## Lai Cluff

## Acting City Auditor Accomplishments – FY 2023/24

## Overview

Since my appointment as Acting City Auditor in December 2022, I have assumed all the responsibilities of the position with little or no disruption to our Office's work and administration. This included taking on the responsibilities for:

- supervising and managing audits,
- ensuring audit quality and compliance with Government Auditing Standards,
- report writing and editing,
- administration of department contracts, including several audit contracts,
- managing the department's budget and expenditures,
- training of new and existing staff,
- personnel and performance management,
- working with City leadership on audit-related issues,
- staying current on city matters that may impact audit risk,
- updates and communication with Mayor and Council on audit work,
- managing the recommendation follow-up process, and
- responding to fraud, waste, and abuse hotline submissions.

## Accomplishments

**Achieved full compliance on our independent peer review** – Government Auditing Standards require a triennial peer review of our policies and procedures, quality control processes, and compliance with professional standards. Our peer review was completed in May 2024. Given our small team, much the quality and compliance process are my direct responsibility. This requires continuous training, direction and guidance, review of staff work, and feedback.

**Implemented new audit workflow software with an online recommendation portal** – The application was acquired in late 2022 and after testing and configuration, we transitioned to the new application in mid-2023, rolling out the public recommendation dashboard on our city website in early 2024.

**Regional ALGA Conference hosted in Scottsdale** – In partnership with our neighboring cities, the Association of Local Government Auditors (ALGA), and the Association of Certified Fraud Examiners (ACFE), we hosted and organized a regional training conference at SkySong. The conference was attended by approximately 100 auditors last November. I presented a 2-hour session on construction audits.

**Continued to support the audit function at Scottsdale Unified School District** by conducting audits through an IGA with the District, participating in District Audit Committee discussions, presenting audit results to the Governing Board, and providing feedback and assistance as needed. Since the initiation of the IGA with SUSD in 2020, which reimburses the City for audit costs, I have personally conducted or overseen all three audits performed for the District.

**Training and professional development of audit staff –** Since the pandemic, our Office has experienced significant turnover in our previously long-standing audit team. To ensure consistency in our audit approach, compliance with Government Auditing Standards, and continue producing impactful audits that help identify areas for improvement, auditors must continuously learn and expand their skills. In addition to trainings provided by professional organizations, I provide internal group trainings, one-on-one training, and regular staff meeting discussions covering audit methodology, communications, and technical procedures.

## Future goals and objectives:

- Look for opportunities to further streamline audit processes, while maintaining quality and compliance with auditing standards.

- Update policies and procedures as needed to implement recent changes in Government Auditing Standards.

- Recruit for staff vacancies, with the objective of expanding the team's skills set.

# Memorandum

**To:** Honorable Mayor and Members of the City Council

**From:** Sherry R. Scott, City Attorney

**Date:** June 7, 2024

**Re:** June 18, 2024 – Special Meeting – Item No. 1

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Honorable Mayor and Members of the City Council,

The attached Resolution No. 13170 has been included in the packet for the June 18, 2024, Special Council meeting as a necessary portion of the City Auditor's item.

To summarize, Resolution No. 13170 is needed for technical reasons to clarify that salary increases may be provided to the Acting City Auditor, upon the Council's motion and at the discretion of the City Council, until such time as a permanent City Auditor is appointed and begins employment.

Although there are additional sections in Resolution No. 13170, those sections are simply repeated from the original Resolution appointing Lai Cluff Acting City Auditor.

Please let me know if you require any further explanation. Thank you!

15719126

Action Taken:  SEE MARKED AGENDA - ADOPTED RESOLUTION NO. 13170 - YES - 7/0

# RESOLUTION NO. 13170

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA AUTHORIZING TEMPORARY PAY INCREASES IN AN AMOUNT TO BE DETERMINED BY THE CITY COUNCIL WHILE LAI CLUFF CONTINUES TO SERVE AS ACTING CITY AUDITOR.

WHEREAS, the Scottsdale City Council appointed Senior Auditor Lai Cluff as Acting City Auditor in December 2022 by adopting Resolution No.12697; and

WHEREAS Senior Auditor Lai Cluff has not received any salary increases since that time; and

WHEREAS, Council believes it is in the best interest of the City for Ms. Cluff to continue to serve as Acting City Auditor until a permanent City Auditor can be identified;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. Lai Cluff is hereby authorized to receive salary increases to her current hourly rate of $73.12 during the time she continues to serve in the capacity as Acting City Auditor at the full discretion and motion of the City Council.

Section 2: If salary increases are given to City employees during the time Ms. Cluff serves as Acting City Auditor and Ms. Cluff returns to her prior position, Ms. Cluff will also receive the same salary increases in her prior position on the same terms as other City employees whose salaries were increased during the time she was serving as Acting City Auditor.

PASSED AND ADOPTED by the City Council of the City of Scottsdale this 18th day of June, 2024.

CITY OF SCOTTSDALE, an
Arizona municipal corporation

ATTEST:

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Ben Lane, City Clerk

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David D. Ortega, Mayor

APPROVED AS TO FORM:

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Sherry R. Scott, City Attorney