

Office of the City Auditor

FY 2022-23
Requested Budget

Contents

Cover Letter and Notable Changes

Auditor's Office Budget Overview

Programs, Services, and Budgets Across the Auditor's Office

Archives and Records Management

Audit Services

Independent Police Review

Placeholder for Independent Police Review

Ombudsman's Office

Operations Management

Decision Package Summaries

Budget Equity Assessment

Supplemental Documents

Funding Model

Auditor's Independent Police Review Retention Plan



P O R T L A N D
CITY AUDITOR
Mary Hull Caballero





26 January 2022

To: Mayor Ted Wheeler
Commissioner Jo Ann Hardesty
Commissioner Mingus Mapps
Commissioner Carmen Rubio
Commissioner Dan Ryan
City Budget Director Jessica Kinard

From: Auditor Mary Hull Caballero

Re: Fiscal Year 2022-23 Requested Budget

Budget Summary	
Request	\$ 12.4 million
Funding Model	\$ 0
Additions	\$ 242,589
Cuts	\$ 0
Auditor's Reserve Fund	\$ 55,947
Requested staffing with IPR	53 full-time
Requested staffing without IPR	39 full-time

This budget request renews proposals for two notable changes to the Auditor's Office. The first is for a budget note to adopt an updated funding model to set the Auditor's budget over a five-year time period. The second is an updated plan to sunset Independent Police Review by June 30, 2022, assuming City Council prefers to manage it rather than agree to the terms under which the Auditor's Office can retain it. The funding model and Auditor's transition plan are in the supplemental section.

I am again requesting that this Council take up the unresolved work of adopting a funding model for the Auditor's Office that fully acknowledges its unique position in the City and meets Council's fiduciary obligations. An agreement between the Auditor and the Commissioners to respect our distinct but equal responsibilities would demonstrate that the City values accountability and strengthen public confidence in our ability to govern. The model is described in the supplemental section.

Workload demand prompts requests for ongoing funds for two positions. We drew on one-time funding from the Auditor's Office reserve fund to extend a limited-term Coordinator I position in the Elections Office through December 2022 because of workload associated with new campaign finance regulations and the increasing number of candidates running for office who are subject to them. Given our experience with two elections cycles, we know the Elections Officer cannot meet the demands of Charter and Code requirements without the support of a permanent, ongoing Coordinator position.

The second position request is for an Archives and Records Management Coordinator to help City bureaus and offices manage and access their electronic records, demand for which increased during the pandemic and is unlikely to abate.

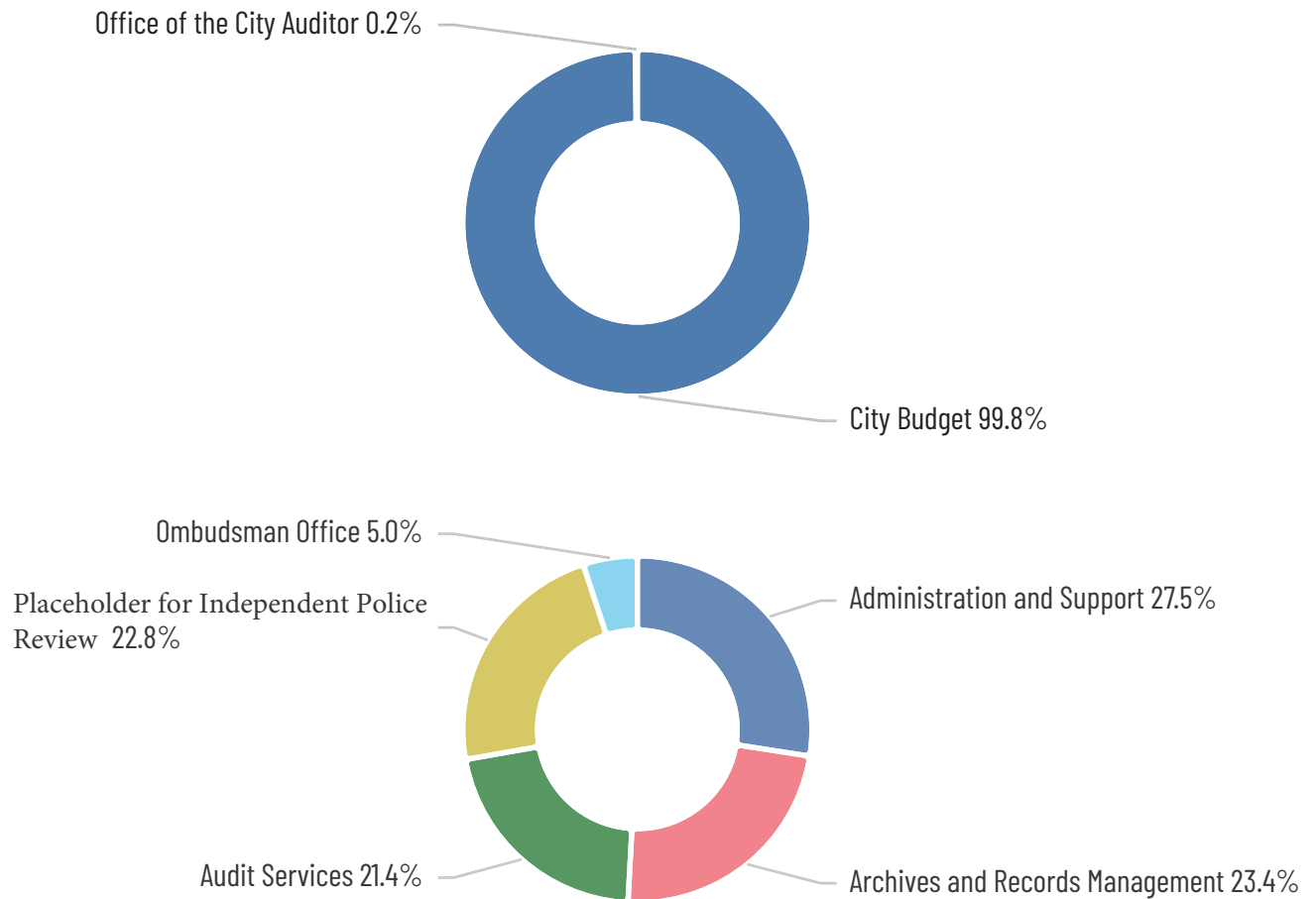
PORTLAND CITY AUDITOR

MARY HULL CABALLERO

Fiscal Year 2022-23 Budget Request

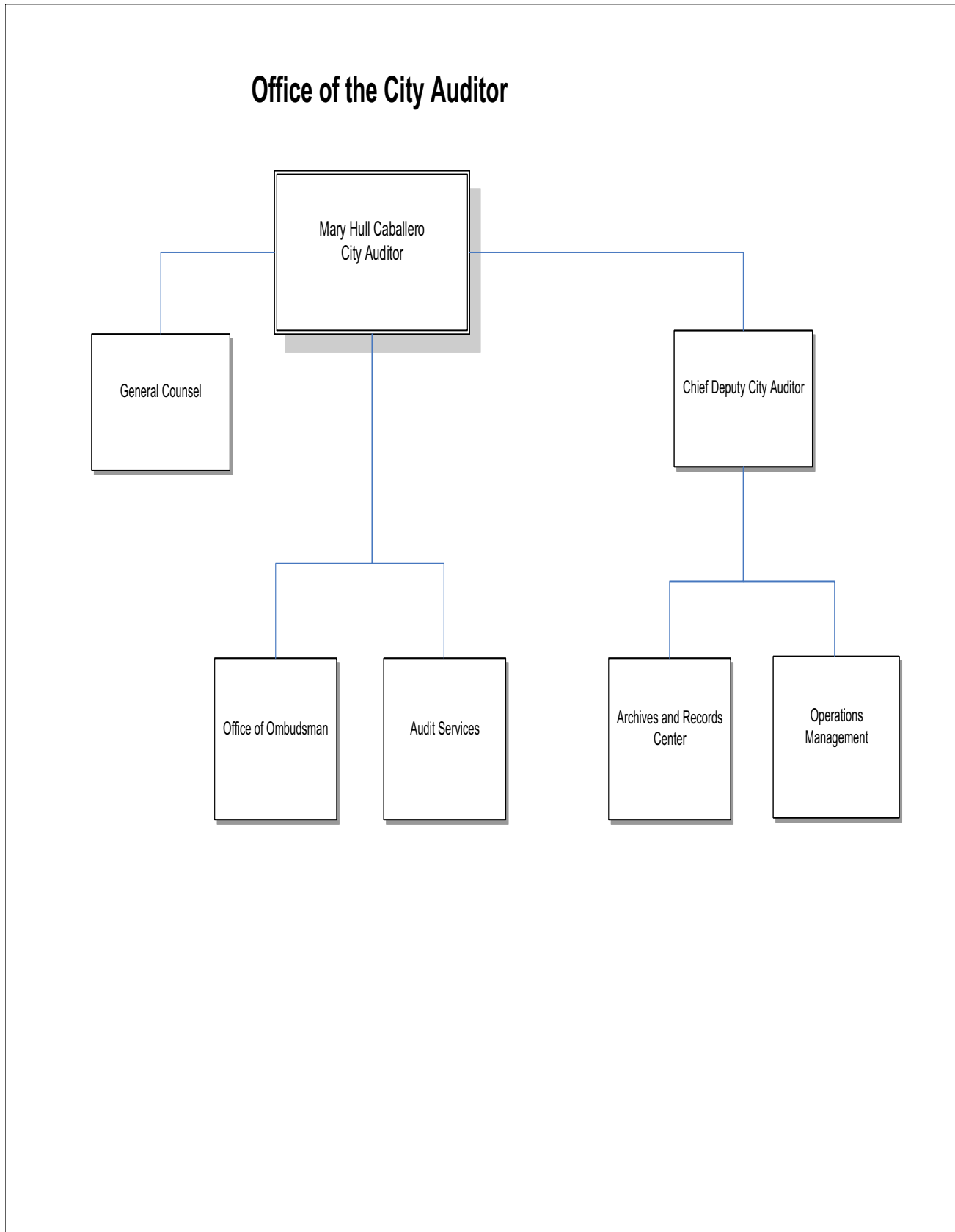
PURPOSE	AUDITOR'S OFFICE	
	Promotes open and accountable government by providing independent and impartial reviews, access to public information, and services for City government and the public	Adopt a funding model for the Auditor's Office to preserve its independence from those who are subject to its oversight and enable Council to meet its fiduciary obligations.
ACCOUNTABILITY	AUDIT SERVICES	
	Promotes equitable, efficient, effective, and fully accountable City government	
	INDEPENDENT POLICE REVIEW	
	Investigates police misconduct complaints, promotes higher standards of police services, makes policy recommendations	Sunset and transfer division out of the Auditor's Office effective July 1, 2022, assuming Council does not agree to the terms in the supplemental section for it to remain in the Auditor's Office.
TRANSPARENCY	OMBUDSMAN	
	Resolves complaints and makes recommendations to improve City practices and procedures	
	ARCHIVES AND RECORDS MANAGEMENT	
	Administers records retention schedules, storage and destruction; preserves historical records	Add \$128,220 to create an ongoing Archives and Records Management Coordinator II position to meet the growing demand by bureaus for electronic records management and access services.
SUPPORT	COUNCIL CLERK	
	Administers Council sessions and records official City business, provides final approval City contracts as authorized	
	ELECTIONS/LOBBYIST REGISTRATION	
SUPPORT	Manages City elections processes, administers Lobbyists and Political Consultants Registration program, enforces campaign regulations	Add \$114,369 for an ongoing Coordinator I position to support campaign regulation enforcement and other work. The Auditor's Office funded this position with one-time reserve funds through December 2022.
	OPERATIONS MANAGEMENT	
SUPPORT	Provides leadership, accountability, and support for all activities of the office	

Office of the City Auditor



Bureau Overview

Requirements	Revised FY 2021-22	Requested Total FY 2022-23	Change from Prior Year	Percent Change
Operating	\$11,808,609	\$12,393,923	\$585,314	5%
Capital				
Total	\$11,808,609	\$12,393,923	\$585,314	5%
Authorized Positions	51.00	53.00	2.00	3.92%



Bureau Summary

Mission

To promote open and accountable government by providing independent and impartial reviews, access to public information, and services for City government and the public.

Overview

Portland has had a City Auditor since 1868 and an elected City Auditor since 1891. As the sixth elected official in Portland's government, the Auditor is functionally independent of City Council and accountable only to the public with the exception of the budget-setting process. The Auditor continues to press City Council to approve a framework to set the Auditor's Office budget in a way that respects its unique independent role in City government and removes the perception and opportunity for Council to use the budget to undermine accountability it does not welcome.

The Auditor's Office has fifty-one employees carrying out their work in five divisions. Three divisions have oversight and accountability responsibilities: Audit Services, Independent Police Review, and the Ombudsman's Office. Archives and Records Management oversees the Portland Archives and Records Center and helps City offices and bureaus meet government records retention requirements. Operations Management provides administrative support across all Auditor's Office divisions and oversees the Council Clerk, City Elections, and the Lobbyist and Political Consultants Registration Programs, which are Citywide responsibilities.

The Auditor's Office assumes that Independent Police Review will be managed by another agency designated by the Mayor and Council by July 1, 2022. To balance the Auditor's Office budget, funding for Independent Police Review is reduced to zero in its program offer and realigned to a placeholder until the Mayor and Council designate the agency to receive it and manage Independent Police Review's operations. The transfer will reduce requested staffing in the Auditor's Office to 39 employees in four divisions.

Strategic Direction

Transfer Independent Police Review

Voters approved a new community board for police oversight in November 2020. Council made clear that employees in Independent Police Review would not be transferred to staff the new board, which is not expected to be operational before December 2026. In the meantime, the City risks losing its existing independent civilian oversight expertise given the uncertainty of future employment. It also jeopardizes the City's ability to regain compliance with its settlement agreement

with the Justice Department. Council has rejected several proposals from the Auditor to stabilize Independent Police Review during the transition years and has not offered a viable plan of its own. Council has the option for the Auditor's Office to retain the division under terms outlined in the supplemental section of this document. If Council decides against the terms, it will assume responsibility for relocating and managing Independent Police Review, effective July 1, 2022.

Resolve Structural Conflicts in Setting the Auditor's Budget

We renew our commitment to work with Council on a framework to set the Auditor's budget that protects the office's independence and respects Council's fiduciary responsibilities. We submit an updated proposal for a five-year funding model to implement the intent of the Charter Section 2-505. A similar funding proposal submitted last year to the Charter Review Commission remains under consideration as a Charter amendment. The Auditor's Office prefers designing a funding model in a budget note to allow for adjustments as needed, but a Charter proposal for voters to consider is a viable option. It also would be in keeping with Council's decision to refer to voters a proposal to guarantee funding for a police accountability board as a percentage of the Police Bureau's budget. Voters supported the guaranteed budget. Information about the funding model we prefer is in the supplemental section.

Implement strategic plan goals

An officewide strategic plan will be finalized this spring. Goals focus on anti-racism, office culture, historically underserved communities, and equitable access to services and information. Elements of the plan are underway or will be by the end of this fiscal year, but the planning horizon is through Fiscal Year 2022-23.

Transition to a new Auditor

The Auditor's Office will have a new leader on January 1, 2023 and planning is underway to ensure a smooth transition and onboarding phase.

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested No DP FY 2022-23	Requested Total FY 2022-23
External Revenues					
Charges for Services	608,704	107,762	100,665	0	0
Miscellaneous	8,704,905	10	6,500	6,500	6,500
External Revenues Total	9,313,609	107,772	107,165	6,500	6,500
Internal Revenues					
General Fund Discretionary	6,018,665	6,542,632	6,834,536	6,763,921	6,865,806
General Fund Overhead	4,590,251	4,365,102	4,676,329	5,325,966	5,466,670
Fund Transfers - Revenue	0	500,000	190,579	54,947	54,947
Interagency Revenue	166,029	0	0	0	0
Internal Revenues Total	10,774,945	11,407,734	11,701,444	12,144,834	12,387,423
Beginning Fund Balance	0	0	0	0	0
Resources Total	20,088,554	11,515,506	11,808,609	12,151,334	12,393,923
Bureau Expenditures					
Personnel Services	7,090,568	6,980,915	7,260,932	7,928,751	8,171,340
External Materials and Services	942,805	1,241,882	1,597,120	1,325,796	1,325,796
Internal Materials and Services	2,806,646	2,792,699	2,857,147	2,896,787	2,896,787
Bureau Expenditures Total	10,840,019	11,015,496	11,715,199	12,151,334	12,393,923
Fund Expenditures					
Contingency	0	0	93,410	0	0
Fund Expenditures Total	0	0	93,410	0	0
Ending Fund Balance	9,248,535	0	0	0	0
Requirements Total	20,088,554	11,015,496	11,808,609	12,151,334	12,393,923
Programs					
Administration & Support	1,661,071	3,986,133	2,733,392	3,289,655	3,404,024
Archives & Records Management	2,736,765	2,570,113	2,745,132	2,770,973	2,899,193
Assessments, Finance & Foreclosure	1,676	5,747	—	—	—
Audit Services	2,036,585	1,959,239	2,479,431	2,647,547	2,647,547
Council Clerk & Contracts	927,695	15,747	626,972	—	—
Placeholder for IPR	—	—	—	2,820,879	2,820,879
Hearings Office	695,667	(2,966)	—	—	—
Independent Police Review	2,401,385	2,105,490	2,545,352	—	—
Ombudsman Office	379,174	375,994	584,920	622,280	622,280
Total Programs	10,840,019	11,015,496	11,715,199	12,151,334	12,393,923

Office of the City Auditor

Class	Title	Salary Range		Revised FY 2021-22		Requested No DP FY 2022-23		Requested Total FY 2022-23	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30003201	Auditor - Administrative Specialist II	48,277	101,226	5.00	382,200	5.00	382,200	5.00	382,200
30003204	Auditor - Administrative Specialist III	53,290	111,696	1.00	80,278	1.00	80,278	1.00	80,278
30003205	Auditor - Analyst I	53,290	111,696	2.00	171,537	2.00	171,537	2.00	171,537
30003211	Auditor - Analyst II	63,336	119,136	1.00	93,538	1.00	93,538	1.00	93,538
30003218	Auditor - Analyst III	69,805	142,817	1.00	103,522	1.00	103,522	1.00	103,522
30003202	Auditor - Archives&RecordsCoordinator I	48,277	101,226	2.00	140,571	2.00	140,571	2.00	140,571
30003206	Auditor - Archives&RecordsCoordinator II	53,290	111,696	1.00	80,278	1.00	80,278	2.00	163,446
30003212	Auditor - Archives&RecordsCoordinatorIII	63,336	119,136	2.00	185,234	2.00	185,234	2.00	185,234
30003228	Auditor - Audit Services Director	92,851	183,717	1.00	109,949	1.00	109,949	1.00	109,949
30003213	Auditor - Business Systems Analyst II	63,336	119,136	1.00	99,445	1.00	99,445	1.00	99,445
30003225	Auditor - City Archivist	80,205	158,655	1.00	116,626	1.00	116,626	1.00	116,626
30003229	Auditor - City Auditor Chief Deputy	92,851	183,717	1.00	125,424	1.00	125,424	1.00	125,424
30003226	Auditor - City Ombudsman	80,205	158,655	1.00	136,178	1.00	136,178	1.00	136,178
30003208	Auditor - Clerk to City Council	63,336	119,136	1.00	93,267	1.00	93,267	1.00	93,267
30003203	Auditor - Coordinator I	48,277	101,226	0.00	0	0.00	0	1.00	72,748
30003209	Auditor - Coordinator II	53,290	111,696	1.00	86,299	1.00	86,299	1.00	86,299
30003214	Auditor - Coordinator III	63,336	119,136	2.00	202,592	2.00	202,592	2.00	202,592
30003354	Auditor - Coordinator IV	69,805	142,817	1.00	99,154	1.00	99,154	1.00	99,154
30003232	Auditor - General Counsel	111,696	214,637	1.00	159,151	1.00	159,151	1.00	159,151
30003215	Auditor - Investigator I	63,336	119,136	6.00	529,464	6.00	529,464	6.00	529,464
30003222	Auditor - Investigator II	69,805	142,817	1.00	106,766	1.00	106,766	1.00	106,766
30003231	Auditor - IPR Director	92,851	183,717	1.00	129,875	1.00	129,875	1.00	129,875
30003227	Auditor - Manager I	80,205	158,655	2.00	236,371	2.00	236,371	2.00	236,371
30003210	Auditor - Performance Auditor I	53,290	111,696	1.00	80,018	1.00	80,018	1.00	80,018
30003216	Auditor - Performance Auditor II	63,336	119,136	6.00	618,544	6.00	618,544	6.00	618,544
30003223	Auditor - Performance Auditor III	69,805	142,817	2.00	212,638	2.00	212,638	2.00	212,638
30003224	Auditor - Supervisor II	69,805	142,817	1.00	114,733	1.00	114,733	1.00	114,733
30003576	Auditor – Deputy Council Clerk	63,336	119,136	1.00	81,286	1.00	81,286	1.00	81,286
30003575	Auditor – Deputy Ombudsman	63,336	119,136	2.00	178,027	2.00	178,027	2.00	178,027

Class	Title	Salary Range		Revised FY 2021-22		Requested No DP FY 2022-23		Requested Total FY 2022-23	
		Min	Max	No.	Amount	No.	Amount	No.	Amount
30000003	Auditor, City	114,254	136,780	1.00	127,712	1.00	127,712	1.00	127,712
	Total Full-Time Positions			50.00	4,880,677	50.00	4,880,677	52.00	5,036,593
30003203	Auditor - Coordinator I	48,277	101,226	1.00	34,320	1.00	34,320	1.00	34,320
	Total Limited Term Positions			1.00	34,320	1.00	34,320	1.00	34,320
Grand Total				51.00	4,914,997	51.00	4,914,997	53.00	5,070,913

Archives & Records Management

Program Description & Goals

The mission of Archives & Records Management is to ensure an open and accountable government through public records, which supports the Auditor's mission to promote transparency and accountability. The division accomplishes this through records policies, training, managing the Archives & Records Center, providing reference services to City employees and the public, and administering the City's electronic records management and retention system, known as TRIM. In Fiscal Year 2019-20, staff assisted 551 researchers and 475 in Fiscal Year 2020-21. In-person research declined due to pandemic closures, but staff continued to provide the public and employees with records to address immediate needs. The public continues to use the public portal for accessing City business and historical records. While the pandemic slowed activity, the high number of employees and community members served through this repository for City records is an indicator of the division's success. The goal for Fiscal Year 2020-2021 was 87,510 visits, and the actual number of visitors was 85,591. The target for Fiscal Year 2022-23 is 107,962. A dashboard of Auditor's Office performance measures, including additional detail and trends for each measure, is available from the "About Us" section of the Auditor's web page.

Explanation of Services

All City records must be maintained in accordance with public records laws, and the City Charter gives the Auditor responsibility for maintaining all official records. Archives & Records Management provides Citywide services for records management and retention, administration of the electronic records management system, and archives. The records are critical to the operations of the City, and they document how the City fulfills its public responsibilities. Archives & Records Management provides records retention and management training to ensure employees meet their legal responsibilities and encourage access to greater numbers of records for the public. The City's archival records represent the deep history of City policies, projects, and operations, but also continue to serve as valuable business records for bureaus. The community's interests in government archives are diverse. They range from documenting property history that influences current development to identifying actions that impact a neighborhood. While the City's archives are bureaucratic records, they also contain rich social history of the communities of Portland. The division targets outreach to underserved communities so they know the resources available to them and serves as a clearinghouse to help guide people to the information they need. Archives is also developing an oral history program to capture city government stories that are not fully told in the documented record.

Staff also uses its deep and broad knowledge of City government to connect employees and the public to needed information. City offices to request assistance with electronic records management and implementing TRIM in their bureaus as access to the City's business records is even more necessary for employees working away from the office. The office launched and are training city employees on using new, simplified records retention schedules that make it easier for bureaus to fulfill their legal public records duties.

Equity Impacts

Community access, engagement, and partnerships are the primary tenets of the Auditor's Office equity plan. Archives & Records Management's contribution to the plan is (1) documenting current communities that use services and identifying gaps in service with the goal of improving engagement with underserved communities; (2) determining records that reflect communities of color and other traditionally underserved communities and making them more available through focused digitization and database functionality; and (3) partnering with City bureaus to help them fulfill their own equity goals through public records access. Moving the plan forward, Archives is collecting zip code data to identify gaps in active service usage and digitizing and making available through E-files records of interest to communities of color. The division is engaged in partnerships and initiatives to build public awareness of City information resources in underrepresented communities. Recent efforts include partnering with Don't Shoot PDX to promote community history and make it easier for families to find historical collections documenting the experiences of communities of color.

Changes to Program

Requests from city offices for electronic records management support and guidance has continued to increase with employees working from home. The number of requests to manage city records in TRIM, the city's electronic records management system, has outpaced current staffing available to fulfill them.

Citywide pandemic restrictions beginning in March 2020 reduced external materials and services expenses. Operational spending has remained low across the office due to the COVID-19 pandemic. Spending for Fiscal Year 2022-23 depends on when employees transition back into the office and when public engagement can safely resume.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures					
Personnel Services	986,647	974,903	956,243	981,844	1,110,064
External Materials and Services	143,912	110,049	301,240	240,115	240,115
Internal Materials and Services	1,606,206	1,485,161	1,487,649	1,549,014	1,549,014
Bureau Expenditures Total	2,736,765	2,570,113	2,745,132	2,770,973	2,899,193
Requirements Total	2,736,765	2,570,113	2,745,132	2,770,973	2,899,193
FTE	7.00	7.00	7.00	7.00	8.00

Budget Narrative

Resources This program is funded through the City's General Fund; revenues are split between discretionary and overhead and total approximately \$2.9 million.

Expenses Spending is mostly focused on outreach and events connected to the division’s workplan and equity goals, fixed TRIM license maintenance costs, staff training and education, materials and equipment for Portland Archives & Records Center operations, and contracted professional services.

Staffing Archives and Records Management is made up of seven full-time-equivalent employees. They manage, preserve, and make accessible public records in accordance with local, state, and federal laws and professional standards. In addition to having the educational degree requirements established by the Society of American Archivists, most employees are certified through the Association of Certified Archivists. Student and part-time casual workers assist staff with projects associated with Archives & Records Center operations. Creating an additional staff position to keep up with bureau demands for electronic records management assistance is a priority.

Program Information

Program Contact: Diana Banning

Contact Phone: 503-865-4110

Website: www.portlandoregon.gov/auditor/archives

Audit Services

Program Description & Goals

The mission of Audit Services is to promote equitable, efficient, effective, and fully accountable City government. To accomplish this mission, the division conducts performance audits in accordance with Government Auditing Standards to provide objective information and recommendations to City elected officials, managers, and the public. In Fiscal Year 2020-21, the division completed 76 percent of its annual audit plan, slightly above the goal of 75 percent. City management implemented or was in the process of implementing 92 percent of audit recommendations, a slight increase from the prior year's implementation rate of 89 percent and above the goal of 85 percent. A dashboard of Auditor's Office performance measures, including additional detail and trends for each measure, are available from the "About Us" section of the Auditor's web page.

Explanation of Services

Charter and Code specify that the Auditor shall conduct and coordinate audits according to Government Auditing Standards. Audit Services also manages a fraud hotline and a contract with an accounting firm to audit the City's financial statements. A performance audit is an independent examination of how government programs and operations are managed. Auditors assess performance evidence against objective criteria to develop recommendations for improvement. Performance audits can introduce new perspectives, tools, and approaches to deal with challenges. Performance audits benefit the City by increasing the transparency of City operations and through improved performance when recommendations are implemented. The division undergoes a peer review every three years to assess its quality control standards, a process required by Government Auditing Standards. Audit Services has successfully passed its peers reviews since 1993, including the most recent review in 2021.

Equity Impacts

Audit Services takes steps in the audit process to evaluate the outcomes of City services for communities of color. We begin by soliciting audit topic ideas online and through outreach to community groups. We prioritize audit topics that matter to the community when developing our annual audit schedule. During an audit, we brainstorm potential equity impacts to determine whether the program could be adversely affecting vulnerable communities, whether the bureau tracks and is addressing those disparities, and who in the community should be consulted during fieldwork. Data often is not readily available to identify disparate outcomes. In that case, auditors consider whether additional fieldwork is needed to assess potential disparities. The Auditor and staff share results with community members affected by the audited program.

Changes to Program

Audit Services underwent a change in leadership in 2021. An interim director led staff until the permanent director started in August 2021.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures					
Personnel Services	1,337,266	1,490,832	1,565,198	1,760,354	1,760,354
External Materials and Services	459,406	430,674	630,447	598,345	598,345
Internal Materials and Services	239,913	37,733	283,786	288,848	288,848
Bureau Expenditures Total	2,036,585	1,959,239	2,479,431	2,647,547	2,647,547
Requirements Total	2,036,585	1,959,239	2,479,431	2,647,547	2,647,547
FTE	11.00	10.00	10.00	10.00	10.00

Budget Narrative

Resources	This program is funded through the City's General Fund; revenues are split between discretionary and overhead and total approximately \$2.6 million.
Expenses	The division has stable and predictable spending related to personnel and internal materials and services. External materials and services spending varies though the bulk pays for services provided by an accounting firm to audit the City's financial statements. The remaining funds pay for annual training required by Government Auditing Standards and external technical expertise. Resources also are used to translate audit reports into several languages. Spending on consultants varies based on the annual audit schedule developed by the City Auditor.
Staffing	The division includes nine full-time auditors and one director. All auditors meet continuing professional education requirements. Many have professional certifications, including Certified Internal Auditor, Certified Government Auditing Professional, and Certified Fraud Examiner. All auditors are members of the Association of Local Government Auditors.
Assets & Liabilities	N/A

Program Information

Program Contact:	Kenneth Jones
Contact Phone:	503-823-0914
Website:	www.portlandoregon.gov/auditor/auditservices

Independent Police Review

Program Offer Transition Information

Independent Police Review is an investigative and policy analysis division with oversight and monitoring responsibilities in Portland's police accountability system. It is the central intake point for police misconduct complaints, conducts investigations, and monitors those investigated by the Police Bureau's Internal Affairs. An analyst maintains data dashboards, conducts analyses, and prepares reports with recommendations to the Police Chief for improvement. The division also provides administrative support to the volunteer Citizen Review Committee, manages a contract for outside reviews of officer-involved shootings, and coordinates mediations between community members and officers.

The City's settlement agreement with the Justice Department includes timeliness requirements for police misconduct investigations. The City entered into full compliance with the settlement agreement in 2020 but was unable to maintain that status through 2021. The settlement agreement is in the process of being amended, including a new requirement that City Council and the Auditor submit plans to sustain Independent Police Review until a new voter-approved community board replaces it. The Auditor's final transition plan is included in the supplemental section of this document.

The Mayor did not approve, and Council did not adopt a proposal in the Auditor's Fiscal Year 2021-22 requested budget to create an evaluation and investigative services division to retain the skills and expertise of the 14 existing Independent Police Review employees. Council declined every subsequent proposal from the Auditor but has not produced a viable transition plan of its own. The Auditor's Office cannot assume the risk that IPR employees will leave their jobs before the new board is operational without a credible plan to replace them. The new board is not expected to be operational before December 2026, according to court documents.

Independent Police Review will cease operations in the Auditor's Office by June 30, 2022, assuming Council will reject the non-negotiable terms of the Auditor's transition plan and proceed under its own. A separate program offer establishes a budget placeholder for Independent Police Review's resources until they are transferred to Council's designated agency in the Fiscal Year 2022-23 Adopted Budget. The Mayor and Council should establish plans immediately so that operations are fully transferred by July 1, 2022. Charter Section 2-507(a)6 prevents Council from assigning duties to the Auditor without the Auditor's consent.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures					
Personnel Services	1,981,336	2,004,959	1,940,602	0	0
External Materials and Services	107,629	45,627	168,548	0	0
Internal Materials and Services	312,420	54,904	436,202	0	0
Bureau Expenditures Total	2,401,385	2,105,490	2,545,352	0	0
Requirements Total	2,401,385	2,105,490	2,545,352	0	0
FTE	16.00	15.00	14.00	0.00	0.00

Placeholder for Independent Police Review

Program Description & Goals

This is a budget-balancing device to hold temporarily the funds assigned to Independent Police Review until the Mayor and Council identify where they will be transferred as of July 1, 2022. See transition information in the Independent Police Review program offer to sunset its operations in the Auditor's Office by June 30, 2022.

Explanation of Services

The Mayor and Council must immediately designate an agency to manage Independent Police Review if it cannot agree to the terms of the Auditor's transition plan, which are outlined in the supplemental section of this document. The Auditor's Office cannot assume the risk that IPR employees will leave their jobs before the new board is operational without a credible plan to replace them. The new board is not expected to be operational before December 2026, according to court documents. Charter Section 2-507(a)6 prevents Council from assigning duties to the Auditor without the Auditor's consent.

Equity Impacts

Portlanders count on Independent Police Review employees to listen to, gather evidence for, and evaluate their allegations of misconduct during interactions with police officers. They count on having an entity outside of the Police Bureau with which to communicate. To the extent that communities of color, houseless individuals, and members of other vulnerable groups experience police tactics differently, they will be disproportionately affected if Independent Police Review is not sustained and available to them during the transition.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures					
Personnel Services	0	0	0	2,215,308	2,215,308
External Materials and Services	0	0	0	168,548	168,548
Internal Materials and Services	0	0	0	437,023	437,023
Bureau Expenditures Total	0	0	0	2,820,879	2,820,879
Requirements Total	0	0	0	2,820,879	2,820,879

Budget Narrative

Resources This program is funded through the City's General Fund; revenues are split between discretionary and overhead and total approximately \$2.8 million.

Expenses External materials and services spending is for professional development, education, and training; analytical software, and consultant contracts.

Staffing There are 14 full-time equivalent positions in Independent Police Review. Ten employees are in the new Auditor’s Office Bargaining Unit represented by AFSCME. Negotiations for the first contract are underway and are scheduled by statute to be completed in March.

Assets & Liabilities N/A

Program Information

Program Contact: City Auditor Mary Hull Caballero

Contact Phone: 503-823-4082

Website: www.portlandoregon.gov/auditor

Ombudsman's Office

Program Description & Goals

The Ombudsman's Office is an independent advocate for a fair, equitable, and just City government. In response to complaints from the public about City services, the Ombudsman conducts impartial investigations and resolves problems informally. If a complaint is substantiated, the Ombudsman will work with the community member and bureau to find a fair and equitable solution and may advocate for improvements to policies or procedures.

A deluge of contacts in 2020 about policing and other policy matters taken up by City Council -- rather than actions to investigate -- required the Ombudsman's Office to reassess how it tracks data. As of 2021, the office no longer tracks complaints involving other governments or those submitted as part of public advocacy campaigns best directed to City Council about pending legislation.

A continued goal each year is for bureaus to accept some or all of the Ombudsman's recommendations at least 85 percent of the time; the actual acceptance rate for 2021 was 100 percent. A dashboard of Auditor's Office performance measures, including additional detail and trends for each measure, are available from the "About Us" section of the Auditor's web page.

Explanation of Services

As a division of the Auditor's Office, the Ombudsman is uniquely situated to impartially review complaints from community members who feel wronged by City government. Even the best functioning bureaucracy will sometimes make mistakes, treat people unfairly, or simply reach a wrong decision. The Ombudsman's role is to help correct those errors, seek redress for people who have been treated unjustly, and improve trust in City government. The option of having an independent third party assess complaints is particularly vital in a commission form of government, where legislators also serve as administrative leaders. The Ombudsman is meant to complement -- not replace or duplicate -- traditional modes of resolving differences between the public and City agencies. Distinguishing features of the Ombudsman's Office include:

- The Ombudsman is independent from the bureaus it investigates and is responsible only to the elected City Auditor and the public interest;
- The Ombudsman does not represent the complainant or the bureaus; rather, the Ombudsman is a neutral intermediary and advocate for good government;
- The Ombudsman conducts thorough, apolitical investigations of City bureau administrative acts and recommends appropriate changes; and

- As the central repository for complaints, the Ombudsman is positioned to discern complaint trends, observe any patterns of administrative unfairness, and approach problem-solving from a Citywide perspective.

To make the most of limited resources, the Ombudsman prioritizes complaints where there is a potential for the highest impact. This means the Ombudsman often takes on difficult, complex issues where the potential for an unjust result is acute, that suggest a systemic problem, or involves an important principle of good government. The community seeks out the Ombudsman as a last resort.

Equity Impacts

As of late 2021, the Ombudsman's Office revisited its priorities for accepting cases for investigation. The Ombudsman does not have the staffing capacity to investigate every complaint received and sets priorities to help determine which cases to investigate. The priorities include assessing whether the complaint involves inequitable treatment. The Ombudsman also includes equity as part of the administrative fairness analysis for individual complaint investigations and builds equity into recommendations to bureaus. The Ombudsman continues to work on developing its capacity to conduct data-driven systemic reviews that assesses equity-related outcomes of City programs and practices. We issued a report in 2021, titled "City's reliance on complaints for property maintenance enforcement disproportionately affects diverse and gentrifying neighborhoods."

The Ombudsman has tracked disaggregated quantitative data since 2019 about complainants' racial/ethnic heritage. The Ombudsman uses the data annually to determine whether Ombudsman Office services are equitably rendered, make needed programmatic adjustments, and enable continual improvement. The Ombudsman uses the Auditor's Office's strategic communications and outreach plan, which prioritizes improving access to services by historically underrepresented communities.

Changes to Program

No changes to report.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures					
Personnel Services	329,225	357,852	477,015	519,698	519,698
External Materials and Services	7,988	6,418	20,015	15,960	15,960
Internal Materials and Services	41,960	11,724	87,890	86,622	86,622

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested Base FY 2022-23	Requested with DP FY 2022-23
Bureau Expenditures Total	379,174	375,994	584,920	622,280	622,280
Requirements Total	379,174	375,994	584,920	622,280	622,280
<hr/>					
FTE	2.00	3.00	3.00	3.00	3.00

Budget Narrative

Resources	This program is funded through the City's General Fund; revenues are split between discretionary and overhead and total approximately \$622,00.
Expenses	The program plans to resume activities that were suspended during the pandemic. This includes continuing professional development, improving public awareness of and access to services, and occasional special projects that require specialized subject matter or technical expertise. The Ombudsman will continue to focus available resources on anti-racism and equity work, targeted outreach and engagement, and systemic impact.
Staffing	Staffing has fluctuated since the Ombudsman's Office was created in 2001 with three full-time employees. Prior to 2015, staffing had fallen to one employee, and the Auditor that year realigned a vacant position to create a Complaint Investigator I (Deputy Ombudsman) position. A second vacant position was realigned to the Ombudsman's Office in January 2021, bringing staffing back to the level it had been 20 years ago. The Office's new Deputy Ombudsman started in May 2021. Around that same time, the Auditor assigned the other Deputy Ombudsman to assist Independent Police Review with complaint intake, which continued for the duration of 2021 and into 2022.
Assets & Liabilities	N/A

Program Information

Program Contact:	Margie Sollinger
Contact Phone:	503-823-4503
Website:	www.portlandoregon.gov/ombudsman

Operations Management

Program Description & Goals

The division serves as the Auditor's executive office, providing accountability, transparency, and administrative support internally as well as for City Council and the public.

The division provides the following internal services: operations and facilities, communications and outreach, legal counsel, budget, accounting, timekeeping, procurement, human resources, and other administrative support.

During the continuing disruption to regular City business because of Covid-19, the division has focused on critical operations, such as virtual Council meetings, community outreach, elections, and supporting office-wide operations.

Council Clerk & Contracts

City Council meetings continued in a virtual format only in Fiscal Year 2021-22, which broadened public access to them, particularly among people who traditionally were unable to attend in-person during workdays. In anticipation of City employees returning from remote work locations, the Council Clerk and staff began developing, testing, and implementing a hybrid on-line/in-person meeting process. Although reentry has been delayed, the extra preparation time should ensure that meetings run smoothly, the public's increased accessibility with either format is maintained, and the City complies with open meetings laws. In collaboration with the Bureau of Technology Services' website team, the Council Clerk achieved a notable milestone with the development and implementation of a digital Council agenda system to replace an outdated paper and email process. The on-line system improved timeliness Citywide in developing and approving items for the Council agenda and transmitting official documents to the City's electronic records system for retention and public access. The Council Clerk also revised procedures for preparing minutes of Council meetings, which helped reduce a recurring backlog that worsens with staff vacancies. The revised procedures helped reduce a nine-month backlog despite a staff vacancy and positioned the Council Clerk to meet its goal for Fiscal Year 2022-23 to complete minutes within three months of a meeting date.

Elections Office

Workload for the Elections Office increased significantly in 2020 and the high volume of work has persisted ever since with new regulatory responsibilities, special elections, and increased interest in running for office. Enforcement decisions related to the regulations generated legal actions against the Auditor's Office, which continued into Fiscal Year 2021-22 and required considerable staff time for preparation and coordination with the City Attorney's Office. In Fiscal Year 2021-22, the Elections Office, which is staffed by the Elections Officer and a limited-duration Coordinator I, refined its administrative rules for campaign finance regulations and launched an on-line portal for candidate filings and fee payments. The Elections Office is currently gearing up to oversee the City's 2022 election. Additionally, the Elections Officer manages the lobbyist and political consultant registration and reporting programs.

Communication & Outreach

Two staff are dedicated to coordinating the communication and outreach activities for the Auditor's Office and are central to its equity goals. The team, which is a newly formed shared service among all divisions, was created to coordinate the development of reciprocal relationships with community groups and ensure that information produced by the Auditor's Office is designed to maximize clarity, accessibility, and impact. A plan to procure an information system for outreach has been delayed by a backlog in Technology Services. The team will continue to expand outreach activities to historically under-served communities and refine the Auditor's Office digital presence and access.

A dashboard of Auditor's Office performance measures, including additional detail and trends for each measure, are available from the "About Us" section of the Auditor's web page.

Explanation of Services

The Auditor's executive support staff helps implement the Auditor's priorities and ensures that each division provides consistent and timely services to the public and other City offices. Services include business operations, project management, legal counsel, communications and outreach, and administrative support.

Council Clerk staff develops, facilitates, and maintains accurate and objective documentation of City Council business. The Council Clerk administers Council meetings and supervises staff who prepares the agenda, processes ordinances and resolutions, compiles official minutes, and provides easy access to Council proceedings. The unit produces the official versions of City Charter and Code and gives final approval of Citywide contracts.

The Elections Office administers and enforces procedures for candidates and measures to qualify to the ballot as well as a variety of programs and regulations that provide transparency in Council decision-making and candidate campaigning. The programs regulate the limits and disclosure of campaign funding and activity by political consultants and lobbyists.

Communication and outreach staff oversees the implementation of the Auditor's communication goals; coordinates public engagement activities office-wide; designs publications, manages web design and content, administers public records requests, and develops and implements social media strategies.

Equity

Operations Management coordinated the office's transition from the five-year racial equity plan to a new Results-Based Accountability anti-racism framework. The division organized a series of office-wide training sessions and division-specific consultations to build anti-racism goals and actions. This work informed the office's development of a strategic plan, which will be completed in spring 2021, ensuring that anti-racism is at the center of all of the office's core functions.

To increase accessibility of Auditor's Office information and services, Operations Management coordinated the translation of audit and other reports into multiple languages, ensured broad accessibility to City Council meetings, and implemented an on-line election filing and payment portal.

Operations Management's anti-racism plan includes improving the Auditor's recruiting and hiring process to increase diversity; identifying disparities in employee retention, evaluation, and discipline; prioritizing outreach to traditionally under-served communities; and working to provide equitable access to City Council meetings. The office's Title II Americans with Disabilities Act and Title VI Civil Rights Act liaison assists with periodic review of vital documents requiring translation as well as investigating community complaints about access, accommodation, and compliance.

Plans for Fiscal Year 2022-23 include bringing the web version of City Code into compliance with the Americans with Disabilities Act.

Changes to Program

The Elections Office would not have been able to enforce the Charter-required campaign finance regulations without a limited-term Elections Coordinator I position. In fact, substantial support from the Auditor, General Counsel, and other Operations Management staff was required to administer the program. The Auditor's Office used reserve funds in Fiscal Year 2021-22 to extend a limited-term Elections Coordinator position for another 18 months to meet the demand created by the complex regulations and associated legal risks and other elections, ethics program, and division responsibilities. The Auditor submitted a request for ongoing funds for the Elections Coordinator I position.

Program Budget

	Actuals FY 2019-20	Actuals FY 2020-21	Revised FY 2021-22	Requested No DP FY 2022-23	Requested FY 2022-23
Requirements					
Bureau Expenditures					
Personnel Services	1,289,814	2,163,225	1,694,902	2,451,547	2,565,916
External Materials and Services	63,499	648,206	476,870	302,828	302,828
Internal Materials and Services	307,758	1,174,702	561,620	535,280	535,280
Bureau Expenditures Total	1,661,071	1,557,402	2,030,113	3,289,655	3,404,024
Fund Expenditures					
Contingency	0	0	93,410	0	0
Fund Expenditures Total	0	0	93,140	0	0
Ending Fund Balance					
Requirements Total	1,661,071	1,557,402	2,826,802	3,289,655	3,404,024
<hr/>					
FTE	9.00	9.00	17.00	17.00	18.00

Budget Narrative

Resources	This program is funded through the City's General Fund; revenues are split between discretionary and overhead and total approximately \$3.4 million.
Expenses	The division has stable and predictable spending related to Personnel and Internal Materials and Services. External materials and services spending is more variable. Use of these funds are tied to transcription of Council videos, the Auditor's priorities and strategic plans for professional development for managers, consulting services, special projects, and other office-wide services and materials.
Staffing	Operations Management has 18 full-time equivalent employees, including the elected Auditor. Personnel in the division are administrative and professional staff that facilitate office wide operations in five divisions, provide support for management, and administer a variety of Council Clerk functions.
Assets & Liabilities	N/A

Program Information

Program Contact: Joshua McNeal IV

Contact Phone: 503-823-3610

Website: www.portlandoregon.gov/auditor/councilclerk

Decision Package Summary

Run Date: 1/26/22

Page 1 of 5

Details

Run Time: 2:22:50 PM

DP: 13064 - 1 FTE Elections Coordinator

DP Type

Priority

New

ADD

1

Yes

Package Description

The Auditor's Office requests \$114,369 in on-going General Funds for a permanent, full-time equivalent Elections Coordinator I position. The Coordinator I position was originally funded in Fiscal Year 2019-20 as a temporary, limited duration position to assist with the implementation, enforcement, and outreach for the newly established campaign finance regulations as passed by Portland voters in November 2018. The Auditor's Office used one-time money from its Reserve Fund to extend the position through Dec. 31, 2022 but expects the workload for the Elections Office to hold steady or increase, which necessitates ongoing funding.

In 2018, Portland voters approved City campaign finance regulations for which the Elections Office is responsible. The Elections Office implemented the bulk of the regulations just prior to the 2020 primary and within weeks of the courts deciding certain constitutional questions. Council approved a request for a full-time temporary, limited duration Coordinator I position to implement and launch the regulations and procedures to enforce them. The one-time funding concluded at the end of Fiscal Year 2020-21, but the Auditor's Office applied one-time cost savings during last year's budget cycle to extend the position through December to meet the anticipated workload demands through the 2022 election season.

The Elections Office has come to rely on the Coordinator I position to serve as a subject matter expert to provide timely assistance with complaint investigations within mandatory timelines, update procedures and rules, process election filings, create informative public resources, and respond to numerous and simultaneous requests for assistance. After the 2020 election season, the coordinator helped develop an online candidate filing portal and an additional fee payment portal, reorganized and upgraded website content, increased form accessibility, revitalized reminder emails, captured and analyzed Elections Office data, and helped develop Results Based Accountability anti-racism goals and strategies. The position helped the Elections Office resolve 66 campaign finance complaints, remove filing barriers for historically marginalized Portlanders, expand accessibility as required by the Americans with Disabilities Act, increase timely disclosure reporting, and improve transparency.

Current service demand exceeds the capacity of the Elections Officer to meet them without the Coordinator I position. Without support of the coordinator position, the Auditor's Office will be unable to maintain the level of professional service, responsiveness, and curated guidance expected by the public. At a minimum, the loss of the position will lead to delays in implementing the elections process and enforcing campaign regulations, which increases the City's exposure to litigation and decreases public satisfaction.

Service Impacts

Anticipated service impacts without funding for the Elections Coordinator I include difficulty meeting mandatory investigatory and elections process timelines; delayed processing of candidate and petition filings; and delayed or diminished information available to the public that answer questions about City elections and complex campaign regulations.

Equity Impacts

Elections Office equity goals include increasing equitable representation and elections engagement through an active and informed electorate. The Office developed an equity plan to engage community stakeholders, identify information gaps, diversify and expand election communication methods, and increase information available to the public. Coordinator I support is essential to implementing these goals in the coming year.

Anticipated equity impacts from the loss of a Coordinator I include the loss or delay of:

- Efforts to increase voter outreach and education,
- Timely updates to increase accessibility,
- Translated public information for non-English speakers, and
- Collection and analysis of elections data to monitor progress toward equity goals.

These anticipated losses are directly related to loss of support provided by the Coordinator I in the areas of technical proficiency, analytic skill, coordination, subject matter expertise, and time. It should also be noted that the effects of the above listed impacts will disproportionately impact Black, Indigenous, and People of Color; individuals with disabilities; and those with limited access to essential elections information.

Budget Detail

Fund			2022-23 CBO Recommended- V53	2022-23 Proposed-V54	2022-23 Approved - V55	2022-23 Adopted - V56
	Major Object Name	Expense	2022-23 Request - V52 with DP			
100000	Personnel		114,369	0	0	0
	Sum:		114,369	0	0	0

Decision Package Summary

Run Date: 1/26/22

Page 2 of 5

Details

Run Time: 2:22:50 PM

Budget Detail

Fund		2022-23 Request - V52 with DP	2022-23 CBO Recommended- V53	2022-23 Proposed-V54	2022-23 Approved - V55	2022-23 Adopted - V56
Major Object Name		Revenue				
100000	General Fund Discretionary	48,034	0	0	0	0
100000	General Fund Overhead	66,335	0	0	0	0
Sum:		114,369	0	0	0	0

Position Detail

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003203 - Auditor - Coordinator I	1.00	72,748	0	36,056	114,369
Total	1.00	72,748	0	36,056	114,369

Decision Package Summary

Run Date: 1/26/22

Run Time: 2:22:50 PM

DP: 13147 - 1 FTE Archives and Records Management Co

DP Type

Priority

New

ADD

2

Yes

Package Description

The Auditor's Office requests \$128,220 in on-going General Funds for a permanent, full-time equivalent Archives and Records Management Coordinator II position. The position is needed to meet the increasing demand from bureaus for guidance and assistance in managing their electronic records.

Position duties:

The primary responsibility of the coordinator position is to work with bureaus and offices to provide guidance and assistance with their records management issues, focusing in the near term helping them transition documents to the City's electronic records management system, known as TRIM. The coordinator will consult with offices, establish and coordinate project implementation plans, create classification schemas, provide end-user training, work on legacy records migrations, and provide customer support.

Background:

Though bureaus and offices work mostly with electronic records, their management has not kept up with recognized retention practices and requirements. Decentralized worksites and staff working remotely have magnified the usual challenges associated with sharing information, identifying official copies and managing duplicates, and simply accessing records needed for the job.

Archives and Records Management administers TRIM, which is a secure and reliable system. The pandemic prompted more interest by bureaus and offices in using TRIM to provide greater access, security, and management of their electronic records. Bureaus and offices that already use TRIM want expanded options; those who hadn't adopted TRIM prior to the pandemic see its value now.

Archives is challenged to keep up with the increasing demand. Responsibly managing the city's electronic records is required by law, vital to the efficient management of the City, and expected by the public.

Some examples of offices that recently adopted TRIM or expanded usage to manage City records include:

- Fire and Police Disability and Retirement: Used TRIM prior to 2020 but are in the last stages of managing all of their records in the system. Also provides public access to unrestricted records.
- Environmental Services: Manages all Industrial Stormwater and Pretreatment Industrial permits in TRIM. Integrated Planning division is preparing for full TRIM implementation.
- Personnel Records: Bureaus of Human Resources, Development Services, Transportation, Office of Management and Finance, and others use TRIM.

Service Impacts

Delaying bureau requests for help in managing their electronic records increases the City's risk for lost or mismanaged records, increases the time bureaus spend responding to public records requests, and delays employees who need timely access to records.

Equity Impacts

Many bureaus and offices that adopted TRIM for managing electronic records also use its features to provide public access to them. Delays in helping offices manage their records in TRIM also slows access to the community.

Budget Detail

Fund		2022-23 Request - V52 with DP	2022-23 CBO Recommended- V53	2022-23 Proposed-V54	2022-23 Approved - V55	2022-23 Adopted - V56
	Major Object Name	Expense				
100000	Personnel	128,220	0	0	0	0
	Sum:	128,220	0	0	0	0
	Major Object Name	Revenue				
100000	General Fund Discretionary	53,851	0	0	0	0
100000	General Fund Overhead	74,369	0	0	0	0
	Sum:	128,220	0	0	0	0

Position Detail

Decision Package Summary

Run Date: 1/26/22

Details

Run Time: 2:22:50 PM

Job Class - Name	FTE	Salary	Supplemental	Benefit	Total
30003206 - Auditor - Archives&RecordsCoordinator II	1.00	83,168	0	38,690	128,220
Total	1.00	83,168	0	38,690	128,220

DP: 13163 - Realignment - Independent Police Review**DP Type****Priority****New**

REAL

3

Yes

Package Description

Realign \$2,820,881 million in discretionary General Funds from Independent Police Review to a placeholder until the Mayor and Council identify where they will be transferred as of July 1, 2022. This realignment assumes that Council rejects the terms outlined by the Auditor to allow Independent Police Review to remain in the Auditor's Office. If Council accepts the Auditor's plan, the resources may remain in the Auditor's Office Fiscal Year 2022-23 budget.

Background:

The Mayor and Council must immediately designate an agency to manage Independent Police Review if it cannot agree to the terms of the Auditor's transition plan, which are outlined in the supplemental section of this document. The Auditor's Office cannot assume the risk that IPR employees will leave their jobs before the new board is operational without a credible plan to replace them. The new board is not expected to be operational before December 2026, according to court documents. Charter Section 2-507(a)6 prevents Council from assigning duties to the Auditor without the Auditor's consent.

Service Impacts

The City will lose its civilian expertise to investigate misconduct allegations against police officers and recommend systemic policy improvements if Independent Police Review is not stabilized and functional for five years or more until the new police oversight board is estimated to be operational. The settlement agreement with the Justice Department will also need to be amended to indicate that the designated agency is responsible for complying with certain paragraphs instead of the Auditor's Office.

Equity Impacts

Portlanders count on Independent Police Review employees to listen to, gather evidence for, and evaluate their allegations of misconduct during interactions with police officers. They count on having an entity outside of the Police Bureau with which to communicate. To the extent that communities of color, houseless individuals, and members of other vulnerable groups experience police tactics differently, they will be disproportionately affected if Independent Police Review is not sustained and available to them during the transition.

Budget Detail

Fund		2022-23 Request - V52 with DP	2022-23 CBO Recommended- V53	2022-23 Proposed-V54	2022-23 Approved - V55	2022-23 Adopted - V56
	Major Object Name	Expense				
100000	External Materials and Servi	0	0	0	0	0
100000	Internal Materials and Servic	0	0	0	0	0
100000	Personnel	0	0	0	0	0
	Sum:	0	0	0	0	0
	Major Object Name	Revenue				
100000	General Fund Discretionary	0	0	0	0	0
	Sum:	0	0	0	0	0

City of Portland

FY 2022-23 Requested Budget Equity Report

Office of the City Auditor

Requested Budget & Racial Equity Plan Update:

The Auditor's Office Racial Equity Plan includes four officewide goals to

1. Increase community access, engagement, and partnership;
2. Use data to inform racial equity decisions internally and externally;
3. Create a work environment and processes that integrate racial equity considerations; and
4. Be accountable to the racial equity plan.

To further these goals, the requested budget as a whole is designed to benefit Black, Indigenous, or other people of color, immigrants, refugees, and people with disabilities. In Fiscal Year 2021-22, divisions within the Auditor's Office refined their division equity plans to bring them into alignment with the Results Based-Accountability Anti-Racism framework. The Office continued to dedicate funding for consultation on finalizing and preparing to implement the framework. The Office is rooting the framework's concepts into the core of a new Strategic Plan, which will help ensure the longevity of the Office's anti-racism efforts as the successor Elected Auditor transitions in in 2023. These plans guide the Office's work to benefit traditionally underserved groups by analyzing disparities in outcomes or access, working directly with effected communities, and improving internal processes to reduce disparities.

Requested Budget Community Engagement:

For Goal 1, which is to increase community access, engagement, and partnerships, the requested budget reflects the Office's ongoing actions to prioritize connecting our work to traditionally underserved communities. The current budget funded the startup of our newly centralized communication and outreach team, comprised of a Communication and Outreach Coordinator, a Communication Design Coordinator, an Outreach Committee, and all employees to build long-term reciprocal relationships with community members. An outreach database is being designed to log external contacts to track and ensure increased engagement with people with disabilities and Black, Indigenous, and people of color. The Communications and Outreach team has initiated work to translate key materials and reports produced by the Auditor's Office into the five most commonly spoken languages in Portland. The Office will continue its commitment to translation to serve non-native English speakers in Fiscal Year 2022-23. Communication and outreach activities also will focus on developing other methods to better reach Portlanders who may not know of the free services and information available to them from the Auditor's Office. The Outreach Committee is also identifying ways the Office can ensure community members who provide volunteer time and expertise are recognized for the generosity of their time and sharing their lived experiences and perspectives to our work.

Notable Changes:

The Auditor's Office adopted the Data Equity Framework from We All Count to guide audits, policy reviews, and other projects that require data analysis. Employees will continue to attend training to learn the framework into Fiscal Year 2022-23.

City of Portland
FY 2022-23 Requested Budget Equity Report

The Ombudsman's Office revised its prioritization process for deciding which cases to investigate given its limited staffing level. The Ombudsman assesses each complaint filed to determine if it could lead to systemic change in the City and more equitable results for others. The Ombudsman continues to work on developing its capacity to data analysis to inform recommendations to bureaus to address inequitable outcomes.

Archives and Records Management has contracted to develop and oral history program and will continue to implement it into Fiscal Year 2022-23. The program adds a new dimension to memorializing City history and connecting with communities whose cultures include oral traditions.

Equity Manager Role in Budget Development

Equity and anti-racism work is the responsibility of every Auditor's Office employee and is measured as an annual performance expectation of the Auditor. Employees working through outreach and equity implementation teams and the strategic planning process helped build a budget that marshals resources to becoming an anti-racist Office that prioritizes service to traditionally underserved communities.

ADA Title II Transition Plan:

The Auditor's Office has a designated Americans with Disabilities Act Title II Coordinator who is engaged across the office in ensuring compliance with regulations and advancing accessibility overall. Notable activities for Fiscal Year 2022-23 include increasing language access, identifying a higher quality of closed captioning for public meetings, increasing use of interpretation services, advancing screen reader accessibility of Website content, and fixing problems, such as ensuring the accessibility of the online version of Portland City Code.

Accommodations:

To ensure accessibility for people with disabilities or language barriers, the Auditor's Office spends about \$65,000 annually on closed captioning for Council meetings and work sessions and about \$5,000 per year on translation and interpretation services. Pandemic-caused virtual meetings led to a greater number of Portlanders engaging with City Council through public testimony compared to prior years. The virtual format allowed community members to participate who otherwise might not have been able to travel to City Hall for daytime meetings. As the City transitions back to in-person work, the Council Clerk will do its part to ensure that widely accessible meetings are maintained.

Hiring, Retention, & Employment Outreach:

The Auditor's Office is committed to attracting and retaining a diverse workforce through external recruitments that are announced broadly and to specific communities through job boards. The base budget includes funding for advertising open positions. The Office expanded its onboarding process to ensure new employees are introduced the Auditor's equity goals, the equity roadmap, and opportunities for training. The Auditor's Office Management Team under the leadership of the Business Operations

City of Portland

FY 2022-23 Requested Budget Equity Report

Manager is collaborating on a project to review and improve the Office's hiring process by identifying and removing barriers for underrepresented applicants and centering the hiring process in the Results-Based Accountability Anti-Racism framework.

Engaging and Empowering Communities Most Impacted by Inequities

The Auditor implemented standard employee performance objectives for Fiscal Year 2021-22 that include working to heal the harm government has historically caused Black and Indigenous Portlanders. All employees are therefore accountable for the Offices' commitment to anti-racism and mission to promote open and accountable government. All divisions are responsible for progress on the racial equity plans, including outreach to underserved communities to build reciprocal relationships. Officewide progress is reported annually. The Office created a Communication and Outreach team to coordinate activities to raise awareness about our free services and share information with historically underserved communities so they can empower themselves to hold the City accountable.



Funding model would strengthen public confidence in elected leaders

The Auditor requests that City Council approve a budget note to create a funding model that preserves the independence of the Auditor's Office from those who are subject to its oversight.

In Portland's commission-form of government, the Mayor and Commissioners are both legislators and executive managers. The Auditor is the sixth elected official in Portland with distinct but equal responsibilities to promote accountability and transparency.

The commission-form of government undermines the independence of the Auditor's Office because it puts Commissioners in control of the Auditor's budget, even though they are the subjects of audits, investigations, and regulatory enforcement.

The status quo works against the City's commitment to good governance principles, especially openness, transparency, and accountability.

It is in the public's interest for the Commissioners and the Auditor to fund the Auditor's Office in a way that respects its independence and fulfills City Council's fiduciary responsibilities. Doing so will strengthen the public's confidence that Portland's elected officials respect and encourage independent accountability.

Proposal builds on Charter amendment

A Charter amendment approved by voters in 2017 took a step toward improving the likelihood that the Auditor's budget would be based on the Auditor's responsibilities rather than Council priorities. The broad language in the Charter, however, requires a framework for how it will be implemented.

The model proposed is updated from prior iterations but remains in keeping with one used by State Legislature to set the Tax Supervising and Conservation Commission's budget. The Commission is an independent body that reviews the budgets of 28 municipal corporations in Multnomah County, including the City of Portland's, to ensure they comply with the State's local budget law before they are adopted. The Legislature sets a budget cap based on a percentage increase over 10 years, and the Commission must operate within the cap.

Council sets cap, leaves spending decisions to the Auditor




The Auditor's Office proposes a model in which Council sets a funding limit over a five-year period, starting in FY 2022-23. The model envisions:

- modest annual growth of 1.5 percent, not to exceed a total of \$600,000 over the five-year span
- commitment that the Auditor will decline the annual increase when it is not needed
- a mechanism for Council to adjust the model in the event of a fiscal emergency consistent with decreases applied to all elected offices
- ongoing funding protection for any permanent appointments made during the five-year span
- additional funding for instances in which the Auditor consents to new or expanded responsibilities through Code changes, when voter-approved Charter changes require new resources to implement, or in cases of sizable unanticipated expenditures.


How it could work

The following table is an example of how the funding model could work year-over-year. The Auditor's Office declines the additional 1.5 percent funding in Year One but takes it in Years Two, Four, and Five to pay the cost of an employee hired in Year Two. The funds in Year Three are declined because there is an assumed sufficient amount of Auditor's Reserve Fund availability to cover the salary that year.

Example of applying the five-year funding model

		Projected				
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Current Appropriation Level (CAL)	\$12,089,887	\$12,614,887	\$13,139,887	\$13,664,887	\$14,189,887
	Requested CAL	\$12,089,887	\$12,804,110	\$13,336,985	\$13,664,887	\$14,402,735
	Percent increase	- 0% -	1.50% \$189,223	1.50% \$197,098	- 0% -	1.50% \$212,848
						Total \$599,170

Hiring a new employee

	Salary, benefits, and statutory	- \$0 -	\$150,471	\$152,968	\$155,508	\$158,089	Total \$617,035
---	--	---------	-----------	-----------	-----------	-----------	----------------------------------



11 January 2021

To: Jonas Geissler, U.S. Department of Justice
Jared Hager, U.S. Attorney's Office, District of Oregon
cc: Robert Taylor, City Attorney
Heidi Brown, Chief Deputy City Attorney
Sarah Ames, Deputy City Attorney
Vamshi Reddy, Deputy City Attorney

From: Mary Hull Caballero, City Auditor *MHC*

Subj: Retention and replacement plan for Independent Police Review and requirements for it to remain in the Auditor's Office

Attached for your review is the plan for the Auditor's Office to retain Independent Police Review employees and fill vacant positions that may occur during the transition to the City's voter-approved police oversight board.

I have reviewed a draft copy of City Council's transition plan for Independent Police Review. As with prior attempts, the latest one is incompatible with the orderly transition necessary to ensure civilian oversight of the Police Bureau and for the Auditor's Office to manage Independent Police Review in the interim.

The Auditor's Office cannot proceed under Council's plan because it is less of a plan than it is wishful thinking that qualified applicants for vacant positions will materialize to take discredited jobs destined to expire. It fails to consider the quality of applicant willing to seek a job with a future of unknown work for an unknown boss. It also assumes the Auditor's Office should shoulder the burden of trying to make it work. I will not assume the risk of such predictable failure and leave my successor and Auditor's Office employees with the wide-ranging consequences.

The Auditor's Office plan acknowledges that for the next several years, the City is dependent on the people in Independent Police Review to provide civilian oversight of the Police Bureau. It addresses retention, replacement, fairness, and speed. Most important, the plan requires that Council defer to the Auditor to manage daily operations, which gives the City the best chance for an orderly transition to the community police oversight board. That deference is essential to the independence of the Auditor's Office.

I am willing for the Auditor's Office to retain responsibility for Independent Police Review under the terms listed in the enclosed plan. If Council won't agree to the terms, its next steps are to identify an entity that can make its own plan work and amend the settlement agreement to reflect Independent Police Review's new organizational location. It is Council's choice, and Council has all the information it needs to make the decision.

In the meantime, the deadline for submittal of the Auditor's Office budget is Jan. 26, 2022. It will describe my intent to transfer responsibility for Independent Police Review at the close of this fiscal year in anticipation that Council will proceed with a plan other than the one I've proposed here.

I am available at your convenience to answer questions about the Auditor's Office plan.

Retention and Replacement Plan for Independent Police Review

City Auditor's Office

11 January 2022

Rationale:

This plan is intended to hold IPR together, periodically shore it up, and marshal support across the Auditor's Office for sustained periods of time to ensure the City can meet its obligations in the settlement agreement and to the public. It will be overseen by at least two elected auditors, assuming City Council agrees to the terms and IPR remains in the Auditor's Office for the duration. It may be needed for at least five years.

The four cornerstones of the plan are:

1. **Retention:** The City cannot regain compliance and sustain its investigative timeliness requirements without the existing IPR employees, so keeping them in their jobs is the top priority. Professional and financial uncertainty works against retention and destabilizes operations. This plan reduces the employees' uncertainty about their futures by assuring them they will have some control over their continued employment options with the City or the Auditor's Office as IPR's work winds down.
2. **Replacement:** Turnover is inevitable, and positions in IPR require differing levels of expertise in policy and data analysis, employment law, Police Bureau directives, labor contracts, and investigative techniques. It is doubtful qualified candidates able to meet the standards required of Auditor's Office employees will apply for positions of dubious longevity in a division whose reputation has been demeaned by City Council. Assuring potential applicants that their future will be in the Auditor's Office increases the likelihood that qualified candidates will apply, because it brings more certainty to how we advertise, recruit, and hire to fill vacancies. It also allows for some flexibility in assigning existing employees in other Auditor's Office divisions to fill in temporarily or provide a level of ongoing coverage for IPR.
3. **Fairness:** The burden to manage the transition falls on the entire Auditor's Office, not just IPR. It requires active participation, support, and back up from the Auditor, the Chief Deputy, the General Counsel, Operations Management, the Ombudsman's Office, and Audit Services. It exacts opportunity costs for every division, including Archives and Records Management, in terms of time, attention, and budget priorities. There must be incentives for the Auditor's Office to sustain its commitment for the duration of the transition timeline. To be viable, this plan must include protection of our independence from Council and City management and continued employment of replacement employees in the Auditor's Office in permanent, ongoing positions. The incentive for Council under this plan is an orderly transition to the new oversight board and the opportunity to offer incumbents in IPR positions an employment option outside of the Auditor's Office.

4. **Speed:** Delays work against the potential success of this plan, extend the burden on the Auditor's Office, and frustrate the public. The court, the parties, the organizing commission, and the oversight board must meet their deadlines. The organizing committee had its first meeting in December 2021, a year later than what was promised to voters.
-

Process and Procedures:

Independent Authority

No provision of any plan agreed to or submitted by the City in *United States v. City of Portland* related to the Auditor's Office or Independent Police Review shall amend, modify, vacate, supersede, or otherwise alter any provision of Portland Charter Chapter 2, Article 5.

Non-Represented Positions

When their work in IPR ceases:

- a. Incumbents in non-represented positions will have a choice of transferring within the Auditor's Office or to an equivalent permanent, ongoing position elsewhere in the City. The non-represented positions are Director, Deputy Director, Investigations Coordinator IV, and Analyst III.
- b. The Auditor will notify the City's Chief Human Resources Officer in writing when a date can reasonably be predicted for an incumbent's work in IPR to conclude. City Council and the Auditor will have 21 calendar days from the notification date to submit written employment offers to the incumbents. City Council and the Auditor each will designate a representative to coordinate and communicate their written offers to the employees. Once both submissions are received, the employees will have seven calendar days to notify the Auditor's and Council's representatives which of the offers they will accept. Should employees need more time to consider the offers, they may take up to five additional calendar days to notify the respective representatives of their decisions.
- c. The budget and associated expenses for the positions will remain in the Auditor's Office or transfer with the position to the employee's new bureau, depending on the choices made by each of the three incumbents.
- d. If any of the current incumbents vacate their positions before IPR's work is completed, their permanent, ongoing positions and the existing vacant Analyst III position will remain in the Auditor's Office to remove uncertainty among potential replacement applicants about their future employment. The Auditor should ensure that the work of IPR continues by filling vacant positions and

applying other resources as reasonable to support IPR until its work is completed.

Represented Positions

The Auditor was in negotiations with the Auditor's Office bargaining unit when this proposal was submitted. The negotiating period is scheduled to end in March 2022. This section mirrors the protections outlined for the non-represented positions and adds a union representative into the communication process.

When their work in IPR ceases:

- a. Incumbents in the 10 represented positions will have a choice of transferring within the Auditor's Office or to an equivalent permanent, ongoing position elsewhere in the City. The number of employees by classification are: Complaint Investigator II (1), Complaint Investigator I (6), Communications and Outreach Coordinator III (1), Analyst I (1), and Administrative Specialist II (1).
- b. The Auditor will notify the City's Chief Human Resources Officer in writing when a date can reasonably be predicted for a represented incumbent's work in IPR to conclude. City Council and the Auditor will have 21 calendar days from the notification date to submit written employment offers to the incumbents. City Council and the Auditor each will designate a representative to coordinate and communicate their written offers to the employees and their designated union representative. Once both submissions are received, the employees will have seven calendar days to notify the Auditor's and Council's representative which of the offers they will accept. Should employees need more time to consider the offers, they may take up to five additional calendar days to notify the respective representatives of their decisions.
- c. The budget and associated expenses of the positions will remain in the Auditor's Office or transfer with the position to the employee's new bureau, depending on the choices made by each of the incumbents.
- d. If any of the current incumbents vacate their positions before IPR's work is completed, their permanent, ongoing positions will remain in the Auditor's Office to remove uncertainty among potential replacement applicants about their future employment. The Auditor should ensure that the work of IPR continues by filling vacant positions and applying other resources as reasonable to support IPR until its work is completed.
- e. Represented employees will retain their collective bargaining rights, if appropriate, in their future positions.

Oversight Board Timeline:

- a. Within 18 months of the date this paragraph is entered as an order of the Court, the Commission shall propose to City Council changes to City Code to

create a new police oversight system as reflected in the City of Portland Charter amendment establishing a Community Police Oversight Board.

- b. Within 60 days of receiving the Commission's proposal, the City will propose amendments to City Code to address the Commission's proposal, and corresponding amendments to this Agreement, subject to the United States' and the Court's approval, to ensure full implementation of the Oversight Board and effective police accountability, consistent with the requirements of this Agreement.
- c. Within 21 days of the approval of the amendments to the Agreement by the United States and the Court, the City Council shall consider and vote on the conforming City Code provisions creating the Oversight Board.
- d. Within 12 months of the Council's adoption of the City Code provisions, the new Oversight Board shall be staffed and operational, and IPR shall then cease taking on new work and complete any pending work. For good cause shown, the deadlines imposed by this subparagraph (b) may be reasonably extended provided that the City is in substantial compliance [with the adopted transition plan].