’s practice to include all relevant AIs when conducting individual audits. If it is noted that the AIs are not in alignment with department practices or current processes, they are formally identified in the audit report as a finding and</p>	

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			reported to the client department and other stakeholders to be appropriately addressed or updated.	
<p><u>Recommendation #2</u></p> <p>The CAO should:</p> <ul style="list-style-type: none"> <li>• Issue a notice to all City departments that any previously granted exemptions not included in the body of the Administrative Instruction will be rescinded as of a predetermined date.</li> <li>• Amend Administrative Instructions when appropriate exemptions are requested for recurring issues, so that the exemptions are formalized.</li> <li>• Include expiration dates on approvals for non-recurring exemptions to Administrative Instructions and require periodic review and re-approval.</li> </ul>	Chief Administrative Officer	<p>“The original response to this recommendation was made by a previous Mayoral administration and CAO, and the plan for corrective action was neither communicated to or initiated by Mayor Keller’s administration. Currently, all exemptions from administrative instructions must be approved in writing by the CAO and include a sufficient justification.”</p> <p><b>Documentation:</b> Email received on March 15, 2023 from Stephanie Yara with CAO response to the Request of Action Taken.</p> <p><b>Completion:</b> n/a</p>	<p>OIA recognizes that the previous administration did not communicate the plan for corrective action with the current Mayoral administration and CAO.</p> <p>Per discussion on the matter with Legal, they stated, “Generally, if an individual or department wants an exemption, they should contact the Primary Department to discuss it and then get approval from the CAO. The CAO has the authority to grant exemptions to AI compliance as they see fit.” This feedback is alignment with the response provided by the CAO.</p> <p>Additionally, OIA obtained examples of exemptions and noted they must detail the requesting department’s name, the Director’s name, have a documented</p>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Closed <input type="checkbox"/> Contested

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			justification, and include a date for the request. The exemptions are then routed to and signed by the CAO via DocuSign and filed by the respective departments.	
<p><u>Recommendation #3</u></p> <p>The City Clerk's Office (City Clerk) should:</p> <ul style="list-style-type: none"> <li>• Request that the responsibility to negotiate, sign, and manage the contract with the on-line publishing company be transferred from the Legal Department to the City Clerk's Office.</li> <li>• Establish and implement written policies and procedures for updating the on-line publishing company in January and July, when Administrative Instruction updates are distributed to City departments.</li> </ul>	City Clerk's Office	<p>“The City Clerk has transferred the AmLegal contract from Legal to the City Clerk's Office. The City Clerk's Office negotiates, signs, and manages all aspects of the AmLegal contract.</p> <p>The City Clerk's Office has written policies and procedures for updating the on-line publishing of updates to AIs to the AmLegal site. The SOP is attached to this response. AmLegal updates the on-line site of the City Code after every set of newly passed legislation, or AIs are sent to AmLegal. The City Clerk's Office also sends a notice each July to Department Director with a list of all the (AIs) the department is responsible for.”</p>	<p>OIA obtained and reviewed the purchase order which confirms that the City Clerk has transferred the AmLegal contract from Legal to their office which manages, negotiates, and signs all aspects.</p> <p>Additionally, the City Clerk provided OIA with the <i>Codification Process SOP</i>. These are policies and procedures written by the City Clerk's office and formalized in May 2019. The “SOP gives direction specifically for the codification and publication process” of legislation or AIs so that it is consistently performed. Per the City Clerk's Office, this SOP is part of the training of new staff.</p>	<input type="checkbox"/> Open <input checked="" type="checkbox"/> Closed <input type="checkbox"/> Contested

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		<p><b>Documentation:</b> Email received from City Clerk dated March 21, 2023 to include the attachment of the Codification Process SOP.</p> <p><b>Completion:</b> May 2019</p>		