



**Report on Internal Auditing's Advisory Activities
For the fiscal year ended June 30, 2018**

Office of the City Auditor

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Advisory Services Report
For the fiscal year ended June 30, 2018**

Duties of the Office of the City Auditor are mandated by City of Tulsa charter and ordinances. This office has adopted the International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors, to guide the quality of our work. To accomplish our mission, we provide the following:

- Internal audits
- Internal control reviews and facilitated internal control self-assessments
- Systems development monitoring
- Special projects
- Advisory services

In FY18, the Office of the City Auditor provided a variety of advisory services designed to add value and improve operations for the City of Tulsa. This report summarizes the purpose and audit's contributions to these activities.

Fees for Services Working Group

- Requested by: Mayor's Office
- Purpose: Assess the revenue, objectives and related costs associated with the significant fees charged by the City
- Audit's primary contribution: Assistance with:
 - ◆ Providing cost accounting knowledge
 - ◆ Compiling information on peer city fee practices
 - ◆ Providing information on City of Tulsa fee/revenue practices

Health Insurance Working Group

- Requested by: Mayor's Office and City Council
- Purpose: Identify optimal cost and benefit balance for City of Tulsa employees from available health insurance options
- Audit's primary contribution: Assistance with:
 - ◆ Reviewing and selecting benefit options on behalf of employees and the City of Tulsa
 - ◆ Educating employees regarding new benefit options
 - ◆ Evaluating methods and timeline for becoming self-insured
 - ◆ Submitting RFP and reviewing proposals from employee benefit consultants
 - ◆ Attending claims presentations and question/answer sessions with benefit providers

Ethics Hotline

- Requested by: Mayor's Office
- Purpose: Provide a means for City employees, suppliers, citizens and other interested parties to report fraud, waste or abuse in city government
- Audit's primary contributions:
 - ✦ Provide case management for the hotline system
 - ✦ Investigate any hotline reports on the Mayor
 - ✦ Complete investigation of other hotline reports when requested by the Mayor's Office or related to potential fraud/theft; four hotline reports were investigated in FY18

Sales Tax Concentration Analysis

- Requested by: Finance Department and National Academies of Sciences, Engineering and Medicine (NASEM)
- Purpose: Analyze whether data on Tulsa's sales tax revenues might be used to assess and influence the city's economic and social fitness, robustness and resilience.
- Audit's primary contribution:
 - ✦ Identify and compile sales tax data requested by NASEM team
 - ✦ Provide data in usable form, with confidential data removed, to the NASEM team
 - ✦ Participate in discussions with City Council members, Finance Department staff and the NASEM team regarding implications of the team's findings

Resilient Tulsa

- Requested by: Mayor's Office
- Purpose: Identify ideas and initiatives to create a more resilient city
- Audit's primary contribution: Assistance with:
 - ✦ Brainstorming with the Responsive and Effective Governance working group to identify potential answers to the question, "How can the delivery of services from a variety of actors occur in a manner that is responsive to the needs of Tulsans and makes the best use of the resources available?"
 - ✦ Researching and documenting potential solutions
 - ✦ Writing and discussing the ideas identified by the working group

The working group's solutions were included in the Resilient Tulsa roadmap as Action 40 – Lobby the State for municipal funding and optimize fees for service.

Application for the 2018 Oklahoma Quality Foundation Quality Award

- Requested by: Mayor's Office
- Purpose: Write an application to describe Tulsa's accomplishments in context of the Baldrige framework for performance excellence
- Audit's primary contribution:
 - Participate with a team working on the Operations section of the application
 - Conduct research on required information
 - Draft the Operations section
 - Review and comment on other sections