



Taxation, Revenue and Utilization of Expenditures (TRUE) Commission

John Palombi, Chair
Ron Mallett, Vice Chair

June 12, 2007

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TRUE Commission
c/o Jeff Clements
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117 W. Duval Street
Jacksonville FL 32202

904-630-1405

Honorable Michael Corrigan, President
Jacksonville City Council
Suite 425, City Hall
117 W. Duval Street
Jacksonville FL 32202

Dear Mr. Corrigan:

At its meeting last Thursday the TRUE Commission debated and adopted the enclosed resolution recommending that the City Council fund additional personnel in the upcoming fiscal year to expand the staff and thereby the work capability of the Council Auditor's Office. It has been the TRUE Commission's experience over its years of reviewing the audits and reports issued by the Auditor's Office that the work of the office is invaluable in identifying both financial carelessness and outright theft, and also opportunities for greater organizational and operational efficiencies. We are of the opinion that the result of the Auditor's work more than pays for itself in loss prevention and operational savings and improvements.

We are fully aware that the upcoming budget exercise will be an extremely difficult one, and that there is no "extra" money that could easily be put to this use. But we feel that a prudent investment of resources in additional Auditor's Office staff – and we have intentionally left the number and type of staff to your best judgment – will pay large dividends in reduced losses and increased productivity, operational efficiency, public confidence in the administrative work of the government.

We urge you to consider this proposal strongly, and we wish you the best of luck in your upcoming budget deliberations. As always, the TRUE Commission is always available to provide assistance in any area where you may desire our input.

Sincerely,

John H. Palombi
Chairman

RESOLUTION 2007-1

WHEREAS, the Council Auditor's Office provides invaluable service to the City of Jacksonville in many forms, including performance and financial audits, assistance with the legislative process of the City Council, and special projects as needs and issues are identified; and

WHEREAS, the Auditor's Office is the primary audit agency of the City, undertaking financial and performance audits throughout the City government and its affiliated independent authorities and Constitutional offices, working in cooperation with the internal auditors in those departments and agencies that have them and working very intensively with the City's annual independent auditor; and

WHEREAS, the Council Auditor's goal is to audit all City departments and divisions at least once every five years, but is unable to meet that schedule with available personnel and resources, with the result that numerous divisions, departments, authorities and Constitutional officers have not been audited in many years; and

WHEREAS, the Council Auditor's staff has recently performed the Risk Assessment process that it undertakes every three years to evaluate and rate potential audit projects and has identified 88 separate offices, functions or items worthy of audit attention, which represents many years worth of effort (see attached); and

WHEREAS, the Auditor's Office currently has 20 employees (an increase of only 3 positions since 1997, during which time the size and scope of the auditable budget has more than doubled), of which 8 are assigned full-time to the audit function, 5 are assigned to special projects, 4 are assigned to the legislative support function, and 2 are clerical support staff, in addition to the Council Auditor; and

WHEREAS, an ordinance is currently pending before the City Council to require the Auditor to audit each Constitutional officer's operations once every five years, which will be difficult given the current constraints of time and resources; and

WHEREAS, it is the opinion of the TRUE Commission that the Council Auditor's Office does outstanding and valuable work for the City, and that with additional resources could be even more productive in performing work that identifies potential cost savings and productivity improvements, and identifies or prevents opportunities for theft, fraud, or other abuses of the public trust, and would very likely more than recover the cost of the additional investment in the office's operations; now therefore

BE IT RESOLVED that the TRUE Commission does hereby recommend to the City Council and the Mayor that, current budget restrictions notwithstanding, the Council Auditor's Office be permitted and funded in the upcoming budget to hire additional personnel to expand its audit operations for the well-being of the City's finances and the protection of the public trust in City government.

Adopted by vote of the Commission this 7th day of June, 2007.

John Palombi, Chairman