



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: City Auditor**

**Meeting Date: June 5, 2023**

Report #:2305-1430

### **TITLE**

Approval of Office of City Auditor Task Order Change - FY23-05 Various Reporting & City Hotline, as recommended by the Policy and Services Committee.

### **RECOMMENDATION**

The City Auditor and the Policy & Services Committee recommend that the Policy & Services Committee recommend City Council approve the change to the Task Order FY23-05 Various Reporting & City Hotline.

### **DISCUSSION**

In accordance with [our agreement with the City](#), Baker Tilly is required to conduct recurring activities each year. Task 5 is one of those recurring activities and described in our agreement as follows:

Task 5. Preparation of Quarterly Reports, Annual Status Report, Provision of City Hotline, and Other Ongoing Office Administrative Functions

The current contract, [Amendment NO.1](#), includes the budget schedule for FY2022-23, FY2023-24 and FY2024-25 that shows a budget amount of \$60,000 each year for Task 5. The main activities related to this task have been meetings with management and City Council members and preparing staff reports for City Council and Committee meetings. However, Baker Tilly needs to perform other activities normally performed by the Internal Audit function, namely, engagement project management and annual audit plan monitoring. Additionally, in recent months, Baker Tilly started spending more time on the City Hotline-related activities. It is expected to have more activities at least for the next few months.

To cover the hours and costs that will occur for the next few months, the budget allocated to the remaining two audits listed in the [approved FY23 Audit Plan](#), Long Range Planning and ADA Compliance, need to be applied to Task 5. Baker Tilly proposed some of the budget for Long Range Planning to be applied to Task Order 4.20 Procurement Process Review (\$19,350) and

Task Order 4.08 Public Safety Building (\$19,734). The remaining amount of \$43,416 for Long Range Planning and the budgeted amount of \$61,500 for ADA Compliance, totaling \$104,916, can be applied to Task 5. This will result in the total task order amount of \$164,916 for the 621 project hours.

The updated information is included in the attached modified Task Order FY23-05.

**FISCAL/RESOURCE IMPACT**

The change is within both the approved scope and compensation of the contract with Baker Tilly and funding levels in the FY 2023 Operating Budget for the Office of the City Auditor.

**STAKEHOLDER ENGAGEMENT**

No stakeholder outreach was necessary for this report, as it is an internal decision made by the OCA to reallocate resources for audit functions.

**ENVIRONMENTAL REVIEW**

Council action on this item is not a project as defined by CEQA because the audit activities do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. CEQA Guidelines section 15378(b)(4).

**ATTACHMENTS**

Attachment A: TASK ORDER FY23-05 Various Reporting & City Hotline (Modified)

**APPROVED BY:**

Adriane D. McCoy, City Auditor