Office of Public Integrity Annual Report

June 30

2017

FY 2016 -17 Highlights

Audit,
Investigations,
Ethics

Executive Summary

The mission of the Office of Public Integrity (OPI) is to provide objective, independent audit and investigative services to deter and detect fraud, waste, and abuse within City government. As a result of the audits and investigations, OPI identifies deficiencies and provides recommendations for improvement. In addition, OPI develops and provides employee training on topics such as ethics awareness, internal control, and risk management.

The following are highlights of the work performed by OPI during the past fiscal year ending June 30, 2017:

- Issued a Citywide Risk Assessment in collaboration with Freed Maxick CPAs, P.C.
- Provisional OPI employees successfully completed Civil Service examinations; employees upgraded to permanent status.
- OPI Field Auditor earned Association of Inspector General's designation of *Certified Inspector General Auditor.*
- Three OPI staff members completed NYS Emergency Management Certification and Training.
- Filled one vacant Integrity Compliance Officer position.
- Evaluated 36 complaints received via walk-ins, telephone or email hotline, and other sources.
- Completed 10 audits and issued 15 findings and recommendations.
- Conducted 18 administrative investigations and issued 13 findings and recommendations.
- Referred 2 investigations to law enforcement.
- Provided 7 ethics awareness presentations.
- Conducted 19 consultations with City department heads and their managers.
- Received 330.2 hours of Continuing Professional Education (CPE).
- Evaluated 8 Workplace Violence Incident Reports.

Over the past year, OPI remained responsive to City management and strived to provide timely, accurate, objective audits, reviews and investigations in an effort to foster accountability and transparency throughout City government. OPI audits and investigations were conducted in accordance with standards set forth by the United States Government Accountability Office, the Institute of Internal Auditors, and the Association of Inspectors General.

Authority and Responsibilities

OPI was established by statute in 2006 and its purpose, authority, and responsibilities are codified in Section 3-13 of the Rochester City Charter:

Section 3-13. ***Director of the Office of Public Integrity****. The head of the Office of Public Integrity shall be the Director of the Office of Public Integrity. Under the supervision of the Mayor, he or she shall articulate the standards of business conduct for the City and shall coordinate the analysis, investigation and resolution of concerns and complaints involving City government operations. The Director shall oversee the Manager of Internal Audit and the internal audit staff, which shall develop and conduct an internal audit program on a timely basis. Such program shall examine the financial records and procedures of all city departments, bureaus and their subdivisions in accordance with accepted auditing principles and practices.*

The mission of the Office of Public Integrity (OPI) is to examine management controls to deter and detect fraud, waste and abuse, and to promote efficiency and effectiveness in the programs and operations of the City of Rochester. OPI also provides leadership and guidance in promoting compliance with the City's Code of Ethics. OPI accomplishes its mission through research and data collection, audits and investigations.

Investigations

- Conduct preliminary inquiries and full investigations into allegations of fraud, waste, and abuse involving City employees, contractors, grantees, and other recipients of funds relating to City programs and operations.
- Conduct investigations of City employees, contractors, grantees, and other recipients of City funds to ensure compliance with City policies and procedures as well as the City's Code of Ethics.
- Provide strategic investigative services to City leadership to resolve concerns of impropriety, non-compliance, conflict of interest, or other allegations of wrongdoing.

Internal Audit

- Conduct internal audits of City programs and operations in accordance with generally accepted auditing standards.
- Issue audit reports to include findings of deficiency and recommendations for improvement to City leadership.
- Provide support to the independent CPA firm contracted to conduct annual audits of the City's financial statements.
- Identify internal control weaknesses and provide recommendations for improvement to City operations.
- Conduct forensic audits and provide analysis in support of OPI investigations.

- Develop and implement cost effective risk management strategies to reduce the City's exposure to fraud, waste, and abuse.
- Provide consulting services to City departments, i.e., selection committee for the new payroll system, etc.
- Review City-wide policies and procedures to improve operations and mitigate risks.
- Provide guidance and training to City departments in proper cash handling procedures, the safeguarding of City assets, and other enterprise risk mitigation strategies

Ethics

- Act as a clearinghouse for ethical issues raised by City employees, residents, and businesses.
- Coordinate with the City's Ethics Board to resolve complex ethical issues and provide recommendations for Code revisions when appropriate.
- Provide employee ethics training and promote overall awareness and understanding of the City's Code of Ethics to ensure compliance.
- Coordinate with Employee Safety to evaluate Workplace Violence Reports.

Structure and Staffing

In accordance with the City Charter, the Director of OPI is appointed by the Mayor and is a member of the Mayor's Senior Management Team. Organizationally, the office is a component of the Office of the Mayor and the OPI Director reports to the Mayor. OPI's staff is comprised of experienced internal auditors, investigators and administrative personnel.

The Office of Public Integrity is comprised of the following staff:

Director (1)
Executive Assistant (1)
Auditor (4)
Integrity Compliance Officer (3 part time)

Professional Development, Qualifications and Certifications

OPI conducts audits, investigations, reviews and other special projects in compliance with the following auditing and investigating standards:

- *Government Auditing Standards* of the United States Government Accountability Office. [1]
- *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors (IIA).[2]
- *Principles and Standards for Offices of Inspector General* of the Association of Inspectors General.[3]

Audit Staff Qualifications

OPI audit staff is required to meet the occupational requirements for the GS-11 Auditing Series. The basic requirements for this series include a degree in accounting or related field that is supplemented by 24 semester hours of college-level accounting courses; or a combination of education and experience with specific background requirements. Additionally, all staffers are required to meet the continuing professional educational requirements required by the Government Auditing Standards (Yellow Book).

The audit staff has 78 years combined internal audit experience with the City of Rochester.

Professional Certifications

Staff members assigned to OPI hold the following professional certifications:

- Certified Government Auditing Professional (CGAP)-1
- Certified Public Accountant (CPA) -1
- Certified Inspector General (CIG) - 1
- Certified Fraud Examiner (CFE) -1
- Certified Inspector General Auditor (CIGA) - 1

Professional Development

Professional development is critical to success and over the past year OPI committed to expanding office personnel knowledge in areas such as risk assessment, internal controls, information technology, public sector auditing, and internal audit best practices.

Staff earned 330 hours of continuing professional education (CPE) in the following areas:

- Technology
- Information Cyber Security
- Government Auditing Standards
- Internal Audit

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[1] External Peer Review included

[2] External Peer Review excluded

[3] Quality of Standards for Offices excluded

- Enterprise Risk Management
- Fraud and Corruption Risks
- Forensic Accounting

Professional Organization Affiliations

OPI is a member of or affiliated with the following professional organizations:

- American Institute of Certified Public Accountants
- New York State Society of Certified Public Accountants
- Association of Certified Fraud Examiners
- Association of Inspectors General
- The Institute of Internal Auditors

Budget

OPI's yearly budget is funded by the City's general fund and is a sub-component of the Office of the Mayor's budget. OPI's budget for fiscal year (FY) for 2017 was $638,300 with actual expenditures of $582,406. The approved budget for FY 2018 is $623,500. OPI's FY 2018 budget represents 0.12% of the City's total budget.

Risk Assessment

OPI developed a Risk Assessment Model to identify areas that posed the greatest risk and liability to the City. The end product of this risk assessment was an audit plan that concentrated on areas identified as the highest risk.

Risk assessment is a process used to score potential audits based upon specific risk factors related to an entity's operations, internal controls, and estimated liability to the City. Examples of specific risk factors used to formulate the Risk Assessment Model include external market and reputation, financial, operational, legal and regulatory, strategic, technology and systems, people and culture, fraud, time-lapse since last audit, and previous audit findings.

The development of an audit plan, using the Risk Assessment Model as an integral component, is a dynamic process. Audit planning allows the Internal Audit unit of OPI to attain current information about City departments for use in the risk assessment process. Risk factors and scoring methodologies are periodically reviewed by OPI personnel and refined as needed.

Principles for the Risk Assessment Model

In order to provide practical guidance and a framework for the development of the Risk Assessment Model, the Risk Management Team utilized the following principles:

- Consideration to unique situations and circumstances (i.e., special audits) which would supersede scheduled audits with higher risk scores.

- Recognition that audit resources are limited, which prohibits 100% audit coverage each year. This limiting factor is inherent in the concept of utilizing a risk assessment model to help prioritize audits.

- The risk assessment criteria used in the ranking of the audits places an emphasis on perceived or actual knowledge of the particular area's system of internal controls.

- The audit plan is developed with an understanding that there are inherent risks and limitations associated with any method or system of prioritizing audits. We will periodically evaluate and modify the risk factors and scoring process in order to improve the audit plan.

Audits

The Office of Public Integrity helps improve City operations and programs by providing management with timely and independent audits.

An audit examines a City program or activity, and recommends solutions to issues, if warranted. OPI conducts both financial and performance audits. Financial audits include annual examinations of the costs incurred on grants and contracts, indirect costs, and internal controls. Financial statement audits determine whether the financial statements of an entity are fairly presented.

Performance audits include economy and efficiency audits and program audits. Economy and efficiency audits assess whether entities are managed with regard for program and financial integrity, effectiveness measurement, and compliance with applicable laws, regulations and grant provisions. Program audits measure achievement of desired results or benefits.

Major Areas Covered by OPI Audits

Audits focus on areas intended to enhance the management and overall performance of the City, review the City's oversight of programs, and assess the City's progress toward achieving its strategic goals.

Typical audits include examinations of financial statements, grants made by the City, and other operational areas.

The OPI Audit Section also conducts performance audits, which take a broader view of City programs and procedures and provide useful, timely and reliable information to management with the goal of effecting positive change. Performance audits combine

the best features of various disciplines, including traditional program and financial evaluations, survey research, operational auditing, program monitoring, compliance reviews, and management analysis. These audits make extensive use of City documents and data, and interviews with employees and grantee and sub grantee personnel.

OPI Audit Selection

Auditing is a risk-based process where specific audits are determined by a range of factors. Each year the OPI Audit Section develops an Annual Audit Plan that identifies the audits scheduled for the coming year. The plan includes any legislatively mandated audits and a number of discretionary audits.

Discretionary audit work is prioritized, based on a number of factors including:

- Areas of emphasis by the Mayor, Senior Management Team members, or other stakeholders;
- Issues that pose a threat to public health and safety;
- Programs or processes identified as susceptible to fraud, manipulation, or other irregularities;
- Newness, changed conditions, or sensitivities of program activities;
- Dollar amounts or personnel resources involved in the audit area;
- Adequacy of internal controls.

While the OPI Annual Audit Plan allocates all resources for the coming year to specific audit assignments, it is a flexible document that will also incorporate high-priority assignments that may arise during the course of the year.

Steps in the OPI Audit Process

All audits begin with objectives that initially determine the type and scope of the work to be performed. The following steps are used in each OPI audit:

Notification Letter: OPI will usually notify the auditee, or subject of the audit, in writing, prior to the scheduled start date of an audit; however, there are circumstances where no advance notification will be provided.

Survey: Early in the process, the auditors gain an understanding of the program by obtaining background information on the auditee's mission, resources, responsibilities, key personnel, operating systems and controls.

Developing the Audit Program: The program provides a plan of the work to be done during the audit and is a set of procedures specifically designed for

each audit. The program also assists in assigning and distributing work to auditors working on the engagement, assists in controlling the work, and provides a checklist to guard against the omission of necessary procedures.

Entrance Conference: Held at the beginning of each audit, its purpose is to provide auditee management with information on the function or activity being reviewed, and a description of the audit scope and objectives. Other areas covered include time frames for completing the audit; access to necessary records, information and personnel; and introduction of the audit team members. The entrance conference also provides a forum to answer questions about the audit process and establishes lines of communication among all parties.

Fieldwork: This phase consists of applying the audit procedures described in the audit program and any modifications thereto, and reviewing the work performed. The review documents that audit procedures have been properly applied, that the work is satisfactory, that working papers are complete and adequate, and that all procedures have been completed.

Draft Report: After fieldwork is completed, a Draft Audit Report is prepared. This report will normally be issued to auditee and City officials with a request that they provide written comments within 30 days. The Draft Audit Report is a "work-in-progress" and is not a public document.

Exit Conference: This is conducted at the end of audit fieldwork, and after completion of a Draft Audit Report. OPI may provide a draft copy of the audit report to City and auditee officials before the exit conference to facilitate a full and open discussion of the audit's findings and recommendations. It also provides City and auditee officials with an opportunity to confirm information, ask questions, and provide clarifying data.

Final Report: At the end of the 30-day response period, and after reviewing and assessing the auditee's and City's written responses to the Draft Audit Report, OPI issues the Final Audit Report for resolution of the recommendations. The Final Audit Report aims to provide a fair, complete and accurate picture of the audited area at the time the audit took place. This report usually includes a description of the scope, objectives, and methodology of the audit, and a description of the findings and recommendations for corrective action. It also includes, as appendices, the written responses to the Draft Audit Report by City and auditee officials.

Audit Plan

The Office of Public Integrity (OPI) recognizes that an overall strategy and audit plan is important to meet the goals, objectives, and mission of our office. We use a dynamic risk-based approach for selecting and prioritizing audits. The Audit Plan also facilitates the efficient allocation of OPI's resources and ensures our office remains focused on those areas which pose the highest risk to the City.

An annual audit plan benefits the organization by:

- Establishing what departments, contracts, or other areas will be prioritized for audits on an annual basis.
- Permitting an efficient allocation of limited resources.
- Providing a flexible basis for managing audit personnel.

We utilize several techniques to identify and prioritize audits in the annual plan. These techniques include:

- Input from the Administration and the City Council.
- Knowledge of operations and internal controls derived from previous audits.
- Utilization of risk assessment criteria.

Audits considered for the audit plan are compiled from suggestions by OPI staff, Administration staff, City Council as well as complaints and other sources of information. We evaluate and rate the suggestions using a risk assessment matrix. The audits selected for the plan are based on the impact the audit would have (the problems or risks it would address and the likely types of findings and recommendations to result); the sensitivity, complexity, and difficulty of the project compared to its likely impact; staff qualifications and other resources available. Additionally, we try to display a presence across all City departments.
We devote part of the annual plan to follow-ups. A follow-up audit assesses the progress made on issues identified in a previous audit, one or more years after its release.

Because of an on-going risk assessment, OPI did not complete, in advance, a formal audit plan. We completed audits started in the previous fiscal year and then selected additional audits based on the criteria mentioned above. Following are the audits that OPI completed or started in FY 2017.

Audits Completed and Started
For the Fiscal Year Ended June 30, 2017

Department	Audit	Hours	Status
DES	Review of Contract #124983 - Two Bridge Preventative Maintenance Project	10	Completed
DES	Review of Contract #126571 - 2014 Maintenance Repairs to City Bridges and Misc. Facilities	10	Completed
Finance	Freed Maxick Audit of City	171	Completed
DES	Hemlock Operations Center Inventory	50	Completed
Law	Adirondack Sports Forensic Audit	1,137	Completed
DES	Water Bureau Inventory	35	Completed
RPD	Review of Auto Pound Operations	290	Completed
DRYS	Summer Food Service Program	295	Completed
DES/DRYS	Employee Field Checks	178	Completed
Finance	School Modernization Program Contractors	185	Completed
NBD	Greater Rochester Health Foundation Grant	551	Ongoing
Various	MWBE Program Audit	1,376	Ongoing
Finance	South Avenue Parking Garage	272	Ongoing
Finance	Purchasing Card Review	220	Ongoing
Fire	NYS Inspection Review	14	Ongoing

Audit Results

REVIEW OF TWO BRIDGE PREVENTATIVE MAINTENANCE PROJECT

Executive Summary

In this review, the Office of Public Integrity (OPI) examined policies and procedures for the administration of the Department of Environmental Services (DES), Architecture and Engineering Two Bridge Preventative Maintenance project. The two contracts related to this project, contract number 124983 between the City of Rochester and Crane-Hogan Structural Systems and contract number 123936 between the City of Rochester and LaBella Associates were included in this review. The results of the review indicate that, in general,

DES personnel comply with established policies and procedures. However, we noted the following findings that require management attention to ensure maximum efficiency and accountability for federal and state funded projects.

- We noted weaknesses in the internal controls for change orders. This included several instances in which the contractor completed work listed on change orders prior to City personnel approving it. Additionally, we noted items contained in the original proposal drawings that were not included in the bid price but later added to the cost with a change order. Also, we noted the copies of change orders provided to OPI did not include required signatures of City personnel.

  - Recommendation

    OPI recommends that all change orders be approved prior to the contractor starting the work contained on them. Additionally, all required personnel should sign the hard copies of the change orders to demonstrate that they reviewed the documents and agreed to the information contained in them. Also, City personnel should exercise diligence and oversight when reviewing consultant documents.

- OPI noted that there is no written policy relating to what documents should be included in MUNIS. A written policy of what documentation to include in MUNIS would help insure that all pertinent information related to a contract is captured and readily available.

  - Recommendation

    We recommend that DES personnel develop a written policy that lists the documentation that should be included in MUNIS.

Management Response: DES personnel are in agreement with the findings noted in this report and indicated that they will take corrective action.

REVIEW OF MAINTENANCE REPAIRS TO CITY BRIDGES & VARIOUS FACILITIES, FY2014 PROJECT

Executive Summary

In this review, the Office of Public Integrity (OPI) examined policies and procedures for the administration of the Department of Environmental Services (DES), Architecture and Engineering Maintenance Repairs to City Bridges and Various Facilities, FY 2014 project. We included the two contracts related to this project, contract number 126571 between the City of Rochester and Crane-Hogan Structural Systems and contract number 123890 between the City of Rochester and LaBella Associates, in this review. The results of the review indicate that, in general, DES personnel comply with established policies and procedures. However, we noted the following findings that require management

attention to improve administrative and internal controls and to ensure compliance with prescribed policies.

- OPI noted that the contractor did not meet the Minority and Women-owned Business Enterprises (M/WBE) utilization goal of 9.90% of the total dollar amount of the contract. We noted that the utilization percentage for this project was 3.43%.

  - Recommendation

    All contracts and utilization programs should be strictly monitored for M/WBE compliance. The City's M/WBE Compliance Officer should readily act upon any shortfalls prior to the completion of the project. The Compliance Officer should be included in all MUNIS workflow for the project including change orders and other actions pertinent to M/WBE utilization goals.

- We noted weaknesses in the internal controls for change orders. This included several instances in which the contractor completed work listed on change orders prior to City personnel approving it. Additionally, we noted a 200 day extension of the project that was not approved until 153 days had passed from the original end date. Also, we noted the copies of change orders provided to OPI did not contain required signatures of City personnel.

  - Recommendation

    OPI recommends that City personnel approve all change orders prior to the contractor starting the work contained on them. Additionally, all required personnel should sign the hard copies of the change orders to demonstrate that they reviewed the documents and agreed to the information contained in them. Also, City personnel should exercise diligence and oversight when reviewing consultant documents.

- OPI reviewed all invoices related to this contract and noted two discrepancies. We noted one payment for unallowable expenses to the consultant for $149.66 and an expense paid to Crane Hogan for $300 for pavement symbols which they had not applied. Although these expenses are immaterial, management should be aware of the errors that occurred to help prevent them in the future.

  - Recommendation

    We recommend that all completed work be inspected by all required individuals before payments are made. Additionally, all invoices should be diligently reviewed to ensure that only completed and inspected work is paid and all expenses are allowable per the contract

- OPI noted that there is no written policy relating to what documents should be included in MUNIS. A written policy of what documentation to include in MUNIS

would help insure that all pertinent information related to a contract is captured and readily available.

- Recommendation

  We recommend that DES personnel develop a written policy that lists the documentation that should be included in MUNIS.

Management Response: DES personnel are in agreement with the findings noted in this report and indicated that they will take corrective action.

DES/DRYS EMPLOYEE FIELD CHECKS

Executive Summary

In this review, we verified the presence of employees at their assigned job locations and determined that the departmental units properly authorize and correctly account for employee absences. The results of this review established general compliance with these guidelines.

DES HEMLOCK OPERATIONS CENTER STOCKROOM INVENTORY

Executive Summary

The Office of Public Integrity (OPI) observed the physical inventory of the Bureau of Water, Hemlock Operations Center stockroom on November 10, 2016. This was the third physical inventory that Bureau of Water personnel have conducted on this stockroom. The results of the inventory indicate that the Bureau of Water maintains adequate inventory control.

- OPI noted variances in 1.95% of our sample selection of stockroom inventory items indicative of differences between the physical counts and the quantities recorded in the perpetual records. In the previous inventory we noted a variance of 1.2%.

  - Recommendation

    Management should continue to make inventory control a priority.

Management Response: DES personnel are in agreement with the recommendation noted in this report and indicated that they will continue to make inventory control a priority.

DES BUREAU OF WATER INVENTORY

Executive Summary

The Office of Public Integrity (OPI) observed the annual physical inventory of the Department of Environmental Services (DES), Bureau of Water on October 15, 2016. This inventory includes the Water stockroom, the Street Lighting stockroom, the Department of Recreation and Youth Services (DRYS), Bureau of Recreation inventory and the DES Cemeteries inventory maintained by the Bureau of Water. The results of the inventory indicate that the Bureau of Water maintains adequate inventory control.

- OPI did not note any variances in our sample selection of water stockroom inventory items indicative of the differences between the physical counts and the quantities recorded in the perpetual records. In the previous inventory we also did not note any variances in this stockroom.

- OPI did not note any variances in the street lighting stockroom inventory items indicative of differences between the physical counts and the quantities recorded in the perpetual records. In the previous inventory we also did not note any variances in this stockroom.

- OPI noted variances in 0.56% of our sample selection of DRYS, Bureau of Recreation inventory items indicative of differences between the physical counts and the quantities recorded in the perpetual records. In the previous inventory we noted an error rate of 0%

- OPI did not note any variances in the DES, Cemeteries inventory items. We also did not note any variances during the previous inventory.

  - Recommendation

    Bureau of Water management should continue to make inventory control a priority.

Management Response: DES personnel are in agreement with the recommendation noted in this report and indicated that they will continue to make inventory control a priority.

REVIEW OF RPD AUTO POUND OPERATIONS

Executive Summary

The Office of Public Integrity (OPI) examined the adequacy and effectiveness of the Rochester Police Department (RPD) Auto Pound internal control procedures and compliance with approved policies and practices. We noted continued improvements from prior reviews of the Auto Pound including improved inventory

control and improved controls over payments to tow contractors. We did not note any material or significant findings during this review.

REVIEW OF 2015 SUMMER FOOD SERVICE PROGRAM

Executive Summary

In this review, the Office of Public Integrity (OPI) examined the Summer Food Service Program (SFSP) to verify compliance with City policy and federal regulations and to verify that expenses submitted for reimbursement are valid and substantiated by supporting documentation. The results of the review indicate that, in general, internal controls are adequate, expenses are properly supported and City personnel comply with City policy and federal regulations. However, we noted the following findings that require management attention to improve compliance with prescribed policy:

- Federal regulations stipulate that second servings may be served, but the number of second meals served must not exceed 2% of first meals served. OPI noted that second servings exceeded the 2% threshold for 450 or 44% of the 1,016 breakfast occasions and 439 or 42% of the 1,046 lunch occasions. .

  - Recommendation

    Site staff personnel should review attendance each day and call their monitor to increase or decrease the number of meals to be delivered accordingly.

- OPI noted that Department of Recreation and Youth Services (DRYS) personnel could not locate signed delivery receipts for 276 or 27% of the 1,016 instances of breakfast deliveries and 276 or 26% of the 1,046 instances of lunch deliveries. DRYS policy requires that all service sites retain delivery receipts.

  - Recommendation

    Site personnel should verify all deliveries and sign the delivery receipt if their count agrees with the total listed on the receipt. Site personnel should retain all signed delivery receipts and keep them with the Weekly Meal Count Reports.

Management Response: DRYS personnel are in agreement with the findings noted in this report and indicated that they will take corrective action.

REVIEW OF CITY CONTRACTORS INVOLVED IN THE NYS ATTORNEY GENERAL'S INVESTIGATION OF THE ROCHESTER SCHOOLS MODERNIZATION PROGRAM

Executive Summary

The Office of Public Integrity conducted a review of City of Rochester contracts comprised of vendors involved in the NYS Attorney General's investigation and the recent settlements related to the Rochester Schools Modernization Program (RSMP) and M/WBE utilization. We noted the following during this review:

- One of the four contracts reviewed indicated the contractor subcontracted with two M/WBE companies who provided supplies only. No work was performed by either of the subcontractors for this project.

  - Recommendation

    The Bureau of Purchasing should closely monitor compliance of the utilization plan. Vendors who provide materials and supplies only should not be included toward fulfilling M/WBE goals.

CUSTOMER SERVICE SATISFACTION SURVEY

As part of OPI's quality assurance process, and to facilitate auditees' involvement, if appropriate, a Customer Service Satisfaction Survey is sent to key personnel of the area audited at the conclusion of each audit. The criteria assessed are:

- Pre-audit notification to auditee of audit purpose and scope.
- Feedback auditors provided to auditee on emerging issues during the audit.
- Professionalism of auditors.
- Objectivity of auditors.
- Duration of audit.
- Opportunity given to discuss findings in the audit report.
- Accuracy of the audit findings.
- Practicability of implementing audit recommendations.
- Usefulness of the audit in improving business process and controls.

Additionally, the Customer Service Satisfaction Survey also includes two open ended questions to give the recipients additional opportunities to provide feedback to OPI.

The objective of requesting an independent assessment of audit relationships and results is continuous improvement of audit services. OPI recognizes that certain audit situations and circumstances will result in unfavorable ratings. Some City personnel will rate higher than their peers. Judgment will be required in the interpretation of all

replies. It is also recognized that recipients of the surveys are our customers, and we must work to improve our product and how it is delivered. Each staff member should work to market the audit activity and make each audit assignment a favorable working relationship.

Office of Public Integrity
Customer Service Satisfaction Survey

Please rate the Internal Audit Activity for _____

Section 1: Specific Audit Questions

	----------Select ONE----------					
	Excellent 5	Good 4	Average 3	Fair 2	Poor 1	N/A
1. Pre-audit notification to you of audit purpose and scope.						
2. Feedback auditors provided to you on emerging issues during the audit.						
3. Professionalism of auditors.						
4. Objectivity of auditors.						
5. Duration of the audit.						
6. Opportunity given to discuss findings in the audit report.						
7. Accuracy of the audit findings.						
8. Practicability of implementing audit recommendations.						
9. Usefulness of the audit in improving business process and controls.						

Section 2: Open-ended Questions (Enter text in the box)

10. Was there anything about the audit and interaction with auditors that you especially liked or disliked?

11. Do you have any recommendations for improvements in future audits?

12. Additional comments:

Thank you,
The Office of Public Integrity
Please email, mail, or fax this Survey:
Deborah Cole
Executive Assistant
85 Allen Street - Suite 100
Rochester , NY 14608
Phone: (585) 428-7245
Fax: (585) 428-7972
E-mail: Coled@cityofrochester.gov

Following are the results of the FY 2016 OPI Customer Satisfaction Surveys:

Average Scores - FY 2017 Audits

Section 1: Specific Audit Questions

Survey Questions	Average Scores
1. Pre-audit notification to you of audit purpose and scope.	4.80
2. Feedback auditors provided to you on emerging issues during the audit.	3.75
3. Professionalism of auditors.	5.00
4. Objectivity of auditors.	4.40
5. Duration of the audit.	4.75
6. Opportunity given to discuss findings in the audit report.	3.75
7. Accuracy of the audit findings.	4.50
8. Practicability of implementing audit recommendations.	4.33
9. Usefulness of the audit in improving business process and controls.	4.25

Number of audits included: **7**

Number of surveys sent to auditees by OPI: **32**

Number of completed surveys returned to OPI: **5**

Complaints, Tips and Information

OPI receives numerous complaints, tips and information throughout the year. This information is obtained via phone/OPI hotline, walk-ins, employee and/or OPI e-mail, USPS mail, and referrals.

During Fiscal Year 2016 -17 OPI received the following:

Hotline/phone	11
Walk-in	4
E-mail	17
USPS mail	4
Referrals	0

Investigations

Investigations are conducted in response to allegations of wrongdoing by City employees or individuals and companies that do business with the City. OPI investigations may include interviews, document reviews, surveillance, and data research and analysis. Investigations are conducted in close coordination with Human Resource Management, the Law Department and Labor Relations. If during the investigation internal control weaknesses are identified, OPI then provides recommendations to strengthen controls. These recommendations often fall into one of the following categories:

- Correct the identified deficiencies.
- Clarify applicable policy, law, or regulation.
- Strengthen the internal controls within the impacted department.

When investigative findings identify potential criminal conduct, the matter is referred to the appropriate law enforcement authorities for review and appropriate action.

OPI utilizes the following categories to issue findings:

Sustained:

- The allegations are validated, and there is sufficient evidence to justify a reasonable conclusion the actions occurred and there were violations of law, policy, rule or contract.

Unfounded:

- There is sufficient evidence to justify a reasonable conclusion the alleged actions did not occur, or there were no identified violations of law, policy, rule, or contract.

Not Provable:

- The allegations are not validated, and there is insufficient evidence to prove or disprove the allegations.

Exonerated:

- There is sufficient evidence to justify a reasonable conclusion the actions did occur, and they were lawful and in compliance with policy, rule or contract.

Office:

- Insufficient information is available regarding the allegation, and no further action is taken until new information is brought the attention of our office.

Investigation Results

During the fiscal year, OPI received 36 complaints which led to the opening of 17 investigations. The investigations addressed allegations of the following misconduct:

- Misappropriation of City Resources
- Unfair Treatment
- Unprofessional Conduct
- Falsification of Business Records
- Favoritism
- Contract Fraud
- Irregular Bidding Practices
- Violation of Residency Requirement

The completed investigations resulted in the following dispositions:

Sustained	3
Unfounded	6
Not Provable	2
Exonerated	0
Office	2
Referral	3
Not Applicable	2

Ethics

OPI is responsible for the development and delivery of ethics awareness training to City employees. This training is focused on the City's Code of Ethics and provides guidance and recommendations on how employees can remain in compliance. OPI acts as a clearinghouse for ethical issues raised by City employees and City residents. When appropriate, issues are referred to the City's Ethics Board for Advisory Opinions. The Director of OPI serves as Secretary of the City's Ethics Board.

During the fiscal year, OPI provided seven ethics training sessions to employees in the following offices:

Communications
Emergency Communications Department
Environmental Services Department
Finance
Fire Department
Human Resource Management
Information Technology
Law Department
Mayor/Administration
Neighborhood and Business Development
Office of Management and Budget
Police Department
Recreation and Youth Services
Rochester Public Library
Rochester Urban Fellows

Confidentiality/Whistleblower Protection

After the receipt of a complaint or information from any City of Rochester employee, OPI shall not disclose the identity of an employee without their consent unless OPI determines that it is unavoidable during the course of an investigation.

The City of Rochester established a Confidential Hotline Program to provide a secure means of reporting suspicious activity to OPI concerning City programs and operations. To enhance the Confidential Hotline Program, OPI implemented a Whistleblower Protection Policy to protect employees who report a belief that their organization is engaged in or willfully permits unethical or unlawful activities. Suspicious activity may include instances of fraud, waste, and abuse, mismanagement, or a danger to the public's health and safety. The Office of Public Integrity confidential hotline number is **(585) 428-9340**.

Persons may also contact OPI directly by telephone (**585 428-7245**), e-mail to: opi@cityofrochester.gov or surface mail to: Office of Public Integrity, 85 Allen Street, Suite 100, Rochester, New York, 14608.