City of Albuquerque

Office of Internal Audit

P.O. BOX 1293, ALBUQUERQUE, NM 87103

August 27, 2015

Councilor Rey Garduno, President
City Council
P.O. Box 1293
Albuquerque, NM 87103

Dear Councilor Garduno:

We have completed the Office of Internal Audit's Annual Report for Fiscal Year (FY) 2015. The Accountability in Government Oversight Committee approved the Annual Report at its meeting on August 26, 2015, and we are pleased to transmit it to the City Council for your review.

Sincerely,

Debra D. Yoshimura, Director
Office of Internal Audit

City of Albuquerque

Accountability in Government Oversight Committee

P.O. Box 1293 Albuquerque, New Mexico 87103

August 26, 2015

Honorable Mayor Richard J. Berry, Members of the City Council, and Citizens of Albuquerque:

The Accountability in Government Oversight (AGO) Committee would like to recognize the Office of Internal Audit (OIA) director and her staff for their continued service to the Administration, City Council and the Citizens of the City of Albuquerque.

As this annual report demonstrates, OIA produces audits that include recommendations intended to improve City processes which result in potential cost savings. It also shows the service OIA provides by offering its expertise in responding to requests for assistance from department personnel.

The AGO Committee has found the OIA staff to be a professional and respected resource for the City of Albuquerque. As an independent, objective set of eyes that can help the organization accomplish its objectives, OIA is certainly an integral part of the City of Albuquerque government.

Sincerely,

Gerald T. Kardas, Chairperson for
Accountability in Government Oversight Committee

Patricia A. Caristo
Mark D. Jarmie
Doug Turner
Robert M. Doughty III

City of Albuquerque

Office of Internal Audit

Fiscal Year 2015 Annual Report

Increasing the City's efficiency, effectiveness, and accountability to the Citizens of Albuquerque

Office of Internal Audit

Fiscal Year 2015 Annual Report
July 1, 2014 - June 30, 2015

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Mission Statement

Provide independent audits that promote transparency, accountability, efficiency, and effectiveness of City government for the citizens of Albuquerque.

City of Albuquerque

Office of Internal Audit

P.O. Box 1293 Albuquerque, New Mexico 87103

August 26, 2015

Honorable Mayor, Members of the City Council, Accountability in Government Oversight (AGO) Committee, and Citizens of Albuquerque:

I am pleased to present the City of Albuquerque Office of Internal Audit (OIA) Annual Report for the year ended June 30, 2015 (FY2015). The annual report is required by the Accountability in Government Ordinance, and illustrates how OIA achieved its goals in FY2015 and added value to the City through audits and non-audit services.

In FY2015 OIA completed multiple projects requested by the Administration and City Council, as well as many of the planned audits. OIA staff also assisted the Citizens' Independent Salary Commission in its review of the salaries of the Mayor and City Councilors.

The AGO Committee provides functional oversight of OIA to ensure audits and other projects were conducted in an impartial, equitable, and objective manner. Audits and non-audit services provided objective analysis so the Administration and City Council could use the information to:

- Improve program performance and operations,
- Reduce costs,
- Facilitate decision making by parties with responsibility to oversee or initiate corrective action,
- Contribute to public transparency and accountability, and
- Ensure that taxpayer dollars are spent efficiently and effectively.

OIA purchased a new automated audit management system, which was implemented in the fourth quarter of FY2015. The system is designed to reduce the amount of paper used by auditors, improve workflow, and increase overall efficiency of the department.

OIA looks forward to continued service to the Citizens of Albuquerque, and supporting the City Council and the Administration with value added services, including objective audits and reviews of City operations.

Sincerely,

Debra D. Yoshimura, CPA, CIA, CGAP
Director

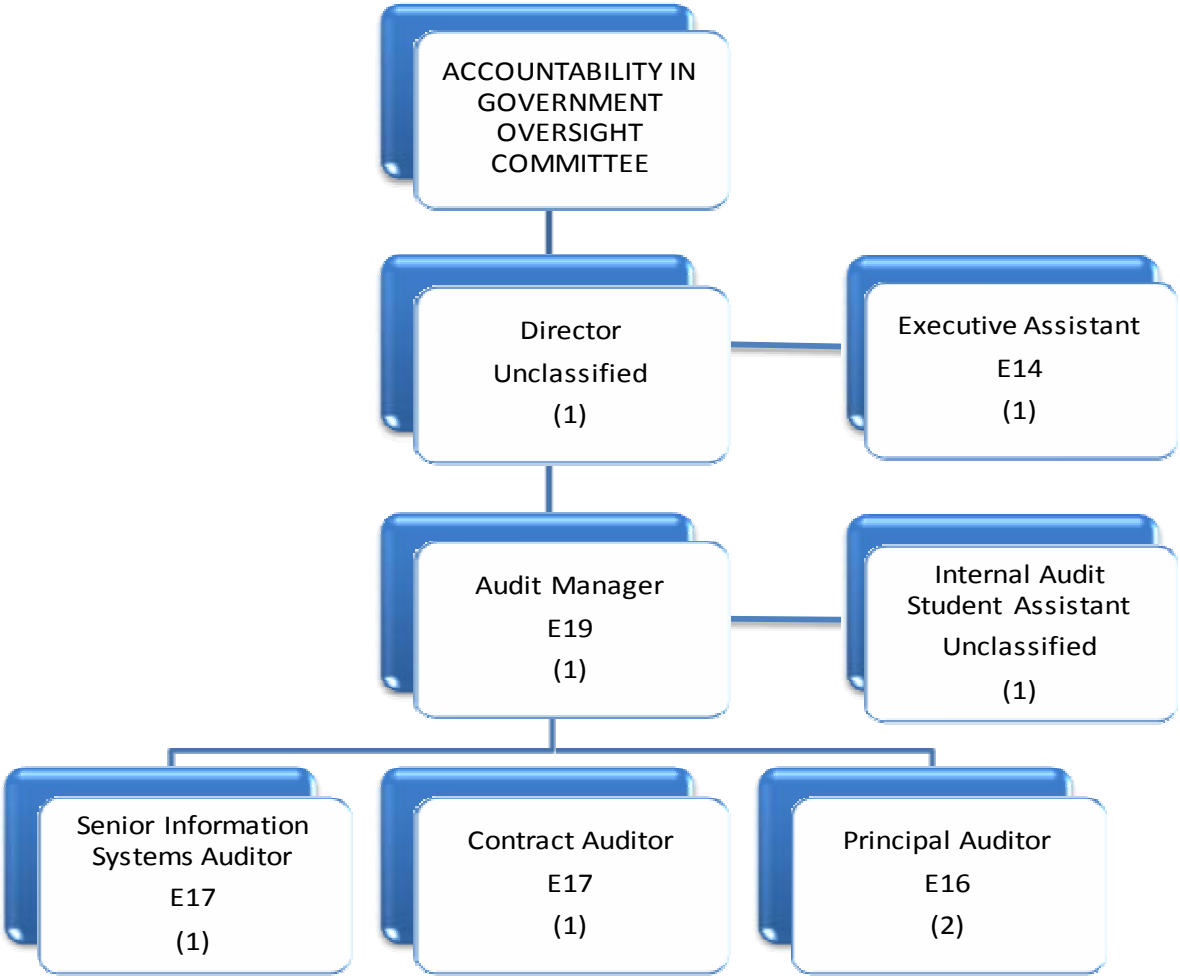
Organization Chart

June 30, 2015

Section 2-10-5 of the Accountability in Government Ordinance creates the Accountability in Government Oversight (AGO) Committee. The AGO Committee consists of five members from the community at large. The primary functions are to appoint the Director of OIA, approve OIA's annual audit plan, and approve audit and follow-up reports.

AGO Committee Composition

Name	Term Expiration	Representative
Gerald T. Kardas, CPA (Chair)	**9/1/2016**	**CPA**
Patricia A. Caristo, NMLPI	**9/1/2016**	**Law**
Robert M. Doughty III	**9/1/2017**	**Management**
Mark D. Jarmie	**9/1/2015**	**At-large**
Douglas W. Turner	**9/1/2015**	**At-large**



FY2015 Audit Reports

Audit No. 14-101 Inspection of Public Records Act

October 29, 2014

The Inspection of Public Records Act (IPRA) enacted by the New Mexico State Legislature permits citizens to obtain information concerning government affairs. As a government entity, the City of Albuquerque (City) is required to abide by this Act.

The City received an estimated 8,814 IPRA requests over an 18-month period. Direct and indirect costs associated with IPRA compliance for the 18-month audit period are estimated to be $1.5 million. The City's Chief Records Custodian was responsible for ensuring IPRA requests were fulfilled and in compliance with IPRA regulations. However, the City did not have a consistent method in place for tracking, monitoring, and retaining IPRA requests. OIA tested a sample of IPRA requests and noted that one third of the requests did not comply with IPRA requirements.

Additionally, the City's internal IPRA policies were outdated and department records custodians did not receive training in FY2013 and FY2014. OIA recommended the City implement a consistent method for processing IPRA requests, update policies and procedures, provide training to reduce the risk of non-compliance, and increase efficiency through the implementation of an IPRA tracking system.

Audit No. 14-102 Operating Grants Fund Balance

August 27, 2014

The City has had an unidentified balance in its operating grants fund since FY2006. As a result, the unidentified balance has been a recurring finding in the City's Comprehensive Annual Financial Report (CAFR) for eight years. As of June 30, 2013, the unidentified balance in the operating grants fund exceeded $4.5 million. The Grants Administration Division had made progress toward identifying the remaining portion of the operating grants fund balance and resolving the CAFR finding.

The audit was performed to review the processes in place to resolve past, and prevent future, unidentified amounts in the operating grants fund balance. The City had not established a written

comprehensive corrective plan to resolve the remaining unidentified balance. The City initiated the implementation of a grants management module to aid in the prevention of unidentified fund balances, but had not dedicated sufficient resources to facilitate the complete implementation.

Additionally, grantee departments had not been involved in the identification and reconciliation of the unidentified operating grants fund balance. Not involving the grantee departments led to limited participation, ownership and accountability by the grantee departments.

If left uncorrected, the unidentified operating grants fund balance could negatively affect the City's ability to receive future grant funding.

Audit No. 14-106 Purchasing Card Use and Oversight

October 29, 2014

As of March 31, 2014, the City had 379 active purchasing cards (P-cards). Between April 1, 2013 and March 31, 2014, City P-cards were used for 12,545 purchases totaling $3,227,006.

Program Administrators relied heavily on Card Coordinators to monitor P-card transactions, documentation, and processes. However, P-card issues were not always identified and corrected with the current level of monitoring. Additionally, the Purchasing and Accounting divisions did not have an effective method in place to track Cardholder and Card Coordinator training. OIA determined that 12 out of 55 Cardholders and 12 out of 22 Card Coordinators had not attended required P-card training. Many of the exceptions noted could have been eliminated or corrected in a timely manner if Program Administrators performed more frequent monitoring and Cardholders and Card Coordinators received timely and more detailed training.

Audit No. 14-107 Taser International - Special Audit

May 5, 2015

Albuquerque City Councilor Ken Sanchez (Councilor Sanchez) requested an audit of the Albuquerque Police Department's (APD) body-worn camera procurement with TASER International (TASER). Various procurement and conflict of interest issues were noted in the audit.

APD's initial $106,855 purchase (Pilot Purchase) from TASER did not comply with the City's competitive

procurement code. APD personnel compromised the integrity of the procurement process by bypassing purchasing regulations and approvals.

The Pilot Purchase was then used as the basis for justifying APD's non-competitive $1.9 million purchase from TASER. The purchase was executed by using TASER's standard services contract. By signing TASER's services contract, five mandated clauses that limit risk to the City and allow independent contract oversight were excluded from the $1.9 million contract.

In addition, APD's Former Chief of Police entered into a contractual relationship with TASER, while on early retirement, and still technically employed by the City. The Former Chief also continued to serve as a contractor after his official retirement date. Other APD personnel also accepted meals, travel and lodging, and solicited sponsorship donations from TASER. Entering into a contractual relationship, accepting gratuities, and the solicitation of funds from vendors are not consistent with City conflict of interest regulations.

Audit No. 15-102 Convention Center Remodel – Phase II Change Orders

January 28, 2015

Phase II construction of the Albuquerque Convention Center began in October 2013 and involved exterior and interior improvements to the West and East buildings. The original contract totaled just under $13 million and included six change orders totaling $1.2 million – a budget increase of 9.2 percent.

Familiarity and compliance with contractual specifications, along with independent monitoring and review of change orders and change order requests were weak. Net cost savings were identified throughout the audit and stemmed from the need for a separate contract for movable furniture and equipment, excluded equipment charges, mathematical errors, duplicate charges of gross receipts tax and unapplied credits due the City.

Work for change order requests often began prior to final City approval. Verbal authorization was often given, and the City did not formally document when work was authorized to begin for each change order request.

Audit No. 15-103 Traffic Engineering Payroll and Staffing

January 28, 2015

The Traffic Engineering Division (Division) within the Department of Municipal Development did not adequately record or track job information. The Management section of the Division used hard copy work orders that were not effective in tracking the resources used in the division. In addition, at no point in the process did the information from the work orders get recorded into any type of tracking system. The hard copy work orders made it nearly impossible to analyze information or identify payroll and staffing issues. In addition, employees in both the Management and Operations sections of the Division were not required to indicate whether the type of work performed was a Capital Implementation Program (CIP) project or a repair and maintenance (R&M) job. Due to this, the Traffic Engineering Division was not able to determine how much time and resources were spent on CIP versus R&M.

The Division also did not record payroll costs based on the work performed by employees. Instead, payroll costs were either charged 100 percent to the CIP fund or 100 percent to the General Fund (GF), regardless of whether the employee worked on CIP projects, R&M jobs, or both. Based on testing of a sample of 46 work orders, 21 exceptions were noted where the type of work performed (CIP or R&M) did not correspond to the fund (CIP or GF) that their payroll was recorded to. As a result, the payroll costs in the fund financial statements may not have reflected how resources were actually used. If the Division implements an electronic work order system they will be able to track actual costs based on the type of work performed, and record the cost to the appropriate funds.

Audit No. 15-106 Ammunition Purchasing and Tracking

June 24, 2015

The Albuquerque Police Department (APD) was unaware of its cumulative, departmental total of ammunition. Although APD had an extensive supply of ammunition, it had not established and implemented department-wide policies and procedures for purchasing, tracking and managing ammunition inventory. Rather, each of the 11 APD locations throughout the City maintained independent records of the ammunition, which resulted in inconsistent practices for purchasing and tracking of ammunition. Internal controls surrounding ammunition needed strengthening as

discrepancies in inventory records were noted at 82 percent of the APD locations with ammunition.

Additionally, shipments of ammunition were not sent to a central location and, due to the excessive lead time for ammunition orders, coupled with staffing changes, deliveries of ammunition may have been unexpected at the receiving location.

Audit No. 15-107 Use and Management of Contracted Employees

June 24, 2015

The City's spending on staffing agency employees increased 72.5 percent in the past five years, from $6.2 million in FY2010 to $10.7 million in FY2014.

The City leaves responsibility for the monitoring and managing of staffing agency employees up to each department. However, most department personnel responsible for obtaining, using, and managing staffing agency employees were not aware of the contract terms, request for bid terms, and policies and procedures related to staffing agency employees. This lack of awareness led to inconsistent compliance with rules and regulations over obtaining, using, and managing staffing agency employees. The City should consider appointing one department with overall responsibility for the monitoring and management of all staffing agency employees so that the use, cost, and rules and regulations can consistently be monitored and enforced.

Current contracts with staffing agency vendors should be rebid. Over the last two years, the City has lost two vendors, and must now rely on the two remaining vendors to provide all of the City's temporary staffing needs. The remaining contracts have been extended at least 17 times for periods of two to six months. By rebidding the contracts, the City can ensure that it is paying the most competitive prices.

FY2015 Non-Audit Project Reports

Non-Audit No. 14-305 Redflex Traffic Systems Investigation

January 27, 2015

OIA and the Office of Inspector General conducted a joint investigation into potential fraud, bribery, or non-compliance related to the City's contract with Redflex Traffic Systems, Inc. (Redflex). Redflex was the contractor selected by the City to provide red-light cameras and speed van services for the Red Light Nuisance Abatement program.

The investigation was requested by a City Councilor after allegations involving Redflex and New Mexico were reported in the Chicago Tribune. The investigation did not identify any fraud, bribery, or non-compliance of the magnitude identified in the City of Chicago, or any activities considered criminal in nature. The Federal Bureau of Investigations (FBI) confirmed that allegations related to Albuquerque were limited to Redflex providing meals and general "glad handing" activities.

The investigation did identify some instances of non-compliance with City policy, rules, and regulations, including the provision of meals to City employees, one instance of hotel accommodations paid by Redflex, and questionable procurement practices including failure to amend a contract, short response deadlines to the Requests For Proposal (RFPs), allowing only Redflex to provide a pilot test, and no documented process for pilot programs.

Non-Audit No. 15-301 SID Cash Count – Police Department

September 25, 2014

At the request of APD, a petty cash count was conducted to ensure the Special Investigations Division's (SID) custodian funds were accounted for and deposited in accordance with department procedures at fiscal year-end. All petty cash funds were properly accounted for and deposited in the appropriate bank account.

Previous recommendations to require dual signatures on all checks, and execution of bond or theft insurance for a City Contractor were implemented. SID did not have access to produce a statement that would confirm all deposits from the U.S. Treasury into SID accounts. Without such a statement, SID was unable to verify all deposits were received.

Non-Audit No. 15-302 Citizens' Independent Salary Commission

February 10, 2015

The Citizens' Independent Salary Commission (Commission) was created to evaluate and adjust the annual salaries of the Mayor and City Council. OIA supported the Commission by conducting research, analyses, and surveys.

The Commission studied the roles of the Mayor and City Councilors, sought input from the public on OIA's website and through an online survey, and studied like-sized municipalities in determining the outcomes.

After careful study and a transparent review process, the Commission increased the Mayor and City Councilors' annual salaries as follows:

Mayor salary from $109,325 to $ 125,000
City Councilors salary from $ 17,500 to $30,000
Council President from $19,500 to $32,000

Salary increases will not be effective for the current Mayor and City Councilors, but will be effective upon the next elected term for each position. The Commission reviews the salaries of City elected officials every two years.

Non-Audit No. 15-303 Citywide IT Controls Update

June 24, 2015

Generally Accepted Government Auditing Standards (GAGAS) require that auditors develop an understanding of IT Controls "when information systems are used extensively throughout the program under audit and the fundamental business processes related to the audit objectives rely on information systems." These controls must be considered when planning performance audits. IT controls include: Information Systems General Controls (ITGCs), Application Controls, and User Controls. The 2015 Overview of Citywide Information Technology Controls documents OIA's understanding of Citywide ITGCs applicable to centralized systems and entity-wide Application Controls over the PeopleSoft Enterprise Resource Planning system. By maintaining our understanding of these controls in a single document, individual audit planning time is reduced resulting in greater efficiency.

Non-Audit No. 15-304 Greenwood Invoice Review No. 1

April 30, 2015

The City obtained the services of Scott T. Greenwood, Attorney at Law to perform negotiations between the City and the Department of Justice. The original amount of the contract was $70,000 and the first supplement increased the total contract amount to $220,000. The contract amount was for services only; related expenses and taxes are to be paid in addition to the $220,000. For the period of April 2014 and July 2014, Mr. Greenwood was paid $194,063 in professional services and $38,652 in expense reimbursement and taxes, for a total of $232,715.

At the request of the City Council, a review was performed over the computational accuracy of hours billed, and the appropriateness of reimbursable expenses paid to Mr. Greenwood. Calculation errors on the hourly billings resulted in an overcharge of $600; the City reimbursed $466 without proof of purchase; and $370 of non-reimbursable expenses such as alcohol, pet fees, and in-room movie rentals were reimbursed. The total amount that should not have been paid to Mr. Greenwood was $1,436 for the inaccurate, unsupported, and non-reimbursable costs. As of June 30, 2015, Mr. Greenwood had reimbursed the City $148 of the $370 for non-reimbursable expenses. The City should request the remaining amount of $1,288 be reimbursed or offset against future billings. In addition, the Legal Department should obtain additional details for $3,486 of receipts that did not contain enough detail to determine if the expenses were reimbursable.

Non-Audit No. 15-305 Transit Fare Money

January 27, 2015

On December 1, 2014 the City's Transit Department (Transit) contacted OIA concerning missing bus fare money. The primary objective of the non-audit service was to provide Transit with independent third party verification of missing bus fare money. OIA and the Office of Inspector General (OIG) helped Transit identify the potential perpetrator(s) of the fraud and arranged meetings for recovery solutions.

Transit staff noted large variances above the department's pre-established tolerance levels for currency deposits. Conservative estimates indicate an approximate deficit of $130,000 between internal City documentation and vendor deposits for calendar year 2014.

City internal controls were sufficient to prevent Transit staff from gaining access to the department's fare vaults. OIG surveillance footage also confirmed that Transit staff did not access or tamper with the Department's fare vaults during the City's cash count verification

dates. The only other individuals with access to the cash were employees of the City's armed cash management vendor.

Non-Audit No. 15-306 Officer Retention Program – APD

April 20, 2015

The Albuquerque Police Department (APD) experienced a significant decline in the number of sworn personnel. On November 3, 2014, the Albuquerque City Council passed Council Bill R-14-132, part of which established a retention program for sworn personnel and appropriated $900,000 for the program through July 15, 2015. To qualify for the program, sworn personnel must have had a minimum of 18 years of earned Public Employees Retirement Association (PERA) service credit and could not have an unsatisfactory performance evaluation on file for the prior period. The Council Bill required OIA to report on: 1) whether a unique pay code was established for the program, 2) execution of the program, 3) adequacy of internal controls, and 4) the success of the program.

A unique pay code was established to track the costs of the program; however, the program was not executed well and appeared rushed. Multiple Memoranda of Understanding and supplements were issued, and changes were made to qualifying criteria. As a result, participants were overpaid a total of $32,225 as of the pay period ended March 6, 2015. Additionally, two participants did not qualify for the program and 31 percent of participants did not have performance evaluations on file. The success of the program could not be determined because a measurement criterion was not established and the program did not require participants to commit to remaining employed with APD.

Non-Audit No. 14-405 Barelas Senior Center Cash Count

January 27, 2015

OIA conducted a surprise cash count of the change and petty cash funds maintained by the Barelas Senior Center. The change fund was accounted for without exception. However, the petty cash fund was short $17.10. OIA noted eight general areas with compliance and/or deficiency issues. The issues noted related to a general lack of fund security, custodian/sub-custodian accountability, and a consistent application of internal controls.

Additionally, the petty cash fund operating balance could be reduced. The average monthly petty cash expense from October 2013 to March 2014 accounted for 16.6 percent of the fund's authorized balance

Non-Audit No. 14-407 Aviation Department Cash Count

October 23, 2014

OIA conducted a surprise cash count of the Aviation Department's two change funds and one petty cash fund. All three funds were accounted for without exception. OIA noted 13 areas for improvement with cash practice and procedure issues. The issues noted related to a general lack of custodian/sub-custodian accountability, consistent application of internal controls, and security of change and petty cash funds and cash receipts.
Three of the petty cash compliance issues noted appeared in a prior cash count conducted by OIA in 2009. Additionally the petty cash fund operating balance could be reduced. The average monthly petty cash expense from October 2013 through April 2014 accounted for 23.5 percent of the fund's operating balance.

Non-Audit No. 15-401 Transit Petty Cash Count

January 14, 2015

OIA conducted a surprise cash count of the two petty cash funds maintained by the Transit Department. OIA noted five general areas with opportunities for improvement and/or compliance issues. The issues noted related to a general lack of compliance with the City's Cash Management Manual, consistent application of internal controls, and security of funds.

Both petty cash fund operating balances could be reduced. The average monthly petty cash expense activity from July 2013 through June 2014 accounted for 4.3 percent and 2.9 percent of the funds' operating balances, respectively.

Non-Audit No. 15-402 Department of Municipal Development Petty Cash Count

March 19, 2015

OIA conducted a surprise cash count of the petty cash fund maintained by the Department of Municipal Development (DMD). The $200 petty cash fund was $40 short and could not be reconciled to its approved fund balance.

Petty cash practices and procedures were not in compliance with the City's *Cash Management Manual* in five general areas. The five general areas pertain to:

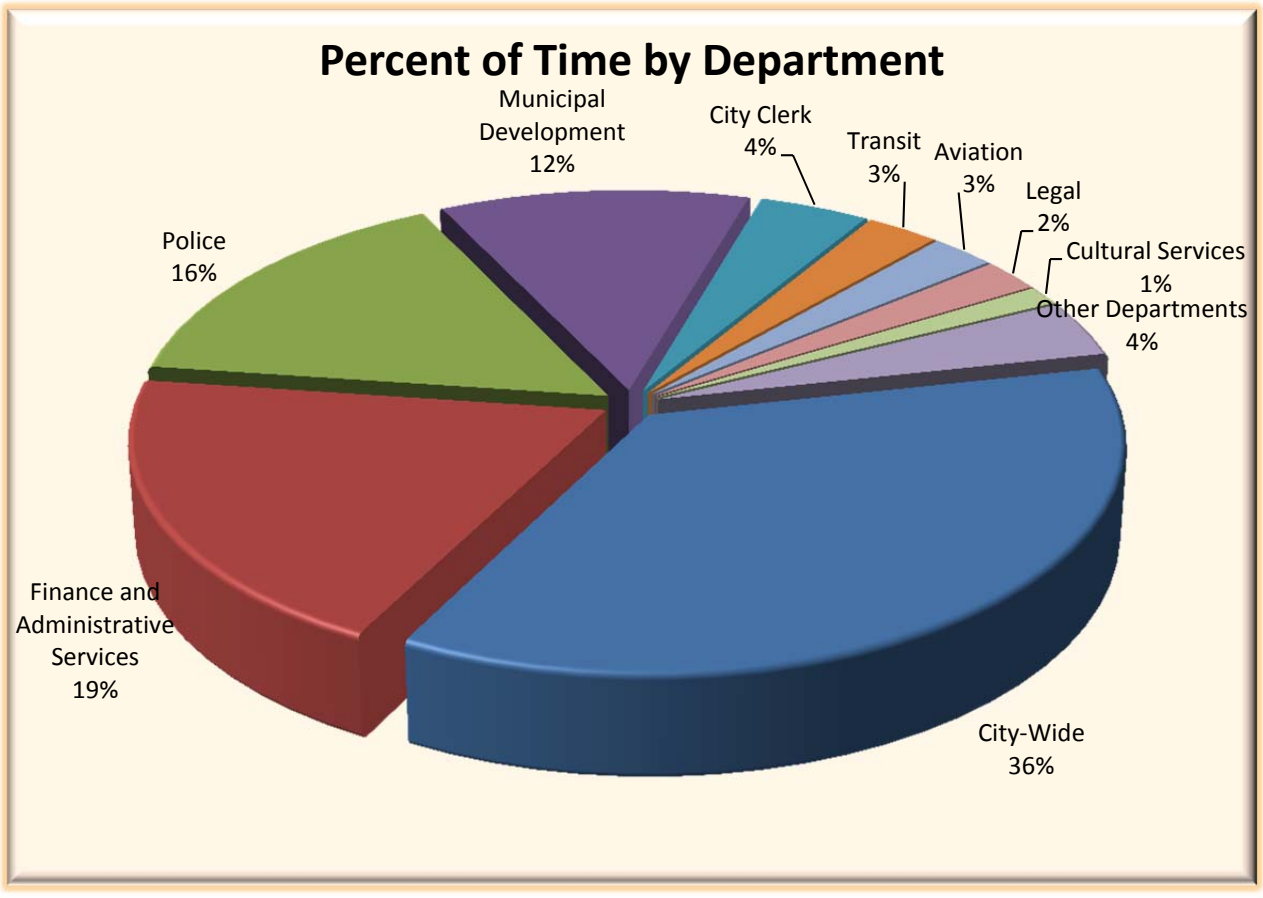
- Replenishment & Reconciliation
- Fund Security
- Voucher Use & Completion
- Petty Cash Accountability
- Department Policy & Procedure

Additionally, the authorized petty cash fund amount of $200 may not be necessary to support the petty cash needs of DMD. The monthly average expense activity from December 2013 through December 2014 was $16.71.

Audit Hours by Department

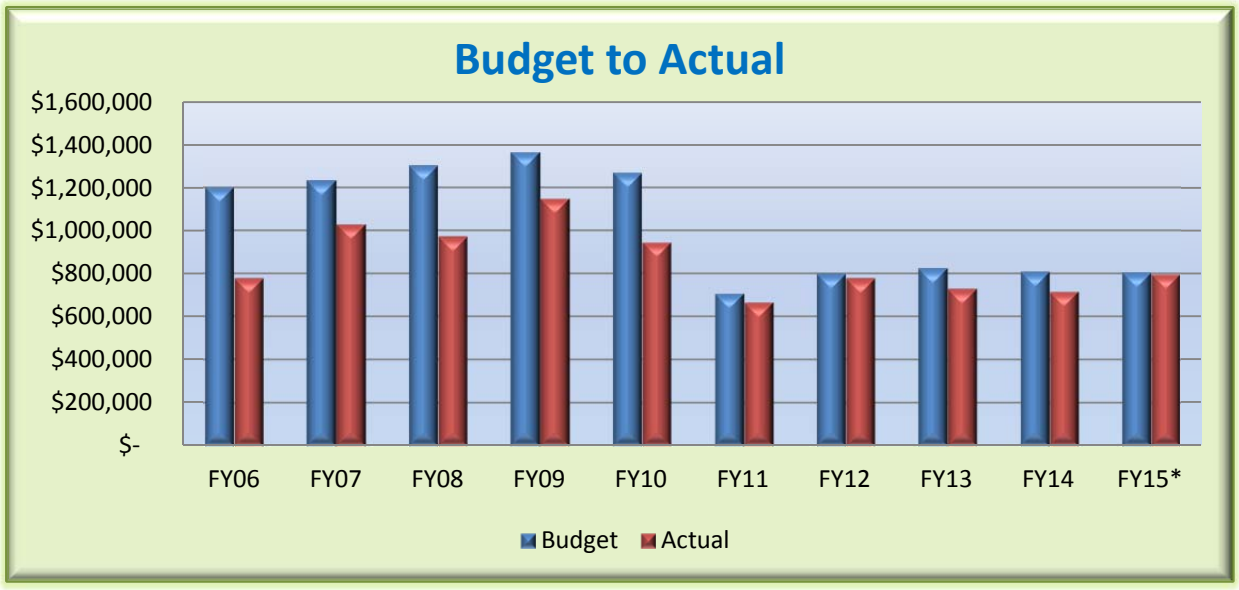
Department	Hours
City-Wide	2,800.50
Finance and Administrative Services	1,510.25
Police	1,212.70
Municipal Development	923.75
City Clerk	327.75
Transit	218.25
Aviation	193.25
Legal	177.00
Cultural Services	103.00
Other Departments	307.50
Total	**7,773.95**

The table above only includes directly applicable hours for OIA projects. Excluded hours include paid holidays, vacation leave, sick leave, and administrative time. Administrative time includes department activities such as staff meetings, required training to maintain certifications, and required management activities to maintain the day-to-day operations of the office.



OIA Budget

OIA's original FY2015 budget was $794,000. Due to technical adjustments for personnel costs, the FY2015 budget was increased to $808,000. The FY2016 budget remained unchanged and was approved at $808,000.



***Note**: For the years FY2006 through FY2010, the budget also contained activity for the Office of Inspector General.*

******Actual expenditures for FY2015 are approximate, as they are unadjusted and unaudited.*

Performance Measures

The Program Strategy for OIA is to enhance public confidence and promote efficiency, effectiveness, accountability, and integrity in City government by:

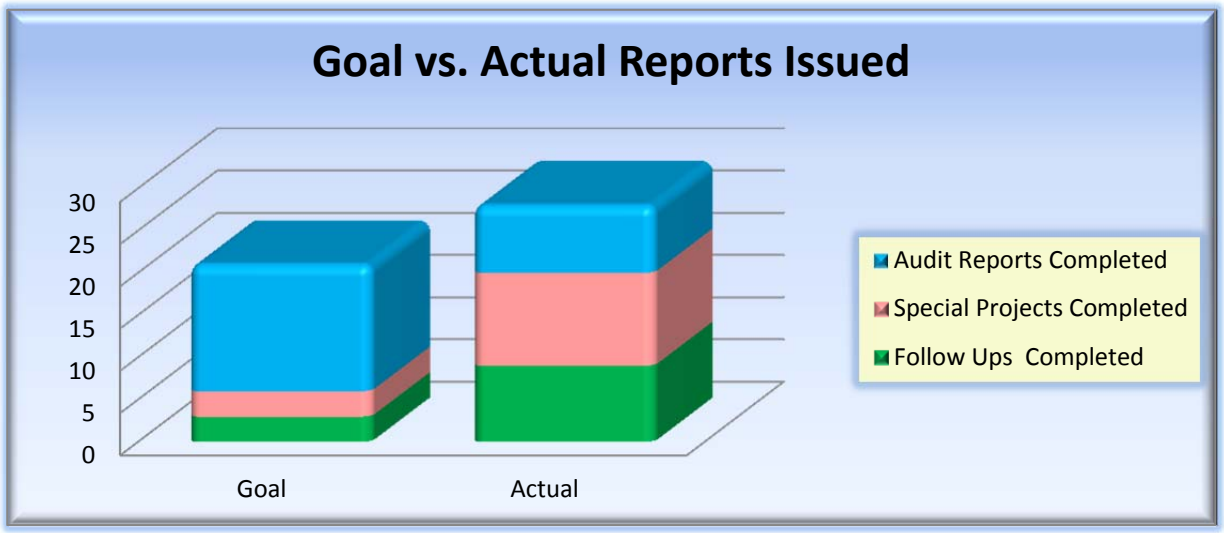
- Ensuring compliance with City ordinances, resolutions, rules, regulations and policies,
- Recommending operational improvements and service measurement integrity, and
- Recommending programs/policies, which educate and raise the awareness of all City officials and employees.

The OIA Program Strategy is a part of the City's Goal 8, *Government Excellence and Effectiveness.*

OIA's FY2015 Performance Measures

REPORTS ISSUED:

OIA's output is measured by the number of reports completed during the year. OIA completed 28 projects in FY2015, although the mix differed from our goal, as shown by the chart below.



Audits Reports

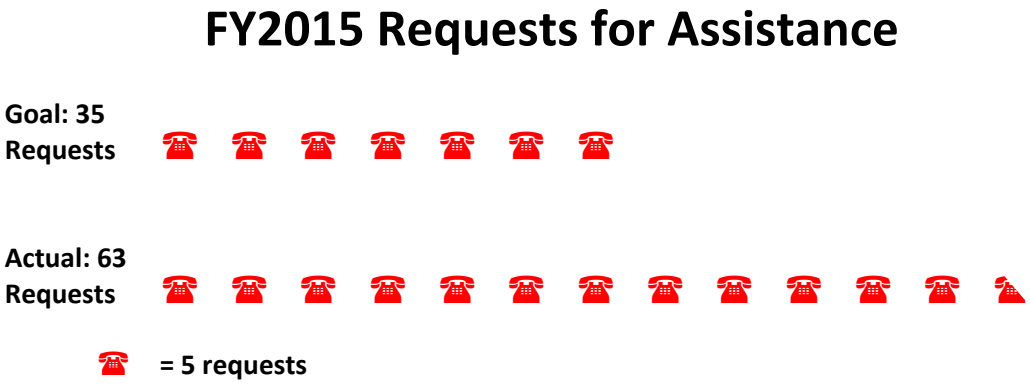
The FY2015 Goal was to complete 15 audits. Eight audits were completed and another eight were in various stages of completion at year-end. Audits require a significant amount of planning and documentation in order to meet Government Auditing Standards. The audited entity and/or the Administration prepare formal responses to the recommendations from the audit, and the responses are included in the final report.

Special Projects (Non-Audit Services)
The FY2015 Goal was to complete three special projects; however, eleven were completed. Special projects are performed at the request of the Administration and/or City Council, or in response to emerging issues. Generally, they do not require as much planning or documentation as audits and can be completed in less time. An additional three special projects were in process at year-end.

Follow-Ups
The FY2015 Goal was to complete three follow-up reviews; however, nine were completed. OIA follows up on recommendations made in audits to determine the status of implementation. Follow-ups help motivate the audited entities to make recommended changes. The follow-up reviews are generally conducted a year or more after an audit is completed.

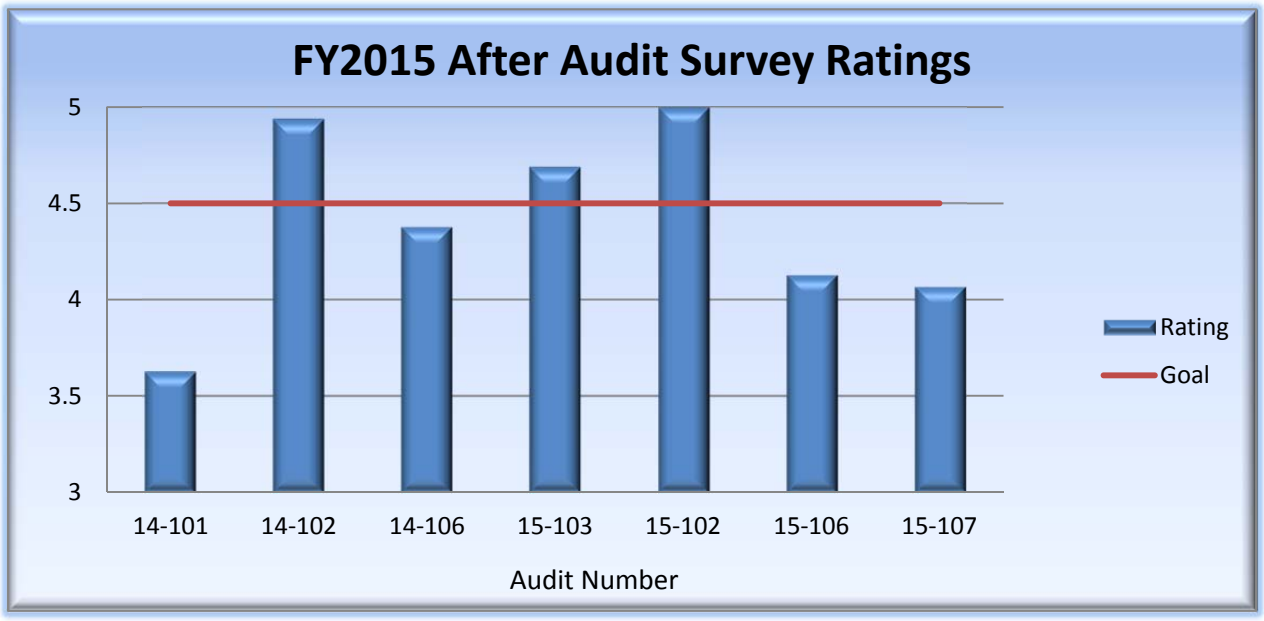
REQUESTS FOR ASSISTANCE:

OIA measures service quality by the number of requests for assistance received from other City departments and organizations. Requested assistance ranges from explanations for technical terms to advice on implementing internal controls. As shown below, the number of requests for assistance in FY2015 exceeded expectations.



AFTER AUDIT SURVEY RATINGS:

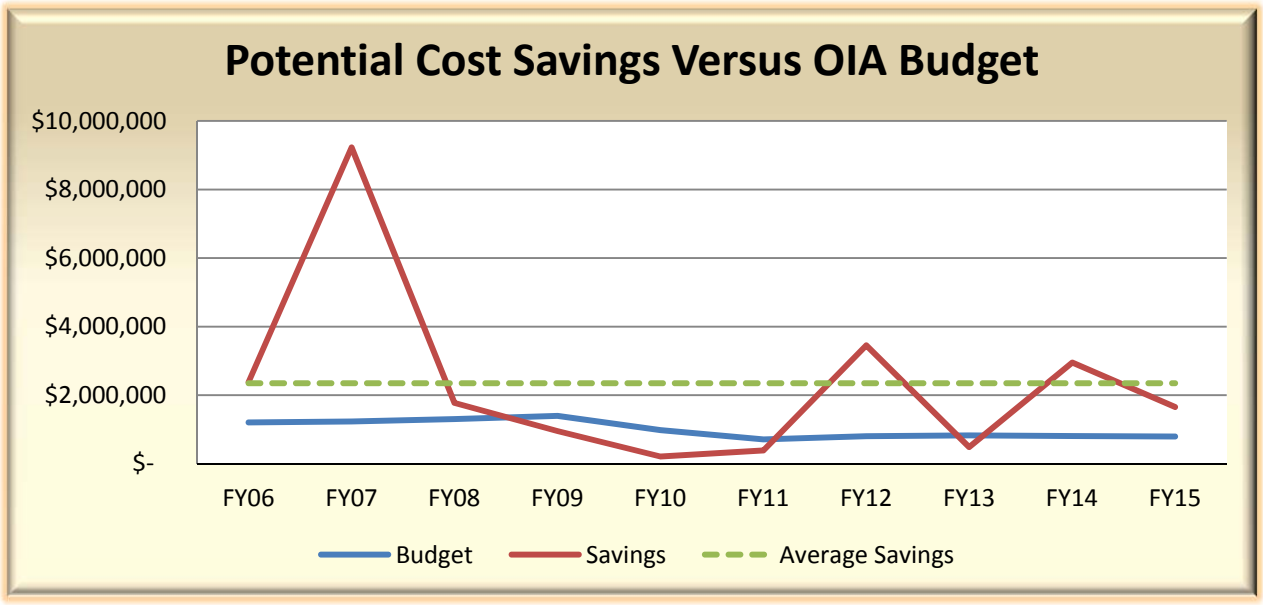
A second quality measure of OIA services is the average ratings provided by auditees after audits are completed. Each audited department is asked to complete an after-audit survey. The survey requests the auditee to provide a rating of the auditor, the audit process, and the audit report on a one to five scale, with five being the highest rating. OIA's goal is an average rating of 4.5 or higher on this measure. The fiscal year average rating was 4.4 for the seven audits where the Administration responded to the After Audit Survey request, as shown below:



SAVINGS IDENTIFIED BY AUDITS:

Each year OIA identifies costs savings, either one-time or recurring. OIA's goal is to fully recover the costs of OIA's operations. Audits completed in FY2015 identified potential savings equal to 208 percent of the department's budget for the year.

Many audits result in increased efficiencies and compliance, which are not easily quantified. As a result, this measure is not met every year, as illustrated below. However, the potential annual savings identified by OIA over the past 10 years averaged $2,347,734.



Implementation of Recommendations

OIA strives to improve the operational efficiency of departments through their implementation of audit recommendations.

OIA conducted nine audit report follow-ups in FY2015. City departments *fully* implemented or *resolved* 47 percent (goal is 75 percent) and *partially* implemented 47 percent (goal is 25 percent) of audit report recommendations at the time of the follow-up. Implementation was not started on six percent of the recommendations (goal is 0 percent), as follows:

Audit No.	Title	Original Report Date	Recommendations		
			Fully Implemented or Resolved	**Implementation In Process**	**No Progress**
14-12-104F	Officer Retention - APD	6/27/2012	♦	♦	♦
14-12-108F	Take Home Vehicles - Citywide	12/12/2012	-	2	-
15-11-102F	Mayor and First Lady's Charity Gala	4/27/2011	5	-	-
15-11-103F	Citywide Database Security	10/26/2011	3	1	-
15-11-104F	On-Call Contractors – Dept. of Municipal Development	2/29/2012	1	2	1
15-12-105F	Real Property Division	9/26/2012	3	1	-
15-12-106F	ACVB	12/12/2012	4	1	1
15-12-107F	Health & Social Service Centers – Family & Community Services Department	2/27/2013	-	5	-
15-13-103F	Personnel Services Division – Human Resources Department	5/1/2013	1	5	-

♦ APD did not have an Officer Retention Program at the time of the follow-up review, but stated recommendations would be followed if another retention program was implemented in the future.

When performing a follow-up, OIA sends a memo to the department(s) requesting the status of corrective action in regard to the findings and recommendations. The follow-up procedures rely primarily on the information provided by the department(s) with some verification by OIA.

OIA Staff

FY2015 Approved Staff Level = 8
Department Director, Audit Manager, Contract Auditor, Senior Information Technology Auditor, two Principal Auditors, Executive Assistant, and Internal Audit Student Assistant

OIA had an approved staffing level of eight (8) for FY2015. OIA staff remained stable throughout the year with the exception of the Internal Audit Student Assistant, who completed her master's degree and joined a local CPA firm in March. The vacant position was not filled due to a lack of funding.

OIA staff members are well educated and hold numerous professional certifications:

4	Masters in Business Administration (MBA)
5	Certified Public Accountants (CPA)
2	Certified Internal Auditors (CIA)
1	Certified Information Systems Auditor (CISA)
3	Certified Government Auditing Professional (CGAP)
2	Certified Fraud Examiner (CFE)
1	Certified Management Accountant (CMA)
1	Certified in Financial Forensics (CFF)
1	Certified in Risk and Information Systems Control (CRISC)

The staff is active in numerous professional organizations including:

- The Institute of Internal Auditors (IIA)
- The Association of Local Government Auditors (ALGA)
- The Association of Certified Fraud Examiners (ACFE)
- The Information Systems Audit and Control Association (ISACA)
- The American Institute of Certified Public Accountants (AICPA)
- The New Mexico Society of Certified Public Accountants (NMSCPA)
- The Association of Government Accountants (AGA)

STAFF – BIOS

Debra D. Yoshimura – Director

Debra has worked for OIA three times; most recently returning to OIA as the Audit Manager in January 2013. Debra was appointed OIA Director in August 2013. Immediately prior to her return to the City, she spent six and one-half years as the Managing Director of Audit for the United States Olympic Committee in Colorado Springs, CO. She was the Director of Internal Audit for the University of New Mexico for two years. Debra worked in several positions in the OIA for twelve years, serving as the Director from 1996 through 2004. She also spent several years in public accounting. Debra graduated from New Mexico Tech with a BS in Environmental Psychology, and from Texas A&M - Corpus Christi with an MBA with concentration in Accounting. Debra is a CPA, CIA, and CGAP. She is a member of the AICPA, IIA, ALGA, and ACFE.

Lawrence L. Davis – Audit Manager

Lawrence has more than 11 years of audit and accounting experience. He has a diverse background from both private and public sectors, which includes financial management experience with multi-billion dollar corporate expense accounts and public pension fund experience with the New Mexico Educational Retirement Board's $11 billion retirement fund. Lawrence received his BBA and MBA from the University of New Mexico – Robert O. Anderson School of Management with concentrations in accounting and finance respectively. Lawrence previously worked for the Program Evaluation unit of the New Mexico Legislative Finance Committee. He is a member of the IIA, ALGA, and AGA.

Lew Witz - Senior Information Systems Auditor

A member of OIA since March, 2012, Lew has more than 14 years progressive audit and assurance experience, including 11 years as an internal auditor and three years in public accounting. Previously, he worked in information technology, as a programmer/analyst, systems administrator and IT manager. Lew holds an MBA from the University of New Mexico – Robert O. Anderson School of Management and a Bachelor of Science in Computer Science from the College of Santa Fe. Lew is a licensed CPA in the State of New Mexico, and is also a CISA, CIA, CGAP, CMA, CFE and CRISC. Lew earned the ITIL Foundation Certificate in IT Service Management in July, 2013. He is currently serving his fourth term as Chapter President for New Mexico ISACA. He is also a member of IIA, ALGA, ACFE, IMA, and Toastmasters.

Christina M. Owens - Contract Auditor

A member of OIA since November 2011, Christina has more than 15 years of audit and investigative experience in the private and governmental sectors. She is a graduate of the University of New Mexico – Robert O. Anderson School of Management and holds a Bachelor of Business Administration degree with an accounting concentration as well as a Master of Business Administration degree. Christina is a CPA licensed in the state of New Mexico and is also a CFE, CGAP, and CFF. She is a member of the AICPA, ACFE, IIA, and ALGA.

Kate Bach - Principal Auditor

Kate has more than seven years of audit and accounting experience. Before joining OIA, Kate worked as an intern in Internal Audit for a bank, and as an external auditor of not-for-profit organizations, and various local governmental agencies around the State of New Mexico. Kate received her BBA in Accounting from the University of New Mexico – Robert O. Anderson School of Management, and is a licensed CPA in the State of New Mexico. Kate is a member of the IIA, and ALGA, and sits on the Board of the Albuquerque Chapter of CPAs.

Leann Bell - Principal Auditor

Leann has more than seven years of audit and accounting experience. She worked as an external auditor specializing in Federal Government audits for two and one-half years before joining the Office of Internal Audit for the City of Albuquerque in March of 2014. In addition, she worked in private industry for more than four years performing a multitude of accounting functions. Leann holds a Bachelor of Business Administration with a concentration in Accounting from the University of New Mexico – Robert O. Anderson School of Management, and is a licensed CPA in the State of New Mexico. She is a current member of the AGA, ALGA, and the IIA.

Consuelo Baca - Executive Assistant

Consuelo has been with the City of Albuquerque for 21 years. Her career began with the Department of Finance and Administrative Services-Employee Health Services, Risk Management and Purchasing. Consuelo then moved to the Solid Waste Management Department. She is currently the Executive Assistant in OIA/OIG. Consuelo is a member of the IIA and AICPA.

Laura M. Maestas - Internal Audit Student Assistant

Laura started working for OIA in July 2013. Laura holds an AA in Pre-Management from Central New Mexico Community College, and BBA with a concentration in accounting and MBA from the University of New Mexico – Robert O. Anderson School of Management. Laura completed her master's degree in the spring of 2015 and joined a local CPA firm.