



OFFICE OF THE CITY AUDITOR

City and County of Honolulu
State of Hawai'i



Annual Report 2007-2008

A Report to the
City Council of
Honolulu

December 2008

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*The Office of the City
Auditor's mission is to
promote accountability, fiscal
integrity and openness in city
government.*

December 3, 2008

The Honorable Members of the Honolulu City Council:

I am pleased to submit the Annual Report of the Office of the City Auditor for fiscal year 2008. This report summarizes our 2008 work program and includes the status of our follow-up to recommendations made in our audit reports of our fiscal year 2007 work program.

Independent and objective audit reports continue to provide the legislative branch and the public with information regarding the performance of city agencies and programs.

I trust that our reports have been beneficial in your efforts to ensure that the city's resources are being used to effectively and efficiently meet the needs of the public.

Sincerely,

A handwritten signature in black ink that reads "Leslie I. Tanaka".

Leslie I. Tanaka, CPA
City Auditor

Year Five in Review

The Office of the City Auditor completed all four of the performance audits planned for year five. The four reports are: 1) *Audit of the City's Planning, Design, and Construction of Skateboard Parks*, 2) *Audit of the City's Electricity Costs, Consumption, and Management*, 3) *Audit of the City's Synagro Contract*, and 4) *Audit of the 2003-04 Mililani Curbside Recycling Pilot Project*. We also continue to oversee the financial audit of the city for the fiscal year ended June 30, 2007, by Nishihama & Kishida, CPAs, Inc., (now known as N&K CPAs, Inc.) the contract auditor. All of these reports are available to the public on the Office of the City Auditor's web page (www.honolulu.gov/council/auditor).

Combating Occupational Fraud Through Strong Anti-Fraud Controls

Internal auditors play an important role in combating occupational fraud. As the economy continues on a downward trend, occupational fraud, which can include simple pilferage of office supplies to sophisticated financial schemes, continues to increase, and is a major problem for all industries including government. While a common definition of *occupational fraud* may vary among professionals, the Association of Certified Fraud Examiners (ACFE) defines occupational fraud as "The use of one's occupation for personal enrichment through the deliberate misuse or misapplication of the employing organization's resources or assets."

Over the years, the ACFE has done an outstanding job of collecting and reporting data on occupational fraud in its *Report to the Nation on Occupational Fraud and Abuse*. Now in its fifth edition, the 2008 report is based on 959 cases provided to ACFE—making this one of the largest privately funded studies on occupational fraud. The study estimates that organizations lose around 7 percent of their annual revenues to fraud, and such an estimate can translate into millions of dollars of loss annually to the City and County of Honolulu. Some overarching conclusions reached by this study include the following:

- Occupational fraud schemes tend to be extremely costly,

- Occupational fraud schemes frequently continue for years before they are detected,
- Lack of adequate internal controls was most commonly cited as the factor that allowed fraud to occur,
- Seventy-eight percent of victim organizations modified their anti-fraud controls after discovering that they had been defrauded,
- Occupational fraudsters are generally first-time offenders, and
- The most commonly cited behavioral red flags were perpetrators living beyond their apparent means (39 percent of cases) or experiencing financial difficulties at the time of the frauds (34 percent).

How Occupational Fraud is Committed

To better understand occupational fraud, the 2008 study summarizes some interesting statistics on the 10 most common methods of occupational fraud. While not a total surprise, corruption was the most common occupational fraud scheme in the study and the most costly scheme other than financial statement fraud. The median loss resulting from a corruption case was about \$375,000, which was almost three times as large as the median loss resulting from the next most costly scheme, check tampering. Interestingly, the five most common asset misappropriation/corruption schemes were also the five most costly based on an average loss. The following lists the study's 10 common occupational fraud methods and the average loss.

Rank	Type of Fraud	Average Loss
1	Corruption	\$375,000
2	Check Tampering	\$138,000
3	Billing	\$100,000
4	Non-cash	\$100,000
5	Skimming	\$80,000
6	Cash Larceny	\$75,000
7	Payroll	\$49,000
8	Cash on Hand	\$35,000
9	Expense Reimbursements	\$25,000
10	Register Disbursements	\$25,000

Importance of Controls in Detecting or Limiting Fraud

The importance of internal controls in the work place to mitigate occupational fraud cannot be overemphasized. While management has the ultimate responsibility to ensure that proper accounting and management controls are in place within the work environment, the ACFE notes that when it comes to fraud, a diligent internal audit function clearly can save time and money. In its 2006 report, the ACFE reported that organizations without internal audit resources lost a median \$218,000 to fraud — nearly double that of firms with that capability. And finally, the report concludes that companies with internal audit departments discovered fraudulent activity about 25 percent faster than firms without such an internal review—a strong testament to the importance and value of an internal audit function within an organization.

Summary of Reports to Council

This section summarizes the four performance audit reports completed in accordance with our FY2007-08 work plan. In addition, we summarize the financial audit of the city for the fiscal year ended June 30, 2007, by N&K CPAs, Inc., the contract auditor.

Financial Audit of the City and County of Honolulu, State of Hawai'i, For the Fiscal Year ended June 30, 2007, Management Letter

Contract auditor, N&K CPAs, Inc. submitted their report on the status of their previous findings and recommendations for the financial audit of the City and County of Honolulu to the City Council in March 2008.



They reported that there were no current findings for FY2006-07 and that all four findings from the FY2005-06 audit have been resolved. One FY2001-02 finding pertaining to resolving the Kailua Elderly Housing dispute and ensuring that the loan agreement and future loan agreements are properly executed prior to disbursement

of funds, and one finding from FY2004-05 pertaining to obtaining approval of its landfill financial assurance mechanism from the State of Hawaii Department of Health, were still applicable in the FY2006-07 audit.

Audit of the City's Planning, Design, and Construction of Skateboard Parks

This audit was conducted pursuant to Resolution 06-373, *Requesting the City Auditor to Audit the City's Planning, Design, and Construction of Skateboard Park Facilities*. The report addresses the city council's concerns that the costs for some skateboard facilities planned, designed and constructed during the past 10 years had increased because their design was changed after they had been approved by the park's department. The audit focused on one project, the Banzai Skateboard Park, which is an example of the design-build process that the city has more recently favored for skateboard parks. We found that the Department of Design and Construction employed the design-build method for the construction of the Banzai Skateboard Park to encourage innovation, but failed to provide sufficient



oversight over the contractor to provide reasonable assurance of the project's timely and cost-effective completion. We also

found that the Department of Design and Construction's poor planning of the Banzai Skateboard Park as a standalone facility on undeveloped land contributed to project delays, additional costs, and the completion of a skateboard park without essential support facilities.

We recommended that the Department of Design and Construction improve internal design-build practices by developing policies and procedures specifically for design-build projects, clarifying roles of all parties within the design-build contract, and developing specific RFP and contract guidelines for design-build projects and contractor oversight. We also recommended that it develop criteria for future skateboard park site selection and development, and develop guidelines to improve

public and client agency notification of changes to particular projects to keep stakeholders up-to-date on changes that occur during construction.

Audit of the City's Electricity Costs, Consumption, and Management

This audit topic was selected, in part, by concerns raised in Resolution 06-144, *Requesting the Office of the City Auditor to Conduct a Comprehensive Energy Audit of City-Owned Buildings and Facilities*. Although the resolution was not adopted, our office deemed that an audit focused on select management issues related to electricity cost and consumption would be beneficial to the council and Honolulu's taxpayers. We found that the city's electricity expenditures rose significantly despite ongoing conservation efforts. We also found that the city's management of electricity costs and consumption lacks full accountability.

We recommended that the mayor continue efforts to contain electricity costs and reduce consumption; consider consolidating energy management duties under a single entity; and require the Mayor's Energy and Sustainability Task Force to develop an action plan for meeting reduction goals. We recommended that the managing director develop a monitoring strategy to ensure that all city agencies' cost and consumption saving goals are met if general funds are used to implement an electricity conservation program; consider implementing electricity management best practices;



and compile and produce a comprehensive annual report that identifies electricity costs and consumption by department, energy

conservation projects implemented, comparative data showing estimated actual cost and consumption savings, justification for any significant increase/decrease in consumption for the year, and any steps taken to reduce electricity costs and consumption. We also recommended that the budget and fiscal services department enforce provisions of its policies and procedures manual related to the purchase of Energy Star-rated products, and continue to provide city agencies with guidance in formulating electricity budgets.

Finally, we recommended that the Department of Design and Construction enforce all performance contract requirements and ensure that the city collects funds from contractors that do not meet electricity cost and consumption guarantees.

Audit of the City's Synagro Contract

This audit addresses the ongoing concerns expressed by the city council and the public relating to biosolids reuse, the benefits of the city's contract with Synagro-WWT, Inc.



(Synagro) for an in-vessel bioconversion facility, significant project cost overruns, numerous change orders, delays, and outstanding compliance

issues related to the 1995 consent decree. We found that the in-vessel bioconversion facility project at the Sand Island Wastewater Treatment Plant experienced construction delays and costly change orders. We found that the city's ability to achieve sludge reuse compliance with the consent decree appears close, but potential penalties could cost the city millions more. We also found that the city's in-vessel bioconversion facility is anticipated to have some favorable outcomes, but challenges remain.

We recommended that the Department of Environmental Services finalize a pending change order under the construction contract, ensure that Synagro fulfills its obligations to the city under the construction contract, and then expedite closeout of the construction contract. We also recommended that it ensure completion of the beneficial sludge reuse project including final submission of the written Notification of Supplemental Environmental Project Completion to the U.S. Environmental Protection Agency regarding completion of the beneficial sludge reuse supplemental environmental project as required in the 1995 consent decree. We further recommended that it provide the city council with written annual status reports on the city's biosolids facility; ensure that Synagro fulfills its contractual responsibilities for the marketing, sales and reuse of pellets as soil amendment or plant fertilizer to

more users; and pursue other initiatives and opportunities to minimize disposal of biosolid pellets in the landfill.

Audit of the 2003-04 Mililani Curbside Recycling Pilot Project

This audit was conducted pursuant to Resolution 04-48, CD1, *Requesting a Financial and Performance Audit of the Mililani Curbside Recycling Pilot Project*, to determine if the pilot project was efficiently and effectively operated, cost effective, and successful in causing the recycling, not disposal, of most of the designated recyclable materials collected from the residences served. The audit focused on reviewing the Environmental Services Department's performance of



curbside recycling operations during the 2003-04 Mililani curbside recycling pilot project, and the cost of the project. We found that

design flaws hampered the department's ability to fulfill the pilot project's operational goals. In addition, the department's failure to isolate or separately identify costs for the recycling pilot project from other departmental operations prevented the determination of the project's cost benefit.

We recommended that the director of the Environmental Services Department conduct curbside recycling pilot projects according to the current ordinance requirements, including project design and reporting requirements, assessment of cost benefit, and implement best practices, as appropriate. We recommended that the director set up pilot projects independently, with adequate funding and staffing so that current contracts or operations are not impaired. We also recommended that pilot projects should not be used as a vehicle for unfunded administrative priorities. Finally, we recommended that the director adhere to funding restrictions for the use of pilot project funds, contract funds and operational funds, and seek council authorization, when appropriate.

Actions Taken on Previous Recommendations

While management is responsible for addressing audit findings and recommendations and tracking their status of resolution, government auditing standards require that audit organizations establish policies and procedures to determine whether previous significant findings and recommendations have been addressed. Our office's annual follow-up program includes identifying agency actions on the previous year's audits and publishing the results in our annual report.

The following section includes the agency comments (Actions Taken) regarding our follow-up request to the findings and recommendations in the five audits that were conducted by our office in the previous fiscal year (FY2006-07). Based on the responses from the appropriate agencies, we made a determination as to the degree of compliance, as noted in the Unaudited Status column.

Of the 71 audit recommendations made in our five audits that were conducted in FY2006-07, 52 have been either implemented or are in the process of being implemented. This is equal to a 73 percent compliance rate.

Actions Taken on Previous Recommendations

(Report Nos. 07-01, 07-02, 07-03, 07-04, and 07-05)

Report Title: **Audit of the City's Abandoned and Derelict Vehicle Program**
 Report No.: 07-01

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>1. The director of the Customer Services Department should:</p> <ul style="list-style-type: none"> a. ensure that the Motor Vehicle Control Section promptly and accurately documents all complaints of abandoned and derelict vehicles for tracking and disposition purposes; b. ensure that abandoned and derelict vehicles are towed within 14 and 15 work days, respectively; c. continue to prioritize the work with the information technology department to: <ul style="list-style-type: none"> 1) automate abandoned and derelict vehicle processing and reduce paper-based, inefficient, duplicative, manual processes; 2) continue process mapping and redesign; 3) program, test, and train for the new application; 4) implement a web-based program for abandoned and derelict vehicle complaint processing, auctions, and vehicle disposal; and 	<p>All complaints are inputted, tracked, and closed using the new web-based Abandoned Vehicle (AV) Reporting System. This system went online January 1, 2007.</p> <p>The new computerized reporting system tracks the length of the investigation and the amount of time the tow contractor takes to remove the vehicle after notification. Our data indicates that, since January 1, 2007, 93% of abandoned vehicles and 89% of derelict vehicles are towed within 14 and 15 work days, respectively.</p> <p>The new reporting system accepts internet and intranet complaints which have significantly reduced paper-based manual processes.</p> <p><i>Agency did not comment.</i></p> <p><i>Agency did not comment.</i></p> <p>Web-based vehicle complaint and investigation processing have been implemented. Planning of the auction processing and vehicle disposal components began in early March 2008. We anticipate implementation of this new phase will commence within 6-9 months.</p>	<p>Implemented</p> <p>Not Implemented</p> <p>Implemented</p> <p>Not Implemented</p> <p>Not Implemented</p> <p>Pending Implementation</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
5) implement a web-based program for the public to obtain the status of suspicious or potential abandoned or derelict vehicles in their neighborhood;	When a member of the public files a complaint through the internet, a report number is generated. Using this report number, status information on the specific complaint can be obtained by calling the Motor Vehicle Control Office.	Not Implemented
d. initiate efforts to upgrade the city's motor vehicle control website with specific information about the abandoned and derelict vehicle process, legal requirements, current contact information, and other educational information;	The City's internet complaint reporting site http://www3.honolulu.gov/csdavcomplaints/ , used by the general public, includes a brief overview of the criteria used to determine whether a vehicle is considered abandoned or a derelict, and the normal processing period. Current telephone contact information can be found at: http://www.honolulu.gov/csd/publiccom/onecall.htm	Implemented
e. require motor vehicle control to establish formal and up-to-date policies and procedures for abandoned and derelict vehicle processing, contract monitoring, and enforcement;	The MVC's operations manual was updated after the audit and addresses the policies and procedures for vehicle processing, contract monitoring and enforcement. The manual is continuously updated to reflect current requirements and issues. The manual is available through our network which provides the means to disseminate current and updated policies and procedures expeditiously to the inspectors.	Implemented
f. consider advanced technology solutions to make efficient use of investigators' time and resources;	In addition to our continuing upgrade of the computerized reporting system, we have included a funding request in the FY 2009 operating budget to purchase laptops for our MVC inspectors to use in the field. Currently, we are field testing three (3) laptops and the initial responses from inspectors have been positive.	Implemented
g. seek temporary hires for inspectors out on long-term leave or offer permanent alternative work opportunities within the city;	The level of advanced automotive knowledge and skills required for an inspector position coupled with the time required to recruit, hire, and properly train an inspector would make the hiring of these positions on a temporary basis unfeasible. Instead of enhancing and facilitating the work flow, it would create a burdensome situation for the Section without the desired short- and long-term results. While we are mindful of the need to ensure an adequate inspector work force, the authority which oversees the use of permanent alternative work opportunities lies with the Department of Human Resources. Therefore, we are not able to comment on this portion of the recommendation.	Not Implemented
h. work with the automotive equipment services chief by offering un-sold vehicles for the city's potential benefit;	The Automotive Equipment Services Division has declined acceptance of the unsold abandoned vehicles due to the deteriorating and unsalvageable condition of these vehicles.	Not Implemented

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>i. consider best practices of other jurisdictions including the use of web-based vehicle status search by license plate and vehicle identification numbers, portable or hand-held electronic devices enabling inspectors to search and input investigation data in the field, and legislation allowing tow contractors to mail notices to registered owners whose vehicle has been towed;</p>	<p>Although we have not reviewed other jurisdictions' practices, our web-based computerized system provides the necessary search capabilities. We have included a funding request in the FY 2009 operating budget to purchase laptop computers which will allow our inspectors to conduct vehicle searches, as well as input investigative information, in the field. We concur with the current privacy laws relating to access to motor vehicle registration information. We do not concur with allowing tow contractors access to motor vehicle registration information.</p>	<p>Not Implemented</p>
<p>j. eliminate duplication of vehicle investigations by coordinating with the police department to utilize investigations already completed;</p>	<p>To address the duplication of work issue, we have revised our operating procedures relating to abandoned vehicle investigations initiated by an HPD officer. If the HPD officer inputs the information into the AV reporting system, marks the vehicle, and issues a citation, the MVC inspector can now request a tow without initiating a separate independent investigation. However, we are only able to implement this new procedure when the HPD officer complies with all of these conditions. We shall defer to the HPD for their response on this issue.</p>	<p>Implemented</p>
<p>k. initiate periodic meetings with police department and tow contractors to address issues, needs, and anticipated changes such as technology upgrades and coordination, and the upcoming volunteer policing program;</p>	<p>We have initiated meetings with the HPD and continue to be in regular contact with the abandoned and derelict vehicle tow contractor. These contacts address issues, needs, and computer requirements which may arise. We shall defer to the HPD regarding the volunteer policing program.</p>	<p>Implemented</p>
<p>l. request assistance from the corporation counsel to assess motor vehicle control's current practices pertaining to police abandoned vehicle investigations and eliminate unnecessary duplication of work and make better use of motor vehicle control and police department resources;</p>	<p>See response to item "j."</p>	<p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
m. consistently enforce all contract term and provisions contained in abandoned and derelict vehicle contracts;	We are enforcing the contract terms and provisions in our abandoned and derelict vehicle contracts.	Implemented
n. implement regular contract monitoring, contractor evaluation and feedback with the city's abandoned and derelict vehicle tow contractor; and	At this time, the tow contractor is being monitored regularly by the MVC Section and has met the requirements set forth in the contract.	Implemented
o. include stronger hazardous waste disposal provisions in future abandoned and derelict vehicle contracts.	We can include stronger hazardous waste disposal provisions in future contracts including the term "hazardous waste" and also clarify that the tow contractor is responsible to dispose of hazardous material found stored in the vehicle (e.g. paint, extra car batteries, refrigerators, etc.) .	Implemented
2. The Chief of Police of the Honolulu Police Department should:		
a. work with the customer services and information technology departments and consider implementing an electronic abandoned vehicle report on officers' laptop computers that are compatible with motor vehicle control's new system, and can be electronically transmitted to motor vehicle control to expedite the removal of abandoned vehicles;	Officers are able to access the abandoned vehicle program; sending the information directly to the Motor Vehicle Control, Abandoned Vehicle section. Also in the same program is the new ordinance to remove dangerous vehicles from the school zones.	Implemented
b. coordinate with customer services on work tasks and standards for the impending volunteer policing program's abandoned vehicle investigations; and	The Volunteer Special Enforcement Officer (VSEO) program was established in May 2007. There are currently 19 volunteers who cite vehicles for various violations, including abandoned vehicles. The program is currently seeking more volunteers.	Not Implemented
c. work with customer services administrators and the council to improve compliance with Ordinance 06-11, 2006.	Ordinance 06-11 (2006) is not applicable to customer services. It is a criminal law involving the arrest of people.	Not Implemented

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>1. The Director of the Department of Parks and Recreation should:</p> <p>a. ensure that a new or updated master plan for the Hanauma Bay Nature Preserve is completed which will serve as a basis for development and identification of specific programs and items necessary to achieve the master plan objectives;</p> <p>b. ensure that the updated master plan be used as the basis for specific development and budgetary elements that will achieve objectives of master plan;</p> <p>c. ensure that budgeting is based upon elements developed to implement the preserve's master plan;</p> <p>d. assess past and projected preserve fund revenues, expenditures and fund balances;</p> <p>e. assess adequacy of fund revenues and projected expenses in accordance with preserve's goals and objectives;</p> <p>f. ensure that preserve staff is actively involved in all levels of planning for preserve's use; and</p>	<p>Funding for an updated Hanauma Bay Master Plan has been submitted in our budget request.</p> <p>The previous Hanauma Bay Master Plan was followed almost to the letter and almost every element accomplished over a twelve year period. It was this completion that stirred your recommendation for an updated plan. Again, I cannot speak for future administrations, but it is hoped that future administrators will recognize the value of following the master plan.</p> <p>The previous Hanauma Bay Master Plan was followed almost to the letter and almost every element accomplished over a twelve year period. It was this completion that stirred your recommendation for an updated plan. Again, I cannot speak for future administrations, but it is hoped that future administrators will recognize the value of following the master plan.</p> <p>Parks department per the audit recommendation, keeps abreast of all Hanauma Bay financial data provided to us by Budget/Fiscal.</p> <p>DPR and BFS will continue to work together in reviewing and assessing the HBay financial situation.</p> <p>The previous Hanauma Bay Master Plan was followed almost to the letter and almost every element accomplished over a twelve year period. It was this completion that stirred your recommendation for an updated plan. Again, I cannot speak for future administrations, but it is hoped that future administrators will recognize the value of following the master plan.</p>	<p>Not Implemented</p> <p>Not Implemented</p> <p>Not Implemented</p> <p>Implemented</p> <p>Implemented</p> <p>Not Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>g. ensure that copies of the concession contracts and current detailed information relating to concession revenue gross receipts, payments and amendments to contract terms are provided to the appropriate parks department personnel for budget planning and program evaluation purposes.</p> <p>2. The Director of the Department of Budget and Fiscal Services should ensure that copies of the following information are provided to the appropriate parks department personnel for budget planning and program evaluation purposes regarding the Hanauma Bay Nature Preserve Fund:</p>	<p>Although the audit was for Hanauma Bay Nature Preserve, concession contract matters are handled by the Department of Enterprise Services. We will continue to encourage Enterprise Services to allow us to become involved with these matters, per your office's recommendations.</p>	<p>Not Implemented</p>
<p>a. BFS Accounting Division summary worksheets on <i>Hanauma Bay Revenues and Deposits</i> and monthly Monarch report <i>Revenue Summary by Sub-Class</i>;</p>	<p>a. BFS Fiscal Services has informed the Department of Parks and Recreation (DPR) how to access the Hanauma Bay revenue and deposit information that is available on the City's intranet website.</p>	<p>Implemented</p>
<p>b. BFS Fiscal/CIP Administration report on Hanauma Bay Nature Park Capital Improvement Projects and related debt service calculator schedules;</p>	<p>b. BFS Fiscal/CIP Administration has provided the report on capital improvement projects and debt service calculator schedules to DPR.</p>	<p>Implemented</p>
<p>c. BFS Treasury Division accounts receivable annual worksheet summaries on concessionaire gross receipts and payment recap; and</p>	<p>c. BFS Treasury Division sends the accounts receivable annual worksheet summaries on concessionaire gross receipts and payment recap to the Department of Enterprise Services (DES), who is responsible for administering the concession agreements and providing the information to City departments.</p>	<p>Implemented</p>
<p>d. BFS Purchasing Division concession contracts and amendments.</p>	<p>d. BFS Purchasing Division has implemented a process to share contract information, including concession contracts and amendments, with all departments via the City intranet DocuShare system.</p>	<p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>1. The director of the Department of Design and Construction should:</p> <ul style="list-style-type: none"> a. resume negotiations with the Phase 2b tennis complex construction contractor to close the construction contract, and lift encumbrances on remaining construction funds; b. prepare a complete and accurate accounting of the city's total cost of the tennis complex when the construction contract is closed out; c. assess, improve and incorporate comprehensive cost control policies throughout the implementation of all phases of the city's capital projects, particularly adherence to the approved budget, and accounting for project costs; d. require adherence to the contracted scope work, and approved final project design as a prerequisite to proceeding to construction bidding; e. develop policies and procedures for establishing prudent and justifiable use of construction management services; appropriately structuring project responsibilities to protect the city's interests from potential conflicts of interest, and ensuring compliance with state procurement requirements; f. comply with legal and administrative requirements for reporting this project's change orders and transfers of funds to city council; 	<p>The project documentation to formally close the project has been completed by DDC.</p> <p>The construction contract has been closed by DDC.</p> <p>DDC is reviewing the concern and will take appropriate action.</p> <p>The City has and had in place policies and procedures with the proper checks and balances to insure adherence to the approved budget, accounting practices and contracted scope of work.</p> <p>DDC has reviewed the concern and has revised their policy of awarding the Design Consultant with construction management oversight responsibilities.</p> <p>DDC works with BFS to provide information on project change orders for reports generated to the City Council. The transfer of funds is done through the Appropriation and Allotment Voucher (AV) process. Copies of AVs are provided routinely by BFS to the Office of Council Services.</p>	<p>Implemented</p> <p>Not Implemented</p> <p>Pending Implementation</p> <p>Implemented</p> <p>Implemented</p> <p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
g. consider additional criteria to control unnecessary change order costs, such as prohibiting change work for aesthetic reasons or scope changes that are unrelated to the completion of contracted work;	DDC is reviewing the concern and will take appropriate action.	Pending Implementation
h. ensure that the department complies with administrative construction contract contingency limits;	The project was completed within the contract contingency limits of 10% of the contract amount.	Implemented
i. ensure that contractual obligations are enforced; pursue liquidated damages for improper or incomplete work, and set appropriate amounts for damages, as appropriate;	DDC has and will continue to manage all construction contracts to insure that any and all appropriate action is taken when necessary.	Implemented
j. cease commingling resources and funds among separate project phases; and	Fund accounts are based on budgeted Ordinances as adopted; no funds are commingled into a subsequent account. DDC complies with the budget language in the use of funds. BFS provides additional oversight in reviewing DDC's use of funds.	Implemented
k. fully represent project costs in capital budget requests to council and cease using unspecific, generic purposed capital projects or programs as ad hoc sources of project funding.	<p>DDC works with BFS in providing information on all capital budget requests to the City Council as required. Each year, the Bill Relating to the Executive Capital Budget and Program submitted to the City Council is based on the most current available cost estimate provided by departmental architects and engineers. From the time the bill is submitted to the City Council to the actual contracting of work, the projects are subject to variable economic conditions such as price escalation of construction material and labor required for the project.</p> <p>DDC's use of funds from "unspecified, generic purposed capital projects or programs" is reviewed by BFS to determine if the use of funds is consistent with the budget ordinance. For this project, BFS has determined the use of funds to be consistent.</p>	Implemented

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>2. The managing director should consider solutions to resolve the department's misuse of <i>after-the-fact</i> change order practices and ensure that change work proceeds only after formal approval.</p>	<p>A policy directive forbidding contract amendments (change orders), except in cases of health and safety, has been issued by the Director of Budget and Fiscal Services (the Chief Procurement Officer). For emergency work required for health and safety issues, approval must be obtained by the Chief Procurement Officer, although the work may begin prior to authorization.</p> <p>In the few cases of after-the-fact procurement that have occurred during this administration, the offenders have been reprimanded by this office.</p>	<p>Implemented</p>
<p>3. The director of budget and fiscal services should:</p> <p>a. submit to council for the public record all of the required change order and delay reports for the tennis complex, as required by section 2.4-2, Revised Ordinances of Honolulu; and</p> <p>b. ensure that the 20 of 26 missing design consultant contract payment records are located and make them available in the department's official procurement files for review.</p>	<p>a. The director of Budget and Fiscal Services (BFS) has submitted to council for the public record all of the required change order and delay reports for the tennis complex, as required by section 2.4-2, Revised Ordinances of Honolulu.</p> <p>b. BFS Construction and Maintenance Fiscal has provided to the Department of Design and Construction copies of the identified payment records that are within the City's record retention policy. The official payment records are stored by BFS Accounting Branch.</p>	<p>Implemented</p> <p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>1. The Honolulu Police Department should:</p> <p>a. improve workload reporting and analysis and better justify staffing needs by:</p> <p>(1) reinforcing the importance of workload assessment reports by continually educating and informing district commanders of the impact that their analyses have on determining department-wide staffing priorities;</p> <p>(2) continuously educating all police officers on the importance of documenting their activities to facilitate requests for sufficient staffing; and</p> <p>(3) amending the current system of reporting to capture all patrol officer activities and more accurately depict workload;</p> <p>b. reinforce efforts to work toward full staffing of existing positions by:</p> <p>(1) increasing the department's ability to fill vacancies by devoting appropriate resources to recruitment;</p>	<p>1.a.(1), (2), & (3) Since the audit, patrol district commanders have stressed the importance of workload assessments and documentation to their personnel. A review of the self-reported weekly and monthly work performance of each officer is compared against the monthly statistical and summary reports from the Computer Aided Dispatch System (CADS). With this information, individual and watch staffing adjustments are made to address workload production, and efforts are geared toward improvements in all areas.</p> <p>The Burglary/Theft Details submit a monthly summary of their activities detailing assignments, closures, conferrals, and charged and pending cases, which is compared to the crime index report. Crime trends are addressed through analysis of property crimes and appropriate staffing adjustments.</p> <p>Discussions are continuing among patrol commanders to determine the best way to more fully, accurately, and automatically capture patrol officer activities and workload. The Information Technology Division will be asked to assist in the development of modifications of existing systems or the design of new systems.</p> <p>1.b.(1) Resources devoted to increased recruiting capabilities include a background investigator, an officer on special assignment assigned to recruiting, and special assignment officers assigned to attend career fairs.</p>	<p>Implemented</p> <p>Implemented</p> <p>Pending Implementation</p> <p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
(2) incorporating longstanding special assignments into total personnel counts to show a more accurate portrayal of staffing needs; and	1.b.(2) Special assignments are detailed in a semiannual special assignment (SA) report showing all SA personnel along with justifications for all SAs. Additional positions have been requested through the budgetary process in order to reduce the need for SAs.	Implemented
(3) assessing the need for additional Human Resource Division resources to facilitate recruitment and processing new officers;	1.b.(3) The Human Resources Division (HRD) has requested additional budgeted positions to establish a permanent recruitment team. HRD has requested additional budgeted detective positions to handle the increased background screening workload and additional budgeted civilian positions to handle the increased workload of processing new applicants and employees.	Implemented
c. improve recruitment and training capabilities by:		
(1) assessing the need for additional resources to supplement recruitment efforts by the Human Resources Division;	1.c.(1) HRD is seeking these additional resources to supplement its recruitment efforts: 1) a partnership with SHOPO to assist with recruitment; 2) a vehicle to be used for recruitment activities; and 3) partnerships with schools, the military, and private businesses.	Implemented
(2) increasing contact with applicants throughout the lengthy background review process to keep them apprised of their progress and sustain their interest;	1.c.(2) HRD is increasing contact with applicants throughout the background review process in these ways: 1) frequent telephone and email contacts with applicants; 2) orientation sessions for applicants and their families; 3) mentoring by detectives for the applicants as they go through the process.	Implemented
(3) assessing the physical limitations of the current training facility and evaluating options for increasing the department's capacity to train incoming recruits; and	1.c.(3) The Training Division has submitted an extensive expansion plan to the City for the facilities to accommodate larger and more numerous recruit classes. In addition, increased training staff was requested through the budgetary process.	Implemented

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>(4) supplementing the entry of new officers into the department by considering additional sources for new officers, such as modifying training programs to accommodate experienced police officers from other jurisdictions without requiring the same classes as new recruits.</p>	<p>1.c.(4) The Training Division has authored a new directive entitled “Returning Officers” for those HPD officers who have resigned or retired and who wish to come back to work for HPD. However, HPD has chosen to defer any action to accommodate lateral transfers at this time.</p>	<p>Implemented</p>

Report Title: **Audit of the City’s Management of Unilateral Agreements in Affordable Housing**
Report No.: 07-05

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>1. The Department of Planning and Permitting should:</p> <p>a. establish formal policies and procedures for administering unilateral agreements, including monitoring requirements;</p> <p>b. maintain a matrix or database with timely data specifying a developer’s affordable housing requirement, number of units completed, and outstanding units to be delivered. These figures should be verified by department staff;</p>	<p>Follow Up Actions Not Required. The Department already has formal programs and procedures both for monitoring compliance with unilateral agreements and for monitoring compliance with the terms of affordable housing agreements required to implement unilateral agreement conditions. These policies and procedures for administering unilateral agreements were in place long before the 2007 audit.</p> <p>Follow Up Actions Not Required. The Department has long maintained historical data on unilateral agreements, including those with affordable housing requirements, both in paper and electronic form. The Department does maintain a verified inventory of credits given to developers for affordable housing units built or rented which is up-to-date as of January 2008. This database was in place prior to the 2007 audit.</p>	<p>Implemented</p> <p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>c. initiate systematic record-keeping efforts to account for all affordable housing units constructed under unilateral agreements, as well as track all unilateral agreement ordinances, developers' annual reports, affordable housing credits, in-lieu fees, site visits, and other pertinent information;</p>	<p>Follow Up Actions Not Required. The Department has long maintained historical data on unilateral agreements, including those with affordable housing requirements, both in paper and electronic form. The Department does not view it to be its mission to determine or maintain a record of all affordable housing units constructed or in-lieu fees paid under affordable housing requirements certified as completed under the supervision of the Department of Housing and Community Development up to 1998. The Department does maintain a verified inventory of credits for affordable housing units built or rented given to developers of active projects since 1998 which is up-to-date as of January 2008. All correspondence from or to developers regarding compliance with unilateral agreements, including annual reports, is scanned into an electronic database and filed with the official files for the relevant zone change. Staff monitoring reports on each zone change are routinely updated to reflect the latest pertinent information related to Unilateral Agreement compliance, including site visits if appropriate. All of these "systematic" record-keeping activities were in place prior to the 2007 audit.</p>	<p>Implemented</p>
<p>d. amend the rules for unilateral agreements in affordable housing by establishing an in-lieu fee formula that is consistent with the goals and objectives to be established for the use of in-lieu fees;</p>	<p>Rules Amendments Are Proposed. DPP intends to circulate proposed rules amendments for comment as soon as the City Council reaches agreement on the disposition of a variety of proposals for affordable housing policies and procedures currently under consideration, including the use of in-lieu fees. A change to the rules is proposed for the method of calculating in-lieu fees that would base the in-lieu fee on the costs that the City incurs by providing grants to non-profits to subsidize production of a low-income affordable rental unit.</p>	<p>Pending Implementation</p>
<p>e. amend the rules for unilateral agreements in affordable housing by proposing a framework for the accrual and application of excess affordable housing credits;</p>	<p>Rules Amendments Are Proposed. DPP intends to circulate proposed rules amendments for comment as soon as the City Council reaches agreement on the disposition of a variety of proposals for affordable housing policies and procedures currently under consideration, including the use of excess credits. An addition to the rules is proposed to incorporate the standard practices that the Department has been following in approving the application</p>	<p>Pending Implementation</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>f. track affordable housing credits more closely if it plans to allow continued application of excess credits from one unilateral agreement to another;</p>	<p>of excess credits from a donor project to meet requirements of recipient projects.</p> <p>Follow Up Actions Not Required. DPP's current records are sufficient to serve as the basis for determining if excess credits exist. In addition, at the time that an applicant requests the use of excess credits from a donor site to meet an affordable housing requirement at a recipient site, the burden is on the applicant to provide any documentation required to establish the amount of credits earned at the donor site. There is no requirement that the Director must approve use of excess credits at a recipient site.</p>	<p>Implemented</p>
<p>g. establish a procedure where it will document, as part of its housing agreement authorization, how the delivery options exercised by developers conform to general, development, or sustainable community plan provisions related to affordable housing;</p>	<p>Follow Up Actions Not Required. The City Council certifies, as part of the adoption process, that each zone change ordinance which it approves, including any Unilateral Agreement which is part of the ordinance, is compatible with the Honolulu General Plan and the relevant Development Plan or Sustainable Communities Plan. Consequently, there is no reason to document General Plan, Development Plan, or Sustainable Communities Plan compliance of an action which implements an affordable housing requirement established under that ordinance.</p>	<p>Not Implemented</p>
<p>h. report verified affordable housing data in its annual report to the council as required by city ordinance;</p>	<p>Additional Staff Required. Staffing has been insufficient to provide the required annual report on unilateral agreement conditions. The status of affordable housing requirement compliance would be included in such reports.</p>	<p>Not Implemented</p>
<p>i. evaluate its staffing allocation for unilateral agreement monitoring and, if necessary, redistribute current staff or request the necessary number of positions needed to administer unilateral agreements; and</p>	<p>Additional Staff Required. Staffing has been insufficient to keep up with annual reporting, and to clean up problems with inherited documentation and archiving. In addition, the recent retirement of a key staff member has created a vacancy which we are currently filling. Additional staffing to support unilateral agreement compliance monitoring was requested in the FY09 budget.</p>	<p>Pending Implementation</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>j. enforce future ordinance provisions related to unilateral agreements in affordable housing.</p>	<p>Follow Up Actions Not Required. We enforce all unilateral agreement conditions, including those requiring affordable housing, aggressively, putting a hold on subdivision approvals, construction permits and building permits when conditions are not being met. The Auditor did not document a single incident where a developer has avoided compliance with the affordable housing requirements established by unilateral agreements for which the Department has responsibility for ensuring compliance.</p>	<p>Not Implemented</p>
<p>2. The Honolulu City Council should:</p> <p>a. consider clarifying Section 6-46.2, ROH, relating to the purpose of the Housing Development Special Fund by specifying whether in lieu fees are intended for <i>affordable</i> housing purposes should be an option or requirement;</p>	<p>Bill 97(2007) - Relating to the Housing Development Special Fund.</p> <p>This bill would clarify that the purpose of the fund is to increase the availability of affordable housing for sale or rent in the city.</p> <p>Bill 65 (2007) - Relating to the Affordable Housing Fund.</p> <p>Requires that all in-lieu fees received from landowners and/or developers for the purpose of satisfying affordable housing conditions contained in the unilateral agreements for their projects be deposited into the affordable housing fund.</p> <p>Resolution 07-272 - Establishing a City Affordable Housing Strategy.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Resolution 07-274 - Assigning to the Director of Planning and Permitting and the Planning Commission a Proposed Bill Relating to Affordable Housing.</p> <p>In part, the proposed bill accompanying the resolution disallows the use of an "in-lieu fee" as a permitted option for the delivery of affordable housing.</p>	<p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>b. consider amending Section 6-46.2, ROH, to clarify the use of in-lieu fees for <i>affordable</i> housing and allow alternative uses for in-lieu fees collected from developers;</p>	<p>Resolution 07-275 - Establishing a City Policy Eliminating Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Declares as city policy that the payment of cash in-lieu fees shall no longer be accepted by the city as a means of satisfying affordable housing conditions in unilateral agreements. Provides that all affordable housing conditions in unilateral agreements incorporated in zone change ordinances enacted after the adoption of this resolution shall expressly prohibit the payment of cash in-lieu fees as a means of satisfying the affordable housing requirement.</p> <p>Resolution 07-276 ~ Establishing a City Policy Limiting Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Bill 97(2007) - Relating to the Housing Development Special Fund.</p> <p>This bill would clarify that the purpose of the fund is to increase the availability of affordable housing for sale or rent in the city.</p> <p>Bill 65 (2007) - Relating to the Affordable Housing Fund.</p> <p>Requires that all in-lieu fees received from landowners and/or developers for the purpose of satisfying affordable housing conditions contained in the unilateral agreements for their projects be deposited into the affordable housing fund.</p>	<p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
	<p>Resolution 07-272 - Establishing a City Affordable Housing Strategy.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Resolution 07-274 - Assigning to the Director of Planning and Permitting and the Planning Commission a Proposed Bill Relating to Affordable Housing.</p> <p>In part, the proposed bill accompanying the resolution disallows the use of an "in-lieu fee" as a permitted option for the delivery of affordable housing.</p> <p>Resolution 07-275 - Establishing a City Policy Eliminating Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Declares as city policy that the payment of cash in-lieu fees shall no longer be accepted by the city as a means of satisfying affordable housing conditions in unilateral agreements. Provides that all affordable housing conditions in unilateral agreements incorporated in zone change ordinances enacted after the adoption of this resolution shall expressly prohibit the payment of cash in-lieu fees as a means of satisfying the affordable housing requirement.</p> <p>Resolution 07-276 - Establishing a City Policy Limiting Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p>	

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>c. consider amending Section 6-46.3, ROH, to designate a city agency to monitor, plan, and expend in-lieu fees collected by the city; and</p>	<p>Bill 97(2007) - Relating to the Housing Development Special Fund.</p> <p>This bill would clarify that the purpose of the fund is to increase the availability of affordable housing for sale or rent in the city.</p> <p>Bill 65 (2007) - Relating to the Affordable Housing Fund.</p> <p>Requires that all in-lieu fees received from landowners and/or developers for the purpose of satisfying affordable housing conditions contained in the unilateral agreements for their projects be deposited into the affordable housing fund.</p> <p>Resolution 07-272 - Establishing a City Affordable Housing Strategy.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Resolution 07-274 - Assigning to the Director of Planning and Permitting and the Planning Commission a Proposed Bill Relating to Affordable Housing.</p> <p>In part, the proposed bill accompanying the resolution disallows the use of an "in-lieu fee" as a permitted option for the delivery of affordable housing.</p> <p>Resolution 07-275 - Establishing a City Policy Eliminating Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Declares as city policy that the payment of cash in-lieu fees shall no longer be accepted by the city as a means of satisfying affordable housing conditions in unilateral agreements. Provides that all affordable housing conditions in unilateral agreements incorporated in zone change ordinances enacted after the adoption of this resolution shall expressly prohibit the payment of cash in-lieu</p>	<p>Not Implemented</p>

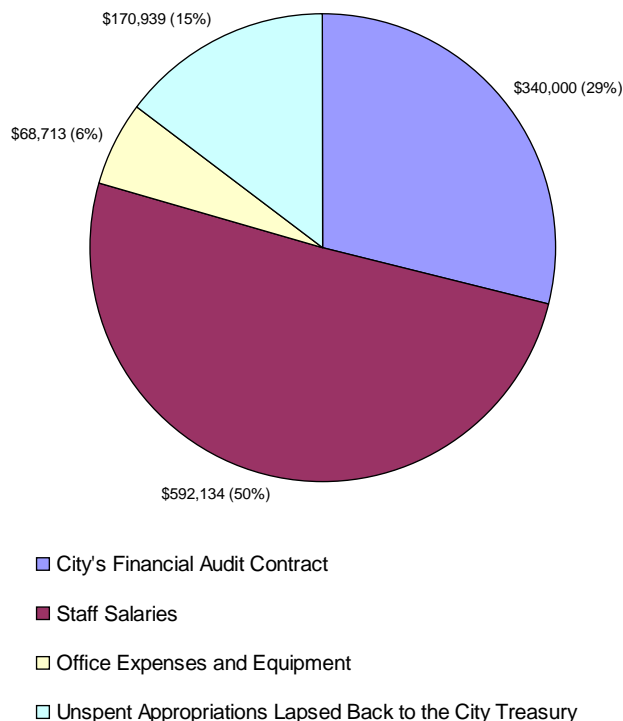
RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
<p>d. consider further review of the Housing Development Special Fund's expenditures.</p>	<p>fees as a means of satisfying the affordable housing requirement.</p> <p>Resolution 07-276 - Establishing a City Policy Limiting Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Bill 97(2007) - Relating to the Housing Development Special Fund.</p> <p>This bill would clarify that the purpose of the fund is to increase the availability of affordable housing for sale or rent in the city.</p> <p>Bill 65 (2007) - Relating to the Affordable Housing Fund.</p> <p>Requires that all in-lieu fees received from landowners and/or developers for the purpose of satisfying affordable housing conditions contained in the unilateral agreements for their projects be deposited into the affordable housing fund.</p> <p>Resolution 07-272 - Establishing a City Affordable Housing Strategy.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p> <p>Resolution 07-274 - Assigning to the Director of Planning and Permitting and the Planning Commission a Proposed Bill Relating to Affordable Housing.</p> <p>In part, the proposed bill accompanying the resolution disallows the use of an "in-lieu fee" as a permitted option for the delivery of affordable housing.</p>	<p>Implemented</p>

RECOMMENDATIONS	ACTIONS TAKEN—AS REPORTED BY AFFECTED AGENCIES	UNAUDITED STATUS
	<p>Resolution 07-275 - Establishing a City Policy Eliminating Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Declares as city policy that the payment of cash in-lieu fees shall no longer be accepted by the city as a means of satisfying affordable housing conditions in unilateral agreements. Provides that all affordable housing conditions in unilateral agreements incorporated in zone change ordinances enacted after the adoption of this resolution shall expressly prohibit the payment of cash in-lieu fees as a means of satisfying the affordable housing requirement.</p> <p>Resolution 07-276 - Establishing a City Policy Limiting Cash Contributions ("In-Lieu Fees") as an Option to Meet Affordable Housing Conditions in Unilateral Agreements Incorporated in Zone Change Ordinances.</p> <p>Establishes conditions under which cash in-lieu fees may be accepted to satisfy affordable housing requirements of landowners and/or developers.</p>	

FY2007-08 Appropriations and Expenditures

The Office of the City Auditor was appropriated a total of \$1,171,786 in FY2007-08. Of this total, \$340,000, or 29%, was expended for the City's annual financial audit contract, which OCA oversees for the council. OCA's total appropriated operating budget was \$831,786, of which \$592,134 was expended for staff salaries and \$68,713 was expended for office operations and equipment. Approximately \$170,939 in unspent appropriations was returned back to the City Treasury at the end of the fiscal year. Most of the unspent appropriations resulted from a decrease in the actual amount expended for the hire of a consultant to review Other Post Employment Benefits for the council.

OCA FY2007-08 Application of Resources



OCA Staff Listing

Leslie I. Tanaka, City Auditor

- Appointed City Auditor on July 1, 2003
- Deputy Auditor, Hawai'i State Auditor's Office, 1995 to 2003
- Director of Administrative Services, University of Hawai'i at Kapiolani Community College, 1981 to 1994
- Certified Public Accountant since 1974

Sherri S. Suzawa, Administrative Services Officer

- Served in the Office of the City Auditor since 2003
- Division Secretary, Emergency Medical Services, C&C of Honolulu, 1994 to 2003
- Contract Specialist, Hickam Air Force Base, 1992 to 1994

Susan Hall, Audit Manager

- Served in the Office of the City Auditor since 2003
- Legislative Analyst, Office of Council Services, C&C of Honolulu, 1999 to 2003
- Analyst, Hawai'i State Auditor's Office, 1992 to 1999
- Evaluator, U.S. General Accounting Office, 1983 to 1987

Van Lee, Audit Manager

- Served in the Office of the City Auditor since 2003
- Senior Analyst, Hawai'i State Auditor's Office, 1992 to 2003
- Assistant Vice President, Hawaiian Trust Company, 1984 to 1992

Troy Shimasaki, Senior Auditor

- Served in the Office of the City Auditor since 2004
- Analyst, Hawai'i State Auditor's Office, 2000 to 2004
- Legislative Aide/Analyst, Hawai'i State Legislature, 1992 to 2000

Maria Torres-Kitamura, Senior Auditor

- Served in the Office of the City Auditor since 2005
- Senior Editor/Editor, Hawai'i Business Magazine, 2004 to 2005, 1992 to 1997
- Associate Analyst, Hawai'i State Auditor's Office, 2001 to 2004

Roxane Orian, Senior Auditor

- Served in the Office of the City Auditor since 2004
- Various positions, State of Hawai'i, 1994 to 2002
- Analyst, Hawai'i State Auditor's Office, 1992 to 1994
- Budget Analyst, Hawai'i State Senate, 1991 to 1992

Wayne H. Kawamura, Senior Auditor

- Served in the Office of the City Auditor since 2004
- Legislative Analyst, Hawai'i State Senate, 2002 to 2004, 1999 to 2000
- Policy Analyst, Office of Hawaiian Affairs, 2000 to 2002



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