

City of Detroit
JOB SPECIFICATION

AUDITOR

OCCUPATIONAL INFORMATION

Auditor professionals apply professional accounting and auditing knowledge, standards and principles, laws, and regulations while performing functions including, but not limited to: examination and appraisal of financial records, corporate and individual tax returns, receipts and bookkeeping practices, financial and management reports, management controls, policies and practices affecting or reflecting the financial condition and operating results of an activity; analyzing work related to the developing and executing audit policies and programs; conducting activities related to the detection of fraud, waste, and abuse; conducting in-person, telephone, and on-site investigative interviews; preparing audit reports; and recommending corrective action plans. Auditors also determine, educate, and advise on the federal, state, and city tax liability of individual and business taxpayers.

Major Auditor Functions

Auditors perform primarily three types of work: the financial audit, the performance audit and the tax audit. These functions, as well as other activities, are described in more detail below.

The Financial Audit. Financial audits include financial statement and financial related audits. Financial statement audits provide an opinion on whether the financial statements of an audited entity present fairly the financial position, results of operation, and cash flows in conformity with generally accepted accounting principles, policies, procedures, and guidelines relevant to a specific activity. Financial related audits include determining whether: the array of financial information meets established or stated criteria; the entity adheres to specific financial compliance requirements; the entity has an adequate internal control structure over financial reporting and the safeguarding of assets; and the financial information systems comply with applicable requirements.

Financial audits may cover a broad range of subjects. The subjects include financial statements such as statements of revenue and expenses, statements of cash receipts and disbursements, and statements of fixed assets. Financial audits also include financial information in items and matters such as those governing the bidding for contracts, amounts billed, amounts due, safeguarding assets, and responses to allegations of fraud. Financial audits may include response to investigation requests, hotline allegations, and support for investigations of fraud. Financial audits may include on-site examinations of income, property or other tax returns.

The Performance Audit. The performance audit is an objective and systemic examination to provide an independent assessment of the performance of a government organization, program, activity or function. Performance audits are of two types: the economy and efficiency audit, and the program audit.

The economy and efficiency audit determines whether an entity acquires, protects, and uses its resources such as personnel, property, and space economically and efficiently, the causes of less than maximum performance, and whether the entity complies with applicable laws and regulations on matters of economy and efficiency. In an economy and efficiency audit, the Auditor may examine such matters as: procurement practices; acquisition of the appropriate type of resources at appropriate cost; duplication of effort, idleness and overstaffing; valid and reliably reported measure of economy and efficiency; and information system development and security.

The performance audit determines the extent to which an entity achieves the desired results or benefits established by regulation or other authorization, the effectiveness of organizations, programs and activities, and whether an entity is complying with law and regulations applicable to a program. Program audits may cover these types of items: the relevance or appropriateness of program objectives; the extent

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to which a program achieves a desired level of program results; factors inhibiting satisfactory performance; alternatives for carrying out the program; the adequacy of management controls; and the validity and reliability of reported program effectiveness.

The Tax Audit. The tax audit is an evaluation of the finances of a company, individual, agency or organization to ensure they're in accordance with tax laws and regulations. Auditors use principles and practices of accounting, such as internal controls and record keeping, to accomplish this. Specific functions of a tax audit are based on whether they're auditing a company, government agency or an individual.

Auditors examine accounting, financial, and operating records and other data to determine level of compliance with established policies, procedures, and guidelines relevant to a specific activity. They conduct telephone interviews and on-site investigations of relevant parties to validate and authenticate data and information. Auditors identify irregularities or discrepancies in recordkeeping, controls, or operations of a specific area and recommend appropriate corrective measures, such as court actions, payment plan agreements, or recommend third party collection efforts.

Other Activities. Auditors may also perform services other than audits. They may, for example, assist a legislative body by developing questions at hearings, develop methods for evaluating a new program, forecast potential program outcomes, assist investigators, work on advisory teams, and perform special studies, evaluations, and inspections.

DEFINITION OF CLASS

The Auditor class covers positions that apply professional accounting and auditing knowledge, standards, and principles when performing the following duties: advising on, supervising, or performing work consisting of a systematic examination and appraisal of financial records, corporate and individual tax returns, receipts and bookkeeping practices, financial and management reports, management controls, policies and practices affecting or reflecting the financial condition and operating results of an activity; analyzing work related to developing and executing audit policies and programs; conducting performance audits; or conducting activities related to the detection of fraud, waste, and abuse. This class also covers positions that apply pertinent laws, regulations, and rulings pertaining to taxes, and/or as required duties and tariffs to determine, educate and advise on the federal, state, or city tax liability of individual and business taxpayers.

DUTIES AND RESPONSIBILITIES (Illustrative)

The duties specified below are representative of the range of duties assigned to this job class and are not intended to be an inclusive list.

Auditors with a specialization in financial and performance audits may perform a range of duties including, but not limited to:

- Reviews accounting, financial, control, and operating records and other data to determine level of compliance with established policies, procedures, s guidelines relevant to a specific activity
- Inspect account books and accounting systems for efficiency, effectiveness, and use of accepted accounting procedures to record transactions
- Prepares audit reports containing data on records audited, test checks made, conclusions reached, exceptions taken, objections made by audited party, and proposed action
- Examines records and interviews workers to ensure recording of transactions and compliance with laws and regulations

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- Audits payroll and personnel records to determine unemployment insurance premiums, workers' compensation coverage, liabilities, and compliance with tax laws
- Identifies irregularities or discrepancies in recordkeeping, controls, or operations of a specific area
- Maintains records for each account, including contacts, telephone numbers, and actions taken
- Explains rules, regulations, policies, and procedures as they relate to a specifically assigned area to affected parties to assist them in achieving maximum compliance and resolves problems with returns
- Reports to management about asset utilization and audit results, and recommends changes in operations and financial activities
- Examines and evaluates financial and information systems, recommending controls to ensure system reliability and data integrity
- Examines and reviews financial accounts, financial reports, and practices affecting or reflecting the financial condition of an activity
- Develops audit plans and defines problem areas for the comprehensive analysis of the overall operations of an organizational entity to predict the effects of proposed policies
- Conducts examinations that include investigating accounting records reflecting the complete range of reorganizations, mergers, leveraged buyouts, capitalization, or other similar business transactions
- Conducts examinations that involve points of law, that are without precedent and that require intensive and extensive legal research to locate cases and evaluate potential effects of decisions or interpretations
- Develops audit approaches to evaluate a variety of programs and accounting systems. Audit approaches vary widely because of the variability of subject programs and systems due to differences in organization or mission, technological advances, or changes in regulations. Prepares audit reports to provide information on program operations and identifies causes of deficiencies or problems. Recommends corrective actions such as modifying management systems, financial and accounting systems, workflow, lines of authority, and other corrective actions.
- Collects and analyzes data to detect deficient controls, duplicated effort, extravagance, fraud, or non-compliance with laws, regulations, and management policies
- Prepares detailed reports on audit findings
- Supervises auditing of establishments, and determines scope of investigation required
- Reports to management about asset utilization and audit results, and recommends changes in operations and financial activities
- Inspects account books and accounting systems for efficiency, effectiveness, and use of accepted accounting procedures to record transactions
- Examines records and interviews workers to ensure recording of transactions and compliance with laws and regulations
- Examines and evaluates financial and information systems, recommending controls to ensure system reliability and data integrity
- Reviews data about material assets, net worth, liabilities, capital stock, surplus, income, and expenditures
- Confers with company officials about financial and regulatory matters
- Performs special projects and other duties as assigned

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Auditors with a specialization in tax audits may perform a range of duties including, but not limited to:

- Conducts independent audits and investigations of income tax returns to verify information or to amend tax liabilities
- Investigates claims of inability to pay taxes by researching court information for the status of liens, mortgages, or financial statements, or by locating assets through third parties. Secures information regarding taxable income from public records and other sources to support case development
- Obtains and compares tax data reported to the Internal Revenue Service with that reported to Detroit to identify businesses that may not be reporting business done within the City
- Sends notices to taxpayers when accounts are delinquent, imposes payment deadlines on delinquent taxpayers, and monitors payments to ensure that deadlines are met
- Notifies taxpayers of any overpayment or underpayment, and either issues a refund or requests further payment
- Maintains knowledge of tax code changes and of accounting procedures and theory to properly evaluate financial information
- Assists management in the development of tax issue determinations, tax code and rule revisions and additions, tax guide inserts and bulletins
- Recommends appropriate corrective measures such as court actions, payment plan agreements or third party collections
- Contacts taxpayers by mail, telephone, or on-site to address discrepancies, and to request supporting documentation
- Analyzes particular facts of each tax case; Verifies and evaluates information; Obtains additional information to reconcile discrepancies or inconsistencies; Applies the pertinent tax laws, regulations, precedent decisions, and procedures to determine appropriate action from many possible alternatives in planning an approach and carrying out the assignment.
- Makes adjustments; Initiates credit transfers and payment tracers; Computes tax, penalty, and interest; Prepares manual refunds; Makes abatements; Prepares and executes waivers to extend statutes.
- Provides customer assistance in examinations by explaining issues involving such matters as accounting and its applicability to tax law and regulations, prevention of future delinquencies, and appeal rights
- Provides training to tax customers on such matters as technical tax law and accounting policies, practices, and principles, IRS tax programs, and pertinent tax law modifications
- Performs special projects and other duties as assigned

KNOWLEDGE, SKILLS, AND ABILITIES

The knowledge, skill, and ability of an Auditor increases with the level of responsibility and experience.

At the entry-level, knowledge requirements might include basic professional knowledge of:

- Concepts, principles, methods and practices of public, private, and governmental accounting, auditing, and tax code
- Standardized bookkeeping processes, accounting terminology, and generally-accepted accounting procedures (GAAP), accounting techniques, and other financial rules and regulations
- Federal and state laws, City of Detroit Income Tax Ordinance, uniform rules, regulations, guidelines, policies, precedents, business law, corporation finance, and economics related to the area of work
- Federal Single Audit Act and Office of Management and Budget Circular A-133 rules and regulations

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- Rules and regulations as stipulated by Governmental Accounting Standards Board (GASB) and Generally Accepted Auditing Standards (GAAS)
- Conducting investigative interviewing, writing reports, and making public contacts
- Techniques commonly used in locating errors in accounting records
- Structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar

At the intermediate level, knowledge requirements might include detailed, intensive knowledge of:

- Concepts, principles, methods and practices of public, private, and governmental accounting, auditing, and tax code
- Standardized bookkeeping processes, accounting terminology, and GAAP accounting techniques, and other financial rules and regulations
- Federal and state laws, City of Detroit Income Tax Ordinance, uniform rules, regulations, guidelines, policies, precedents, business law, corporation finance, and economics related to the area of work
- Federal Single Audit Act and Office of Management and Budget Circular A-133 rules and regulations
- Rules and regulations as stipulated GASB and GAAS
- Conducting investigative interviewing, writing reports, and making public contacts
- Techniques commonly used in locating errors in accounting records
- Structure and content of the English language including the meaning and spelling of words, rules of composition, and grammar
- Procedures used in collecting delinquent accounts
- Enterprise resource planning systems for finance, budget, general ledger, human resources, and other management systems and software programs

At the advanced level, knowledge requirements might include professional, comprehensive knowledge of:

- Concepts, principles, methods and practices of public, private, and governmental accounting, auditing, and tax code
- Standardized bookkeeping processes, accounting terminology, and GAAP, accounting techniques, and other financial rules and regulations
- Federal and state laws, City of Detroit Income Tax Ordinance, uniform rules, regulations, guidelines, policies, precedents, business law, corporation finance, and economics related to the area of work
- Federal Single Audit Act and Office of Management and Budget Circular A-133 rules and regulations
- Rules and regulations as stipulated by GASB and GAAS
- Conducting investigative interviewing, writing reports, and making public contacts
- Procedures used in collecting delinquent accounts
- Techniques commonly used in locating errors in accounting records
- Enterprise resource planning systems for finance, budget, general ledger, human resources, and other management systems and software programs

Skill in:

- Developing succinct written reports to management
- Communicating effectively, both orally and in writing
- Presenting concise financial information to a variety of audiences

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- Demonstrated analytical and problem solving skills
- Interpersonal skills to interact effectively with personal contacts in a business-like, customer service oriented manner, and maintain favorable public relations
- Use of personal computers
- Use of Microsoft Office (e.g. Word, Excel, Access, PowerPoint), and other office suite software packages
- Use of Excel (e.g. Formulas, Pivot Tables, Vlookup, Hlookup, other functions, charts, tables) and other financial management software packages functionality
- Use of large complex, multi-departmental financial systems, and demonstrate the knowledge required to interpret resulting financial and accounting reports, summaries and budgets

Ability to:

- Combine pieces of information to form general rules or conclusions (includes finding a relationship among seemingly unrelated events)
- Interpret and apply laws, regulations, and administrative policy to such matters as methods of budgeting, computation of grants, and determination of eligibility
- Maintain general and subsidiary ledgers and journals and prepare, analyze, and maintain regular financial statements and reports to the extent necessary
- Tell when something is wrong or is likely to go wrong. It does not involve solving the problem, only recognizing there is a problem
- Read and understand information and ideas presented in writing
- Communicate information and ideas in speaking so others will understand
- Conduct independent field audits, investigations and other inspections with accuracy and ensure compliance with rules and regulations
- Collect, interpret, and analyze information from a variety of sources; apply criteria; and draw conclusions
- Present data orally, in writing, or in PowerPoint in a clear and understandable manner to both technical and non-technical users
- Perform research on complex accounting rules and regulations, standards and procedures
- Formulate solutions to difficult and complex accounting and related financial problems
- Utilize independent judgment
- Learn and use contemporary financial management software and other related software for program and financial management systems
- Interact effectively with senior leadership, subordinates, department personnel, and others with tact and diplomacy
- Work as part of a team

SUPERVISORY CONTROLS

The level and nature of the supervision given to an Auditor professional will vary depending on the Auditor's experience and level, i.e. whether the Auditor is at the entry, intermediate or advanced professional level. Supervision may range from close and detailed up to and including a review only for adherence to policy.

At the entry-level, the Auditor works as instructed and consults with the supervisor, higher-grade audit professionals or higher-grade financial professionals on matters not specifically covered in the original instructions. All work is closely controlled either through the structured nature of the work itself, through

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review in-progress, or through review of completed work for accuracy, adequacy, and adherence to instructions and established procedures.

At the intermediate level, the supervisor, higher-grade audit professional, higher-grade financial professional or other designated authority may provide standing instructions on recurring assignments by indicating what is to be done, applicable policies and procedures to follow, quality and quantity of work expected, deadlines, and priority of assignments.

At the advanced level, the Auditor takes initiative to perform recurring or individual assignments. The Auditor also resolves recurring problems independently (e.g. investigates recurring discrepancies in procurement documents, obtains missing information from originators or explains procedural requirements). The Auditor refers situations not covered by instructions or precedents to the supervisor for decision or help. The supervisor provides administrative and policy direction in terms of broadly defined missions or functions of the organization. The supervisor also evaluates the accuracy and adequacy of completed work and methods used through indicators, such as the frequency and nature of problems resulting from errors in processing, problems with responding to inquiries or requests, the nature and frequency of complaints from serviced employees or others, and thorough a review of reports or other controls built into the system.

GUIDELINES

Extensive guidelines exist for Auditors. The differences in Auditor levels is determined by the judgment required to identify which guidelines to use, how to interpret the guidelines, and the ability to make judgments with missing, incomplete, or conflicting information. Guidelines exist in the form of agency regulations, legislation, procedures, manuals, and requirements; local, state, and federal rules and regulations; budget guidelines; appropriations language from City of Detroit, Wayne County, the State of Michigan, the Federal government, grants, and agencies; and tax regulations. The City of Detroit Charter and the City of Detroit Code of Ordinances also offer guidelines for how the city should be run; therefore, the Auditor must ensure financial compliance to the Charter and Code in addition to compliance to GAAP, IRS, Treasury Department, Office of Budget, other accounting standard bodies, and City Finance Directives. Judgment is required to determine applicability of these guidelines.

COMPLEXITY

The complexity of the work derives from the nature, number, variety, and intricacy of tasks, steps, processes, or methods in the work performed; the difficulty in identifying what needs to be done, and the difficulty and originality involved in performing the work. Work complexity is further driven by the policies and procedures that guide the work or from communications with City employees unfamiliar with auditing, and ability to translate financial and accounting data into reports easily understood by people with and without an auditing, budgeting, accounting and/or finance background.

SCOPE & EFFECT

The scope and effect of the work may center on support to the manager, higher-grade auditing professionals or financial professionals in the preparation and reconciliation of accounting reports, analysis, interpretation, and systems management. The accuracy and timeliness of the work may impact the reliability of the daily output of the individual or office and periodic auditing and financial reports and statements.

PERSONAL CONTACTS

At the entry-level, contacts are usually with employees in the immediate organizational unit or in closely related support units. Contacts are with employees outside the organization or with members of the general public in very highly structured situations. At the intermediate or advanced levels, contacts are

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with executives, officials, managers, professionals, and/or individuals, including corporation officials, and employees of other agencies, outside organizations, and businesses, and/or individual tax payers. Examples may include: Executive, Legislative, Judicial Branch staff members making inquiries on behalf of constituents; Various levels of agency management; Representatives of federal, state, county and local governments; Representatives of contractors including attorneys and accountants; and/or Administrators, professors, and staff of universities and hospitals. Contacts may or may not be routine or recurring and are dependent on the budget analyst level.

PURPOSE OF CONTACTS

At the entry-level, the purpose of contacts is to plan, arrange, acquire, coordinate, or advise on work efforts, and/or arrange for interviews and meetings to obtain information, and, as required, to obtain data to verify questionable items. Though differences of opinion may exist, the persons contacted are usually working toward a common goal and generally are cooperative. At the intermediate and advanced levels, the purpose of contacts is to influence, motivate, and persuade program managers and other officials in positions of decision-making authority with widely differing goals and interests to follow a recommended course of action consistent with established budget/financial management policies, objectives, or regulations.

PHYSICAL DEMANDS

The work may be characterized as sedentary. Typically, Auditors sit comfortably to do their work, interspersed by brief periods of walking, standing, bending, carrying of papers and books, and extended periods requiring the use of computer terminals to accomplish work objectives. Some work may require walking and standing in conjunction with travel to and attendance at meetings and conferences away from the work site.

WORK ENVIRONMENT

Work is performed in a comfortable office environment, which is appropriately lighted, heated, and cooled. The work environment contains no significant hazards. Some work may require walking and standing in conjunction with travel to and attendance at meetings and conferences away from the work site. The Auditor may encounter individuals that are upset.

During extended periods each year, Auditors may be required to work considerable overtime.

MINIMUM QUALIFICATIONS

These minimum qualifications establish the education, training, experience, special skills, and/or license(s), which are required for employment in the classification. Minimum qualifications increase based on the level of the position. Additional qualifications (i.e., special conditions) may apply to a particular position.

Education

For all Auditors, it is a requirement to have completed a bachelor's degree from an accredited college or university, with major course of work in accounting, finance, business administration, statistics or a closely related field. Such education must include at least twenty-four (24) semester (36 terms) credits in coursework of accounting or a related field.

In addition, Auditors with a master's degree, such as Master in Accounting, Masters in Taxation, and other appropriate and related courses of study meet the minimum experience required for Auditor II.

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Experience

For entry into the Auditor position, no work experience is required; however, the minimum education requirements must be met. One year of experience involving the examination and evaluation of the accounting, financial, operational, or control records of public agencies, private organizations, or individuals is preferred but not required. Auditors must demonstrate proficiency with integrated word processing and spreadsheet functions.

For selection, appointment to an Auditor level II or higher, in addition to the minimum education requirements, more progressive levels of experience are required based on the following:

- Auditor II – at least two (2) years of experience
- Auditor III – at least three (3) years of experience
- Auditor IV – at least four (4) years of experience

License / Certificates

Possession of a State of Michigan registration as a Certified Public Accountant (CPA) and/or certification as a Certified Internal Auditor (CIA) may be submitted for one year of Auditor II experience. There may be a requirement for some positions that Auditors have certifications.

Equivalency

Equivalent combinations of education and experience that provide the required knowledge, skills, and abilities will be evaluated on an individual basis.

WRITTEN TEST REQUIREMENTS

Applicants may be required to illustrate proficiency in the use of software packages such as the Microsoft Office Suite including Word and Excel. Applicants may be required to take written tests or work simulations to illustrate proficiency in other skill sets as may be determined based on the duties and responsibilities to be performed. These written tests might include mathematical skills and writing skills, including grammar and reading comprehension.

BACKGROUND AND OTHER CHECKS

Applicants may be subject to background, criminal, and credit checks.

POSITION TITLES

There are four positions in the Auditor job class specification:

Auditor I

This is the entry-level. As a trainee, the Auditor carries out a range of professional auditing assignments while learning the methods of the work.

Auditor II

This is the intermediate level. The Auditor performs an expanding range of professional auditing assignments in a developing capacity.

Auditor III

This is the experienced level. The Auditor performs a full range of professional audit assignments. Considerable independent judgment is used to make decisions in carrying out assignments that have significant impact on services or programs. Guidelines may be available, but require adaptation or interpretation to determine appropriate courses of action.

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Auditor IV

This is the advanced level. The Auditor may function as a lead auditor or head auditor. The Auditor assumes regular assignments, which have been recognized by Civil Service as having significantly greater complexity than those assigned at the experienced level.

Based on the program functional area, parenthetical titling may be used when special subject matter knowledge of a specific functional area is required.

PROBATIONARY PERIOD

Individuals appointed to a position in this class will be required to serve a probationary period of six months with the possibility of a six-month extension for a total of twelve months. If promoted to a position in this class, an individual will be required to serve a probationary period of six months. Performance will be carefully evaluated during the probationary period. Continued employment in this class will be contingent upon successful completion of the probationary period.

CODE DESIGNATIONS

Class Code: 13-2011-00

EEO Code: 2

Date Established: 03/10/2015