Public Sector Performance Auditing

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Learning Objectives

- Review audit standards related to performance auditing
- Gain knowledge of historical roots of performance auditing and the role of the public sector
- Understand the impact of key public sector values on auditing
- Analyze the “activist auditor” perspective
- Review and discuss issues around risk assessment, report writing, and performance management
Performance Auditing

What is Performance Auditing To You?

- How do you define performance auditing?
- Does your shop conduct performance audits?
- What audit standards do you shops use?
Audit Standards

- ISSAI (INTOSAI)
  - International Standards of Supreme Audit Institutions
  - Very general guidance on performance auditing
  - “Performance audit is concerned with the audit of economy, efficiency, and effectiveness.”
    - Performance audits more wide-ranging than financial audits
    - Many countries stop short of reviewing policy bases for programs
    - Performance audit reports are varied, contain more discussion and reasoned argument

- IIA IPPF
  - International Professional Practice Framework (“Red Book”)
  - Does not specifically define performance auditing
    - Tailored to private sector or non-profit auditing
  - Role of internal auditing
    - Evaluate and improve
      - Effectiveness of risk management
      - Control processes
      - Governance processes
Audit Standards

- U.S. GAGAS
  - Generally Accepted Government Auditing Standards (“Yellow Book”)
  - Performance audit definition broad in scope
    - Objective analysis
    - Improve performance and operations
    - Reduce costs
    - Facilitate decision-making
    - Public accountability

GAGAS (cont.)

- Performance audits can have various objectives
  - Program effectiveness
  - Economy
  - Efficiency
  - Internal control
  - Compliance
  - Prospective analysis
- May look at policy bases of programs
  - Denver Animal Care and Control (ACC) audit
Denver ACC Report

Denver’s Dog and Cat Licensure Requirement Should Be Replaced with Optional Registration

The City and County of Denver requires that dogs and cats six months or older be licensed, but we found that this policy is redundant, ineffective, and creates a public perception risk regarding the revenue generated by enforcing an ineffective licensure policy. Consequently, the Manager of the Department of Environmental Health (DEH) should recommend that the City Council repeal the requirement that all dogs and cats be licensed, which some other Colorado jurisdictions have already done, and instead identify incentives to encourage Denver residents to obtain an optional pet registration.

Licensure requirement is an ineffective policy—Denver’s licensure requirement for dogs and cats is an ineffective policy that does not contribute to public health, has very high rates of non-compliance, and often does not result in reunification of pets with their owners. Denver Revised Municipal Code (D.R.M.C.) provides that cats and dogs aged six months or older must have a license.¹ However, an assessment of the legal requirements for public health protection related to dogs and cats, as well as discussions with various professionals familiar with animal care and control, failed to identify any impact of licensure on public health. Existing regulations in the City and County of Denver, including the requirement that dogs and cats be vaccinated for rabies, the requirement that most dogs and cats be spayed and neutered, and the prohibition on dogs roaming at large, create an umbrella of protection for which licensure is simply redundant. Further, the policy penalizes dog or cat owners who effectively oversee their animals and who do not create additional work for Animal Care and Control (ACC).

Canadian Standards

• You tell me!
  o Do Canadian standards have a specific definition of performance auditing?
  o Do they provide a broad range of potential performance audit objectives?
  o Compare and contrast
Background and History

History

- The concept of performance audits has been fed from various streams
- Other terms
  - Operational auditing
  - Comprehensive auditing
  - Value for money (VFM) auditing
  - Management auditing
Auditing History

• References to auditing in classical writings
  o Aristophanes, Caesar, Cicero
  o Zenon papyri
    • Ptolemy II
• English government
  o Act of 1667 mandated special commissioners to examine management of the Royal Navy

19th Century Auditing

• Internal auditing grew with railroad development
  o “Travelling auditors”
• Krupp Company
  o Armaments and munitions
  o Performance auditing from at least 1875

“The auditors are to determine whether laws, contracts, policies and procedures have been properly observed and whether all business transactions were conducted in accordance with established policies and with success [emphasis added]. In this connection the auditors are to make suggestions for the improvement of existing facilities and procedures, criticisms of contracts with suggestions for improvement, etc.”
-Krupp audit manual Jan. 1875
Importance of Public Sector

- Auditors in the public sector significantly contributed to the growth of performance auditing.
- In English-speaking countries, 20th century growth has occurred longest in the U.S.
  - Public sector agencies in Canada, U.K., Australia, and New Zealand have all contributed to the diffusion of performance auditing in 20th century.

T. Coleman Andrews

- Certified Public Accountant and background in public sector auditing and financial controls in Virginia.
- Hired by General Accounting Office as first Director of Corporation Audits Division (1945-1947)
  - Created in the 1945 Government Corporation Control Act.
  - Act set out expectation for more than just financial statement and internal control examinations.
- Andrews focused on program effectiveness.
  - Strong language.
  - Use of summaries for busy readers.
Lennis Knighton

- 1967 dissertation analyzed performance auditing possibilities for state and local government
- Key figure in developing performance audit ideas for state and local governments
  - Utah Legislative Auditor General
  - BYU professor
- Many auditors can trace back to Knighton

This week, a “performance audit” of motor vehicle management in state government was issued by Lennis Knighton, legislative auditor general. He found most state-owned vehicles are permanently assigned to units and individuals rather than dispatched from motor pools. No accurate inventory of vehicles owned by the state exists. Many cars still listed as state-owned have been sold.

In addition, many state-owned vehicles have no record of maintenance, and there is no uniform criteria for vehicle upkeep. The state still relies too much on intermediate-size cars, even though purchasing smaller cars would save considerably in fuel costs.

- Deseret News (Salt Lake City, Utah), September 23, 1977

GAO Yellow Book

- First issue issued in 1972 under the leadership of Elmer Staats
  - AICPA standards evolved in response
- Yellow Book emphasized program effectiveness
Canadian VFM Audits

- Next to the U.S., Canada has been the most important developer of performance auditing among English speaking countries
- J.J. Macdonnell appointed Auditor General in 1972
  - Series of Federal Audit Office audits 1973-1978 laid foundation for comprehensive auditing
  - 1977 – Role of Auditor General formally changed by Parliament to include economy, efficiency, effectiveness reviews
- Macdonnell helped found CCAF
  - CCAF collects and disseminates auditing knowledge for the public sector
  - Impact on broadening audit scope in Canada

Other Experiences

- U.K.
  - Local Government Finance Act (1982) formalized focus on efficiency, economy, and effectiveness
  - National Audit Act (1983) required VFM audits of most government agencies
- Australia and New Zealand
  - Conduct efficiency, economy, and effectiveness audits
  - Focus on first two elements
- Hong Kong (1980s)
  - Director of Audits wanted effectiveness reviews
  - Severely criticized for “subjectivity”
Importance of Effectiveness Reviews

- De-emphasis on effectiveness reviews in some countries
- Effectiveness reviews significantly improve value of performance auditing
  - What good is efficiency and economy in an ineffective program?
- Denver photo enforcement audit

Public Sector Values
Public Sector Values

- Key values for public sector organizations
  - Citizen approach: What do we demand from our public officials in our non-professional lives?
- We'll discuss
  - Accountability
  - Transparency
  - Good Governance
    - Direction setting
    - Monitoring
  - Equity
  - Integrity/Ethics
- Resource: *Role of Auditing in Public Sector Governance (2012)*

Accountability

- Responsibility of policymakers, management, and staff to ultimate sources of authority
- Citizen-centric auditing
  - Holding people accountable for their use of finances and responsibility
  - Asking questions citizens would ask
- Accountability can be difficult as go deeper in bureaucracy
  - Highlights importance of a strong performance management system
Transparency

- Openness in government
- More access rather than less
  - Open meeting laws
- Public reporting of information
  - Public audit reports
  - Performance data
- Open records laws
  - Example: CORA (Colorado Open Records Act)

Good Governance

- Direction setting
  - Laws, strategic plans, budgets...
  - Public sector performance auditors shouldn’t treat management direction as beyond question
    - Forward-leaning in the profession
    - Elevates importance of program effectiveness objectives
- Examples
  - Career Service Hearings and Appeals
  - Police Department budgeting approach
  - Others?
CSA Program Effectiveness

The CSA Board Lacks Transparency and Is Not Accountable to Policymakers, CSA Employees and Taxpayers

The governance structure for the Career Service Authority Board (Board) and the Career Service Authority (CSA) lacks adequate accountability to City policymakers, employees and taxpayers. The Board is directly responsible for the effectiveness and efficiency of the hearing process and rules on appeals of Career Service hearing officer decisions. However, the Board’s lack of transparency, also documented by an audit of the Board conducted in 2010, means that auditors, and therefore, the taxpayers public, cannot assess the Board’s role in adjudicating appeals of hearing officer decisions or its general effectiveness in governing the City’s most important and costly asset, a majority of its employee base. As a result, Board members are not held accountable for their decisions and actions regardless of merit and costs to the City and taxpayers.

Concerns about the Board’s Accountability, Transparency, and Qualifications Raise Serious Questions about the Effectiveness of the Current CSA Governance Structure

The Board oversees the Career Service Authority (CSA), which was first developed in 1954, over a half century ago. CSA has significant administrative responsibility for non-uniform personnel, including providing training and setting employment rules. Due to the importance of CSA’s human resources function, taxpayers, CSA employees, and policymakers have a significant interest in how effectively CSA is being managed. However, the structure of the Board and its actions during this audit raise questions about the Board’s level of accountability and the effectiveness of the CSA governance structure.

Good Governance

- Monitoring
  - Performance management
    - Ensuring that direction previously set are being implemented
  - Is management assessing performance
  - Is management re-assessing direction if evidence suggests need
  - Is management correcting course
- Performance auditing of monitoring can include objectives such as contract compliance auditing or performance measurement auditing
San Francisco Performance Reporting

- San Francisco Auditor reports on KPI quarterly

<table>
<thead>
<tr>
<th>Activity or Performance Measure</th>
<th>Rolling Yearly Average</th>
<th>Prior Period Average</th>
<th>Current Period Average</th>
<th>Period-to-Period Trend</th>
<th>% Change</th>
<th>Trend</th>
<th>% Change</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Safety</td>
<td></td>
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<tr>
<td>Total number of serious violent crimes reported (homicide, forcible rape, robbery, and aggravated assault, per 100,000 population)</td>
<td>68.6</td>
<td>65.4</td>
<td>76.9</td>
<td>17.6%</td>
<td>-</td>
<td>7.5%</td>
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<tr>
<td>Total number of serious property crimes reported (burglary, larceny-theft, motor vehicle theft, and arson, per 100,000 population)</td>
<td>389.6</td>
<td>403.3</td>
<td>453.1</td>
<td>12.4%</td>
<td>-</td>
<td>28.8%</td>
<td>-</td>
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- The total number of serious property crimes reported (burglary, larceny-theft, motor vehicle theft, and arson, per 100,000 population) has increased by 12.4% from the previous quarter and 28.8% from the same quarter the previous year.

<table>
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<th>% Change</th>
<th>Trend</th>
</tr>
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<tbody>
<tr>
<td>Average daily county jail population</td>
<td>1,553</td>
<td>1,531</td>
<td>1,519</td>
<td>-1.4%</td>
<td>-</td>
<td>0.0%</td>
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Equity

- Service costs and benefits
  - Taxes and fees
    - Wastewater cost allocation example
    - Does the use of fees and taxes need to be adequately supported to reduce liability
    - Reducing liability is often a more persuasive argument to help improve equity
  - Services provided
- Police/Regulatory power
  - Applied equally
  - Consistent with law
Integrity/Ethics

- Key questions about ethics
  - Is there an ethical culture?
  - What is the tone at the top?
  - Is there an ethics infrastructure?

Auditors and Integrity/Ethics

- What can an auditors office do to assess issues of ethics and integrity?
- Fraud hotlines
  - Host a fraud hotline
  - Advocate for fraud hotlines in your organization
  - Tips most common source of fraud information (Source: 2012 Report to the Nations)
  - Hotlines excellent way to solicit tips
Auditors and Integrity/Ethics

- Ethics audits
  - Why?
    - Public trust at risk
    - Reputational risk to organization
  - Ethical culture matters
    - National Business Ethics survey on whistleblowers (2011)
    - National Government Ethics Survey (2007)
      - Local government management least likely to know about ethics risk

Denver Ethics Audit

- Overview
- Best practices
  - Strong ethics culture
    - One test of an ethics culture’s strength is whether it incentivizes reporting
  - Whistleblower program with codified protection
  - Ethics code
  - Comprehensive guidance
  - Anonymous complaints allowed
  - Resources to allow for investigation and follow-up
  - Proactive reporting on trends to management regarding the ethical environment
    - Various entities have to be willing to share information
  - Training
Denver Ethics Audit (cont.)

- **Resources**
  - Chapter 8 of the U.S. Federal Sentencing Guidelines for Organizations
    - Key criteria for private and public sector ethics and compliance (E&C) programs
  - Ethics Resource Center
    - National Business Ethics Survey (most recent – 2011)
    - National Government Ethics Survey (most recent – 2007)
  - Rutgers – Center for Government Ethics and Compliance
    - [http://rcgee.camlaw.rutgers.edu/](http://rcgee.camlaw.rutgers.edu/)
  - Society of Corporate Compliance and Ethics
    - *Compliance and Ethics Professionals* magazine
    - Social media site (community.corporatecompliance.org)

Activist Auditor Exercise

- **Part I**
  - Read and review article in small groups
  - Work on discussion questions
  - Ideally teams develop answers to all questions

- **Part II**
  - Group discussion of questions
Discussion Questions

- What is the primary argument of the article?
- The author cited \textit{budgeting for results, political culture,} and \textit{complex legal environment} as factors facilitating the rise of performance auditing.
  - Do these factors help or inhibit basic performance auditing (not activist performance auditing) in your organization?
- The author lists six attributes of the \textit{activist auditor}
  - How many of these apply to the audits or audit shops in your organizations?
  - Are these attributes barred in your organization either formally or informally? Explain. (The \textit{Obstacles to Activist Auditing} section on page 390 may help stimulate your thinking.)
- Are the six qualities of an activist auditor necessary for effective performance auditing in the public sector?
  - If some are unnecessary, which ones and why?

Some Key Points in the Audit Process
Risk Assessment – Organization

- Risk assessment (Macro)
- Results in annual audit plan
  - In some shops organization level risk assessment also entails audit level risk assessment
  - This results in objectives for fieldwork

Audit Universe

- Traditional methodology
  - Create population of all possible risks
  - Rank/prioritize
  - Base audit plan on risk prioritization
- Issues
  - Creates presumption (and momentum) that all risk areas will be audited
  - Opportunity cost
    - To auditing low risk areas
    - To compiling “universe” and performing risk assessment on all universe elements
GRC Approach

- Alternate methodology
- Ensure management has robust risk management program
  - Use program to drive annual audit plan and prioritizing audits of most important risks first
- Approach helps to better match audit resources to most important risk areas
  - If 50% of organization resources spent on construction, perhaps spend 50% of audit resources auditing construction
- Approach works best when management already developed a strong risk management program
  - Not always true in public sector

Audit Horizon

- Alternate approach
- A three year prospective assessment of high risk areas
  - Audits can move forward or back depending on changing assessment of risk
- Saves time and resources
- Doesn’t create a false sense of full audit coverage
- Flexibility to provide audits as requested by management or policymakers
  - Customer service
  - Adding value helps impact and long-term security of role
Risk Assessment – Audit Level

- Ongoing process
- Helps drive audit budget
  - Shouldn’t be stuck with hours as assigned in annual plan
- Should occur all through audit
  - Generally occurs in plan to develop objectives
  - Can occur in fieldwork
  - Examples of risk identified in fieldwork?
- Continuing to weigh risk in fieldwork helps audit report message development

Risk Assessment – Audit Level

- Methodology
  - Quantitative
    - Reasonable approach
    - Should not be confused with more objectivity or precision
  - Qualitative
    - Evaluating which risk most important to mission
  - Both approaches comply with audit standards previously discussed
    - Assessment should be documented
Performance Measure Auditing

- Focus on accountability and transparency

- Role for the auditors
  - Relevance – Are measures meaningful for foundational performance management?
  - Validity – Are data reported accurately?

Performance Measurement Best Practice

- Best Practice
- Five types of measures
  - Input
  - Output
  - Efficiency
  - Quality
  - Outcome
- Good to have array of types

- Coherent strategic plan
  - Vision/Values/Mission
  - Goals
    - 3-5 years
  - Objectives
    - Several weeks to a year
  - Performance measures
- All levels work together
- Should show evidence of benchmarking
Is it Enough to Have Measures?

- 2013 study
- Looked at 190 U.S. cities
  - 27 with exemplary systems
- Results
  - Minority of 27 cities actually use data to manage
  - Lack of learning culture
  - Only two cities validating data publicly reported

Applications for Auditors

- Validating performance measurement data
- Assess current performance measures based on best practice
  - Array of measures
  - Coherent strategic plan
  - Challenging but achievable
  - Publicly reported in same place
- Help management see value of learning culture
  - Root cause analysis
  - Ask more “why?” questions
- Assess connection of strategic planning to budgeting
  - Performance-based budgeting
Some Performance Management Resources

- GPRA (http://www.whitehouse.gov/omb/mgmt-gpra/gpaw2m)
- GPRA Modernization Act (http://www.whitehouse.gov/omb/performance/gprm-act)
- OMB Circular A-11, Part 6 (http://www.whitehouse.gov/omb/circulars_a11_current_year_a11_toc)
- National Performance Management Advisory Commission (www.pmcommission.org)
- University of Victoria working paper on measuring and managing performance in local government (http://www.uvic.ca/hsd/publicadmin/assets/docs/professionalDevelopment/pdfs/hildebrand_finalpaper.pdf)

Audit Report Writing

- Why do we write audit reports?
  - To share information
  - For key stakeholders
  - To make informed, critical decisions
  - Ultimately for impact

- Impact
  - Reports that are actionable
  - Going beyond direct recommendations
Writing for the Busy Reader

- Make it interesting
  - Busy readers need a reason to want to read a report

- Make it easy to read
  - Tell the reader where they are going while reading
  - Make your point early
  - Create a “road map” throughout the report

- Write to reader expectations
  - Easier interpretation when information is placed where readers expect to find it

Reader Expectations

- *American Scientist* article (1990)
  - Write like a reader
  - Understand reader expectations
  - Writing in a certain way enhances reader comprehension

- Reader comprehension is:
  - 15% about word choice
  - 85% about structure
### Reader Expectations (cont.)

- **The five essential questions a reader needs to answer in trying to make sense of a sentence:**
  - What is going on here?
  - Whose story is this?
  - How does this sentence connect backward?
  - How does this sentence connect forward?
  - What is the most important piece of information in this sentence?
- The answers to all five questions are conveyed by **structural location**.

### Reader Expectations (cont.)

- **Structural Location**
  - Subject-Verb Separation
    - Keep them close
  - The “Topic Position”
    - Start with perspective and context
  - The “Stress Position”
    - Readers naturally emphasize the material at the end of the sentence
Reader Expectations (cont.)

- Readers expect consistency
  - Within a report
  - From report to report

- Readers read selectively
  - Allow them to pick and choose
  - The concept of “layering”

- Readers prefer to read the main message first
  - Then follow with supporting information

Reader Expectations (cont.)

- Deductive writing
  - Start with the main point
  - Move to supporting information
  - Similar to the way newspaper articles are written
    - Don’t “bury the lead”

- Inductive writing
  - Start with supporting information
  - Build up to the conclusion
  - Academic writing style
Example: **Inductive** Paragraph

Oceans have ingredients which can benefit human health. Several important medical treatments are based on chemicals discovered in marine animals. On the other hand, increasingly common phenomena such as harmful algae blooms have demonstrated their negative impact on human health. The health of marine ecosystems is affected by human activities such as pollution, global warming, and over fishing. But at the same time, human health depends on thriving ocean ecosystems. We need a better understanding of the many ways marine organisms affect human health, both positively by providing drugs and bio-products, and negatively by causing human ailments.

Example: **Deductive** Paragraph

Beneficial and harmful links exist between human health and ocean health. While several important medical treatments are based on chemicals discovered in marine animals, increasingly common phenomena such as harmful algae blooms have demonstrated their negative impact on human health. The health of marine ecosystems is affected by human activities such as pollution, global warming, and over fishing. But human health in turn depends on thriving ocean ecosystems.
### Reader Expectations (cont.)

- **Framing**
  - Grouping information effectively
  - Helps increase comprehension
  - Use throughout entire report length
  - Aided by transition words and signposting

### Example of “Framing”

**EXECUTIVE SUMMARY**

The City and County of Denver maintains a fleet of more than 4,000 vehicles and equipment, which are essential for providing city services and conducting city business. The management of the City’s fleet is decentralized and managed by three separate Departments: Public Works, Department of Safety, and Department of Aviation. Primary fleet management responsibilities include vehicle purchase, vehicle utilization, vehicle maintenance, and vehicle disposal. The fleet is crucial for service provision and city operations, and as such, it is important for the fleet to be managed efficiently and effectively. The audit identifies several opportunities for enhancing certain fleet management practices.

**Finding 1: Lack of Accountability and Monitoring Over Take-Home Vehicles**

There are approximately 475 City employees authorized to take a City vehicle home for the purposes of responding to City emergencies occurring outside of normal business hours. The ability to commute in a City vehicle to and from work is considered an additional form of compensation to the employee that must be valued and accounted for in most cases. Audit work determined that the requirements surrounding take-home vehicles are not being complied with, monitored for enforcement, or being applied consistently.
Know Your Audience

- Performance audits are citizen centric
- Multiple audiences
- Use plain English
- Avoid jargon
- Explain clearly

Multiple Audiences

- Citizens / Taxpayers
  - Questions about their government
  - Concern about how their tax dollars are being spent
- Audit Committee
  - Made up largely of former auditors
  - Not all have experience with public policy-oriented performance audits
- Policymakers
  - Differing levels of familiarity with programs being audited
  - Role of Government Affairs Director
Multiple Audiences (cont.)

- Other Government Audit Shops
  - Network of local government auditors
  - Knighton Award winners
- Financial Auditors
  - BKD

Avoid Jargon & Explain Clearly

- Definition at the beginning of the section
- Signposting for the reader
- Call-out boxes highlight key take-aways

**Passenger Facility Charges (PFC)** are fees collected by air carriers from passengers for each ticket purchased for departure at any airport that has received approval from the Federal Aviation Administration (FAA) to participate in the PFC program. Once the FAA has approved PFC collections at a given airport, the PFC may not be varied by the air carrier or by the airport, airport tenants, or by the airport authority. A PFC of up to $4.00 is collected based on the fare paid for each one-way trip on the complete itinerary of an air travel ticket. An air carrier collects a PFC only for the first two airports where the PFC is imposed (up to $8.00 total). For each round trip, the air carrier collects a PFC only for the first two airports where the PFC is imposed (up to $8.00 total). The total PFC is imposed at the first two airports of the itinerary and the second two airports of the itinerary. A PFC is imposed at each airport where the PFC is imposed (up to $8.00 total). For each round trip, the air carrier collects a PFC only for the first two airports where the PFC is imposed (up to $8.00 total). A PFC is imposed at each airport where the PFC is imposed (up to $8.00 total). For each round trip, the air carrier collects a PFC only for the first two airports where the PFC is imposed (up to $8.00 total).
Message / Story

• Goal
  o Provide bigger picture of what audit findings mean
  o Weave data points into overall message

• Contrast against traditional audit reports
  o Financial audit report
  o Financially oriented audit report
  o Performance audit report

Message / Story (cont.)

• Story telling
  o Building disparate findings into a larger picture
  o Helps the reader understand what all the audit findings mean; similar to message
  o Not story telling in a conventional sense, since report is written deductively
Non-Finding Chapters

- Executive Summary
  - Consider length
  - Possible use of text boxes or graphics
  - Many people will only read the summary
    - Helps meet the needs of busy decision makers
  - Piloting development of a highlights document

Highlights Document

One sentence statement of the purpose of the audit

Provides highlights of the findings of the report

Outlines the recommendations

Summarizes response from management
Private prison oversight has improved, but additional actions needed to strengthen monitoring

Finding 1

The Department of Corrections has implemented a new system to monitor private prisons. The Department has also increased the number of inspections and audits.

Main points highlighted

- Increased monitoring
- More inspections
- Enhanced oversight

Recommendations

- Implement new system
- Increase inspections
- Strengthen oversight

Recommen...
Non-Finding Chapters (cont.)

- Introduction
  - Context for the findings
  - Place for background material
  - Allows findings to get to the point more quickly
  - Educational component

Example:

Governance of the Career Service
Hearing and Appeal Process
Performance Audit
Introduction 

A major element of protection that CSA employees have is a property right to their employment. In the 1985 case of Cleveland Board of Education v. Loudermill, the United States Supreme Court held that certain public-sector employees have a property interest in their employment. The City and County of Denver employees with career service status have rights under Career Service Rule 5 and are afforded property rights to their employment. Nevertheless, employees in non-career status, training or probationary status may be terminated without an opportunity to appeal the decision to the Hearing Office unless reasons are related to discrimination or whistleblower violations. CSA Rule 5 explains employment status, employee rights, and privileges and benefits for career and non-career status employees.

Due process is provided by the Fifth Amendment and the Fourteenth Amendment of the U.S. Constitution. The Fifth Amendment provides that no person shall "be deprived of life, liberty, or property, without due process of law." The Fourteenth Amendment provides that "No State shall deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws." The essential requirements of due process require that an individual be given notice of the reason for the loss of their "property" (e.g., discharged from their job) and be given an opportunity to respond. These protections are established through City Charter § 9.1.1, DIRM C, Chapter 18, and CSA Rule 19. The purpose of Rule 19 is to

Non-Finding Chapters (cont.)

- Introduction (cont.)
  - Place for Scope and Methodology
    - We’re moving away from using audit periods
    - Allows us to address current issues and be more timely
    - Makes report writing more challenging; have to be conditional in some cases
  - Other Pertinent Information (OPI)
    - Share key information with policymakers and citizens:
      - When not all elements of the finding are present; or
      - If the area is still developing
Signposting

- Helps propel the reader through the report
- Can be verbal or visual
- Examples
  - Headings
    - In findings, sections, and subsections
    - Summarize key information
  - Transitions

Graphics

- Purpose
  - To deliver more concisely and clearly than with prose
  - Different learning styles
- Graphics used in conjunction with text
  - Provide readers with the main lessons from the table and clues on how to read it
- Ways to present information graphically:
  - Textboxes
  - Graphs
  - Images
  - Tables
Graphics (cont.)

• “Visual Aid” or “Visual Clutter”

Preparing to Write

• The foundation of good writing is good thinking
• Discuss report message throughout the audit
  o How is the message developing given new information
• Report Outlines
  o The more detailed, the better
  o Provide order and examples
  o Report writing is not cut and paste
• Managing upwards
Review

- Top 5 Ways to Write for Impact:
  - Write for the busy reader
  - Consider reader expectations
  - Write deductively
  - Tell a story
  - Use layers for multiple audiences

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