

2026 Performance Audit Topic Selection Process

Purpose

To identify and select performance audit topics that provide the highest value to the City, strengthen accountability, and address areas of risk, inefficiency, public interest, or legal obligation.

1. Collect Topic Suggestions

Sources include:

- Audit Committee members
- City Council and Mayor's Office
- Departments and staff
- Members of the public
- Performance data, complaints, emerging risks referred from City Council, Budget Committee, or Organizational Committee meetings
- Prior performance audit study follow-ups

NOTE: All suggestions are logged into the topic tracker.

2. Initial Screening

Each suggestion must:

- Meet the Committee's Mission;
- Be within the Committee's Authority;
- 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.

NOTE: Topics not meeting criteria are documented and deferred.

3. Evaluation Criteria (Scoring)

Eligible topics are scored 1–5 in each category:

- **Risk & Impact:** financial, compliance, equity, service delivery, reputational
- **Feasibility:** data availability, complexity, resource needs
- **Strategic Alignment:** alignment with City priorities or legal responsibility
- **Value Added:** potential cost savings, performance improvement, innovation

NOTE: Scores guide prioritization but do not solely determine the final selection. Areas of considerations may examine:

- High-risk areas
- Community or equity impact
- Operational efficiency or modernization

4. Stakeholder Consultation

Before final selection, staff consult:

- Relevant departments
- Legal counsel
- Community stakeholders (if applicable)

- Subject-matter experts

NOTE: Wilder Research will be consulted to help refine scope but does not determine topic selection.

5. Committee Review & Approval

Audit staff present:

- Draft Scope of Work

Audit Committee Members and Advisors:

- Recommend and refer top two topics to the City Council
- Evaluation and rank topic selections

NOTE: The Audit Committee discusses, amends, and approves up to two **audit topics for further study** annually. Wilder Research will prepare a final report for presentation and distribution.

6. Flexibility for Emerging Issues Consideration

Through the 2026 cycle:

- New legal or compliance risks
- Major service disruptions
- Significant public concern
- Time-sensitive opportunities