

Audit Committee February 5, 2024



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Overview

- Under §4.07 and §4.08 of the City Charter, the Council can investigate “affairs of the city and the conduct of any department, office or agency” and conduct independent “audits as it deems necessary.” See below for full text:

City Charter

Sec. 4.07. - Investigations.

The council may make investigations into the affairs of the city and the conduct of any department, office or agency and for this purpose shall have the power to administer oaths and require the presence of witnesses and production of evidence by subpoenas obtained by order from the district court on application from the council.

Sec. 4.08. - Independent audit.

The council shall provide for an annual independent audit of all city accounts and may provide for such additional audits as it deems necessary. Any audit of all city accounts made pursuant to law by the state public examiner or other state officer designated by law shall be deemed an independent audit.

- The City Council re-established the creation of a Saint Paul City Council Audit Committee in 2020 to conduct performance audits. (See, [RES 20-1110](#) and [Appendix A-2](#) of the Administration Code)



Committee Charter

- **Mission:** To evaluate the financial and program performance of City departments to build public trust and ensure outstanding service delivery, transparency and accountability.
- **Charge of the Audit Committee:** With input from the community and city staff, the committee will select a topic based on the potential impact an audit could have on improving the City's efficiency and effectiveness, interview and select consultants to perform the audit, and monitor the work of the consultants throughout the process. A final report will be presented to the City Council and Administration on its findings. The Committee may also request an update from the Administration on its progress toward recommendations from previous audits and update the Council accordingly. (NOTE: Performance audits are done with the cooperation of the Administration.)
- **Makeup of the Audit Committee:** The Council President will appoint up to four (4) Councilmembers who will be guided by an Advisory Group made up of the City's Finance Director (*vacant*) and Innovation Director (*vacant*), and up to four (4) members of the public who are Saint Paul residents. These Advisors serve a three-year term.



Audit Committee Studies and Status Update

YEAR	TOPIC	PURPOSE	STATUS IMPLEMENTATION	DEPARTMENT SUPPORT
2021-22	"Customer and Constituent Services Study" - Cultivate Strategy	<ul style="list-style-type: none"> To research, analyze, and make recommendations focused on improving equitable access to the City's constituent and customer services. This study focused on departments separate from emergency services. They are <ul style="list-style-type: none"> Mayor's Office Office of Financial Empowerment City Council and City Clerk Financial Services Parks & Recreation Planning & Economic Development Public Library Public Works Regional Water Services Safety & Inspections Technology & Communications 	<p>Study was completed in January 2022 and a presentation was made to the City Council and shared with the Administration. (See, "<u>Customer and Constituent Services Study Report</u>")</p> <p>The study follow-up led to "Snacks & Service" event series that provided customer service professional development opportunities for all city staff, especially frontline staff, to better understand the services provided by other city departments.</p>	<p><u>2022</u></p> <ul style="list-style-type: none"> SEPTEMBER – Public Works (PW) NOVEMBER – Parks & Recreation – <p><u>2023</u></p> <ul style="list-style-type: none"> MARCH – City Council (CC) APRIL– Human Rights and Equal Economic Opportunity (HREEO) NOVEMBER – Office of Technology & Communications (OTC) FALL 2023 – University of Minnesota "At Your Service Training" <p><u>2024</u></p> <ul style="list-style-type: none"> JANUARY– Saint Paul Public Library APRIL – Emergency Management MAY– Regional Water Services TBD – Department of Safety & Inspections (DSI) TBD – Office of Financial Services TBD – Planning & Economic Development



Audit Committee Studies and Status Update (Cont'd)

YEAR	TOPIC	PURPOSE	STATUS IMPLEMENTATION	DEPARTMENT SUPPORT
2022-23	"Real Estate Development Study" – Baker Tilly	<ul style="list-style-type: none">• To conduct a comprehensive review and process mapping of real estate development services across City departments and to provide a report with recommendations to the city for improvements to the process.• The study will focus on how businesses interested in developing residential or commercial development projects may easily navigate the various City departments' processes and requirements.	<ul style="list-style-type: none">- Moving forward to dissolve the contract with Baker Tilly- Under review with follow-up recommendation from PED Director Nicolle Goodman regarding next steps	<ul style="list-style-type: none">• Planning & Economic Development (Lead)• Department of Safety & Inspections• Public Works
2024	"Saint Paul Parks and Recreation Department and Saint Paul Public Library Collaboration and Efficiency Study" – To Be Announced	<ul style="list-style-type: none">• To identify areas of improvement and potential cost-saving measures in operations within the Saint Paul Public Library Agency and the Saint Paul Parks and Recreation Department.• The study aims to optimize resource allocation, streamline operations, and enhance overall efficiency.	Contract negotiation underway including scope of work	<ul style="list-style-type: none">• Parks & Recreation Department• Saint Paul Public Library



Community Engagement

- The committee works with the Mayor's Cabinet, City Departments, District Councils, Community Partners, and a broad group of stakeholders to identify topics for further study.
- This Committee will ensure a cooperative and respectful process to:
 - Enhance accountability of City operations to performance expectations outlined in adopted codes, policies and budgets;
 - Improve efficiency and effectiveness of City operations; and
 - Demonstrate to the public of the City Council's commitment to efficiency and positive outcomes, especially as it contemplates tax increases.
 - The Committee will report and share the findings with the public and Administration and will also work with the Administration to implement recommendations based on audit findings.
- The Committee meets, at least once annually, with each Department Head to understand the opportunities, challenges and needs facing each City Department.



Community Engagement (Cont'd)

- **Topic survey(s):** The Committee will annually review topic submissions and use a common criterion to rank and select the audit topics. (Note: The process to simplify the review process is under development.)
 - In 2021, one survey was developed and solicited from city staff, residents, district councils and the business community. This 2-week survey received 215 submissions and resulted in 4 top topics consideration: Constituent Services-311, Human Resources Promotion System, Partnership-Merger Project, and Youth Programming. (Selected: Customer and Constituent Services Study)
 - In 2022, a survey was not solicited. The topic selected came out of a department invitation for the Department of Planning & Economic Development (PED) to discuss opportunities and challenges it was facing. (Selected: Real Estate Development Study (***incomplete***))
 - In 2023, the Committee created two surveys: city staff and residents, to solicit topic ideas and made the two surveys evergreen and available year-round with quarterly updates of topic suggestions. At the end of December, the two surveys resulted in a total of 108 submissions. There were no clear topics that rose to the top. Ultimately, the topic selected came out of Council's Budget Committee and will focus on efforts to create opportunities for efficiencies between the Library and Parks & Recreation departments. (Selected: Saint Paul Parks and Recreation Department and Saint Paul Public Library Collaboration and Efficiency Study (***contract and scope of work under development***))



Community Engagement (Cont'd)

- **Engagement with the 17 district councils:** The engagement was initiated in 2023 to meet and introduce the committee members to the district councils about the work of the committee. Topics may come out of these events.

District Councils Engaged

- West Side Community Organization (D3) – Sept. 25, 2023
- Fort Road Federation (D9) – Nov. 13, 2023
- Union Park (D13) – Nov. 20, 2023
- Mac/Groveland (D14) – Oct. 12, 2023
- Highland (D15) – Sept. 7, 2023
- Summit Hill Association (D16) – Oct. 12, 2023

- Other:
 - SPNN with Mark Hughes – Nov. 20, 2023

District Councils Not Yet Engaged

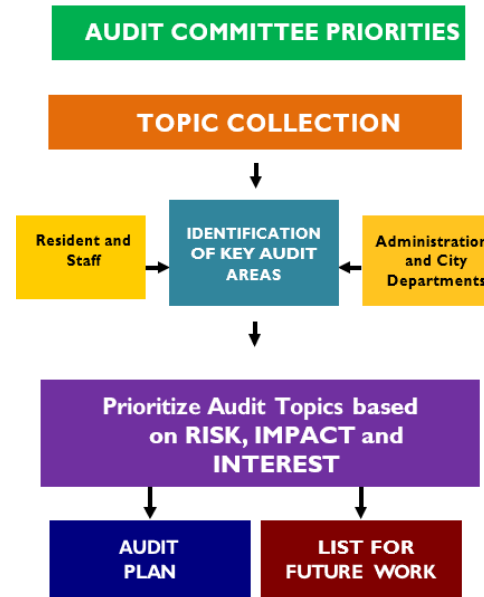
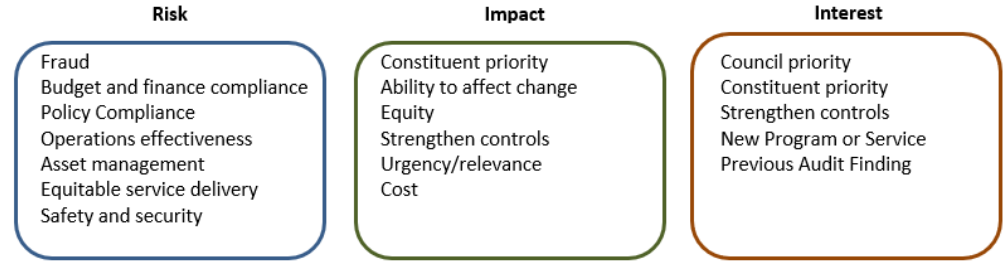
- Southeast Community Organization (D1) – TBD
- Greater East Side Community Council (D2) – TBD
- Dayton's Bluff Community Council (D4) – TBD
- Payne Phalen Community Council (D5) – TBD
- North End Neighborhood Organization (D6) – TBD
- Frogtown Neighborhood Association (D7) – TBD
- Summit-University Community Council (D8) – TBD
- Como Community Council (D10) – RESCHEDULED | TBD
- Hamline Midway Coalition (D11) – Jan. 23, 2024
- St. Anthony Park Community Council (D12) – TBD
- CapitolRiver Council (D17) – TBD



Topic Selection Consideration and Process

Assessment & Audit Project Prioritization: The collected information will be analyzed to identify potential audit topics received from internal and external stakeholders and consultant's analysis. The three factors for prioritization are:

Topic Selection Flow Chart: Annually, the committee will solicit suggestions and submit its recommendation regarding potential audit topics to the City Council for review and approval. The process is built to be flexible to allow for amendments and revisions to the scope of work before finalizing the topic for adoption by the City Council.





Questions

