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C. C. 106

City of Cambridge

__FINANCE COMMITTEE MEMBERS__
Councillor Michael A. Sullivan, Chair
Councillor Kathleen L. Born
Councillor Jim Braude
Councillor Henrietta Davis,
Councillor Marjorie C. Decker
Vice Mayor David P. Maher
Councillor Kenneth E. Reeves
Councillor Timothy J. Toomey, Jr.
Mayor Anthony D. Galluccio

In City Council February 26, 2001

The Finance Committee conducted a public meeting on Wednesday, February 7, 2001 at 6:35 p.m. in the Ackermann Room, City Hall.

The purpose of the meeting was to discuss and commence the hiring process for the position of the City Auditor for the City of Cambridge.

Present at the meeting were Councillor Sullivan, Chair of the Committee, Councillors Davis, Braude, Decker, Born, Toomey and Vice Mayor Maher; James Maloney, Assistant City Manager for Fiscal Affairs; Sandra Albano, Assistant to the City Council; and Donna P. Lopez, Deputy City Clerk.

Councillor Sullivan opened the meeting. He stated that the Deputy City Clerk has provided copies for the committee of the committee reports of the process that was previously followed, the job description and the state statute.

James Maloney, Assistant City Manager for Fiscal Affairs, provided a job description for the position of City Auditor for the committee. **ATTACHMENT A.**

Councillor Sullivan stated that there were a number of issues listed in the job description that were yet to be provided by the Auditor. The Auditor was responsible to the City Council; but the exit interview was conducted by the Personnel Department. He asked why the exit interview was not conducted with the City Council. Mr. Maloney responded that the procedure followed was standard procedure. Councillor Decker asked if the City Council could get a copy of the Auditor's exit interview. Mr. Maloney would check this matter.

A discussion arose regarding the job expectations of the Auditor. Mr. Maloney stated that the Auditor was not leaving because of monetary issues. Mr. Lindstrom, he said, wanted to be a fiscal director. Councillor Sullivan stated that he wanted to do more than the job entailed.

Councillor Sullivan outlined the process that was followed for the Deputy City Clerk's position.

A discussion regarding the time period for the appointment took place. Councillor Sullivan stated that the City Manager could make an appointment to this position for sixty days and then it was the responsibility of the City Council. Mr. Maloney stated that professional positions can take 3-6 months to fill. It was agreed that the position of the City Auditor was projected to be filled by May or June, 2001.

Vice Mayor Maher asked how would the process work. Councillor Sullivan responded that the position will be advertised, resumes will be received and copies will be provided to the City Council. The City Council will then review the resumes, candidates for interviews will be selected and interviews will be conducted.

Ms. Albano, Assistant to the City Council, stated that she reviewed the process for the position of the Deputy City Clerk and there were 5-6 letters sent to set up interviews. Councillor Sullivan stated that the City received 1-2 additional employees for other city departments from the interview process for the Deputy City Clerk position.

The issue of salary for the position of Auditor was discussed by the Committee. Mr. Maloney stated that the salary of the City Auditor is commensurate with the position of the City Clerk and the Budget Director. The Auditor received a $3,000 stipend because the Auditor serves as Ex Officio of the Cambridge Retirement Board.

Vice Mayor Maher asked about the qualifications for the position of City Auditor. Mr. Maloney stated that a financial background is necessary. The Auditor must deal with details; prepare statement of accounts for the city and prepare weekly, monthly and quarterly reports. The Auditor has a relationship with the City Manager and the City Council but it is an operational position. Vice Mayor Maher asked if someone from private industry could fill this position. Mr. Maloney responded that someone with a financial background can fill this position. This position is a detail-oriented position, he said. If this position were in private industry it would be called a comptroller.

Councillor Davis stated that the difficulty of the position of the Auditor is that this position is not aligned with the City Council. She stated that it would be a good idea if the Auditor and the City Council worked together on something. Mr. Maloney stated that an internal audit is important to the city. However, Mr. Lindstrom wanted to do program audits. Councillor Sullivan stated that the Auditor is the only City Council appointed employee where there is no relationship with the City Council.

In response to a question from Councillor Sullivan, Mr. Maloney stated that the City Auditor is responsible for internal city audits. Furthermore, he stated, the Auditor has to have a relationship with the City Treasurer, the City Manager and the City Council. The system has checks and balances. The city has one financial system and the state statute states that there should be separate books.

Councillor Decker stated that she felt that it was important for the Committee to receive feedback from the office staff.

Vice Mayor Maher asked how many employees were employed in the Auditors Department. Mr. Maloney responded that there are three account clerks, one Account Analyst, one Financial Reporting Manager and one Internal Auditor.

Councillor Decker asked how can the committee get participation from the employees in the office on the process. Vice Mayor Maher suggested that a staff member could be on the Screening Team and interview process. Councillor Toomey stated that the Plan E Charter was specific about appointments of the City Council. Councillor Decker stated that she would defend this process of allowing the employees to be involved in the interviewing process. Vice Mayor Maher stated that the employees can give feedback on what the department requires from the department head.

Councillor Sullivan asked for volunteers from the Committee who would meet with the employees in the Auditor's Office to receive feedback. The volunteers are Vice Mayor Maher, Councillor Sullivan and Councillor Decker.

A discussion ensued regarding advertising the position.

Mr. Maloney stated that he would advertise the position. Councillor Sullivan stated that he felt that the job should be advertised as soon as possible. Vice Mayor Maher made the comment that most advertisements for jobs do not contain the compensation paid. Mr. Maloney stated that inclusion of this information can prolong the hiring process. Mr. Maloney stated that the first advertisement would appear on February 8, 2001. The advertisement would appear in the following newspapers: The Boston Globe, El Mundo, Bay State Banner, Panson, Beacon, GFO, MMA (Website) and the City of Cambridge's web site.

Mr. Maloney stated that 99% of job applicants hired come from advertisements place in the Boston Globe, professional journals and by word of mouth. Councillor Davis inquired about the National League of Cities (NLC). Mr. Maloney stated that the NLC is more for elected officials.

Councillor Sullivan stated that the resumes will go to the City Council Office.

Councillor Born asked if the job description was new or was it the same as what was used in 1993. Mr. Maloney stated that it is the same job description used in 1993. Councillor Born stated that no graduate degree was required. Councillor Sullivan responded in the affirmative.

On the motion of Councillor Born, the meeting was adjourned at seven o'clock and twelve minutes p.m.

For the Committee,

Michael

Councillor Michael A. Sullivan
Chair

ATTACHMENT A

City Auditor

City of Cambridge

The City Auditor of the City of Cambridge shall be appointed by the City Council for a three year term. The auditor shall be responsible to the City Council for accountability within the following three elements of financial management: financial controls, internal audits and external reporting.

I Financial Controls

Shall conduct audits of all purchase orders, receipts and disbursements to ensure compliance with federal, state and municipal statutes.

Subject to the approval of the City Manager and working with the Finance Director, the Auditor shall design and maintain the General Ledger, and ensure the reconciliation of the General Ledger with all subsidiary ledgers.

Working with the City's Finance Director, shall assist in the development of various financial control systems.

Serves ex-officio as a member of the city's Retirement Board.

II Internal Audit

Shall prepare various analysis of municipal programs at the request of the City Council, City Manager or upon own initiative to assist in the delivery of effective and efficient municipal services.

Shall assist the City Council in its review of the City Manager's submitted budget.

Shall have access to departmental records for the purpose of conducting internal audits of departmental financial practices upon own initiative or the request of the City Council, City Manager or Finance Director.

Shall perform other financial analysis and review as requested by the City Council or City Manager.

III External Reporting

Shall prepare periodic and year-end financial statements for review by the City Manager, City Council and public. Said statements shall be prepared in full compliance with the Generally Accepted Accounting Principles (GAAP) and the Uniform Massachusetts Accounting System (UMAS).

Shall assist the Finance Director in the preparation of the City's Comprehensive Financial Report.

Shall respond to various reporting requirements of the Massachusetts Department of Revenue.

AUDITORS POSITION: the City of Cambridge, MA. is seeking an experienced professional for the position of City Auditor. Reporting directly to the City Council, shall conduct audits complying with federal, state and municipal statutes. Design and maintain general ledger. Develop financial control systems. Prepare various financial analyses and review budgets. Assist the Financial Director with specific financials and reporting requirements to the MDOR. Prepare year-end statements all complying with the GAAP and UMAS.

Requirements: Bachelor's Degree, plus 7 years progressively responsible financial management experience, including experience with major state of the art financial systems. Must have knowledge of Generally Accepted Accounting Principles. Salary ... Benefits... Closing Date...

A discussion regarding the time period for the appointment took place. Councillor Sullivan stated that the City Manager could make an appointment to this position for sixty days and then it was the responsibility of the City Council. Mr. Maloney stated that professional positions can take 3-6 months to fill. It was agreed that the position of the City Auditor was projected to be filled by May or June, 2001.

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Committee Report #2

Committee Report from Councillor Michael A. Sullivan, Chair of the Finance Committee for a meeting held on February 7, 2001 to discuss and commence the hiring process for the position of the City Auditor for the City of Cambridge.

In City Council February 26, 2001

Report Accepted

PLACED ON FILE