

# CITY OF DETROIT FISCAL 2007/08 BUDGET

## AGENCY 50 AUDITOR GENERAL

### STATEMENT OF PURPOSE

The Office of the Auditor General (OAG) is to act as an independent, full-service appraisal function to examine and evaluate the City's activities in order to improve the accountability for public funds and improve the operations of City government. The OAG promotes the economy, efficiency and effectiveness of City government and protects against fraud, waste and abuse by conducting independent audits, investigations and evaluations; by keeping the City Council and the Mayor fully and currently informed of our work; by committing to total quality; by adhering to the professional standards of the auditing profession; and by promoting an atmosphere of mutual trust, honesty and integrity among OAG staff and the people we serve.

### DESCRIPTION

The Office of the Auditor General performs audits of each City agency and prepares written reports, which convey the resultant audit findings and recommendations to the City Council, the Mayor, and the management of each agency.

The OAG also performs special projects and other work, as requested by City Council, as initiated internally, or as required by City Code. Many of these projects result in formal reports or other communications to City Council. The Office also analyzes the Mayor's proposed City budget for City Council each fiscal year. The annual financial audits of the City and its Federal financial assistance programs are performed by outside auditors hired by the OAG.

The OAG has the responsibilities and authority stated in Section 4-205 of the Charter of the City of Detroit to make audits of the financial transactions of all City agencies; to make a report of the financial position of the City after the close of each fiscal year; to investigate the administration and operation of City agencies; to settle all disputed claims in favor of or against the City as provided by ordinance, and to make reports to City agencies of irregularities of practice and erroneous accounting methods.

The OAG's primary responsibilities are the examination and evaluation of the adequacy and effectiveness of the City's system of internal control and the quality of performance in carrying out assigned responsibilities.

The OAG also annually evaluates the effectiveness of the City's overall risk management function, and performs biennial evaluations of the administration and effectiveness of risk management function in each city agency.

### GOALS

1. Improve the auditing and consulting capabilities of the OAG staff.
2. Improve the quality and timeliness of audit reports.
3. Complete a minimum of twenty-five audits, in addition to investigations, or special projects.
4. Identify opportunities for expense savings and increased revenues.

### DEPARTMENTAL FINANCIAL INFORMATION

	GENERAL	
	<u>FUND</u>	<u>TOTAL</u>
EXPENDITURES	\$3,147,670	\$3,147,670
REVENUES	<u>0</u>	<u>0</u>
NET TAX COST	\$3,147,670	\$3,147,670
POSITIONS	23	23