

FILED
OFFICE OF THE CITY CLERK
OAKLAND

CITY OF OAKLAND



2011 MAY 19 PM 2:21
CITY HALL • ONE FRANK H. OGDEN PLAZA, 4TH FLOOR • OAKLAND, CALIFORNIA 94612

Office of the City Auditor
Courtney A. Ruby, CPA
City Auditor

(510) 238-3378
FAX (510) 238-7640
TDD (510) 238-3254
www.oaklandauditor.com

May 18, 2011

**PRESIDENT PRO TEMPORE DE LA FUENTE
HONORABLE FINANCE AND MANAGEMENT COMMITTEE
OAKLAND, CALIFORNIA**

**RE: INFORMATIONAL REPORT ON THE OFFICE OF THE CITY AUDITOR'S
CONTRACT PROCESSES AND AWARDS**

Dear President Pro Tempore De La Fuente and Members of the Finance and Management Committee:

Please find enclosed information detailing the Office of the City Auditor's contracting processes, as well as the corresponding Oakland Municipal Code (OMC) for authority and compliance.

Since the beginning of Auditor Ruby's administration in 2007 and to ensure adherence to the City's approved policies and procedures, the Office of the City Auditor has coordinated its contracting activities with the Department of Contracts and Purchasing. Pursuant to City Ordinance No. 12820 C.M.S. and adopted on July 17, 2007, City Council set forth the City Auditor's purchase authority in OMC 2.04.021.

As outlined in OMC: 2.04.021 (A) "City Auditor Authority – City Auditor Purchase Authority", the Office of the City Auditor has the following contract authority:

"The City Auditor shall have the authority to bind the City by written contract in any amount without previous specific action of the Council or City Administration to obtain professional, technical or scientific services needed to audit the books, accounts, money and securities of all departments and agencies of the City and such other matters as the Council may request; to report to the Council periodically the results of such audits and to advise and make recommendations to the City Administrator regarding accounting and accounting systems throughout all departments, offices and agencies of the City; to report to Council instances of noncompliance with accepted accounting principles where recommendations for the compliance have not been implemented by the City Administrator after reasonable time and opportunity; and to conduct surveys, reviews, and audits as the Auditor deems to be in the best public interest or as required by the Council or Mayor specified in Oakland Charter Article IV, Section 403."

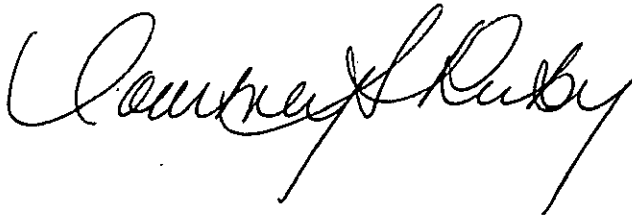
In section OMC: 2.04.021 (D) "City Auditor Authority – Compliance with Competitive Process, Personnel Findings, Purchasing Programs and Other Purchasing Requirements", the OMC states:

"With the exception of the contract authority granted under this section, all contracts entered into by the City Auditor pursuant to this section are subject to the competitive processes required under sections 2.04.050 and 2.04.051, below, and the personnel findings, purchasing programs and other purchasing requirements set forth or referenced in the remainder of the chapter."

The enclosed matrix details all contracts executed since January of 2007 by the Office of the City Auditor and illustrates compliance with sections (A) and (D) of the OMC 2.04.021, as well as OMC sections 2.04.050 and 2.04.051.

Please feel free to contact me if you have any additional questions.

Respectfully submitted

A handwritten signature in black ink, appearing to read "Courtney A. Ruby". The signature is fluid and cursive, with the first name "Courtney" written in a larger, more prominent script than the last name "Ruby".

COURTNEY A. RUBY, CPA, CFE
City Auditor

CONTRACT PURPOSE	CONTRACT PROCESS	COMPLIANCE WITH OAKLAND MUNICIPAL CODE			CONTRACT DATE
		2.04.021 - A Authority	2.04.050 ¹ Bid Procedure	2.04.051 ² Qualification Based	
Performance Audit: Payroll (<i>Sjoberg and Evashenk</i>)	Council Resolution: 80842 C.M.S.	N/A	N/A	✓	March 5, 2007
Audit Software: Teammate (<i>CCH</i>)	Council Resolution: 81233 CMS	N/A	✓	✓	May 1, 2007
OMC: 2.04.021 – effective, July 17, 2007					
Performance Audit: Public Works Agency (<i>Matrix Consulting Service</i>)	Request for Proposal	✓	N/A	✓	May 11, 2008
Performance Audit: Hiring Practices (<i>Sjoberg and Evashenk</i>)	Council Resolution: 81553 C.M.S.	✓	N/A	✓	September 16, 2008
Website Development (<i>Winning Strategies</i>)	Request for Proposal	✓	N/A	N/A	February 2, 2009
Fraud, Waste + Abuse (FW+A) Whistleblower Hotline (<i>EthicsPoint</i>)	Request for Proposal	✓	N/A	N/A	February 16, 2009
High Impact Report: PFRS Pension Obligation Bonds (<i>Aon Hewitt</i>)	Request for Qualifications	✓	N/A	N/A	July 15, 2010
Performance Audit: Fox Theater (<i>Thompson, Cobb, Bazilio and Associates</i>)	Request for Proposal	✓	N/A	✓	September 30, 2010

¹ OMC: 2.04.050 outlines bid procedure for goods and service contracts exceeding \$50,000.00

² OMC: 2.04.051 outlines competitive process and qualifications-based awards for professional service contracts exceeding \$25,000.00