

Memorandum City of Lawrence City Auditor

TO: Members of the City Commission

FROM: Michael Eglinski, City Auditor

Date: February 23, 2011

RE: City Auditor's Participation on Solid Waste Task Force and Independence

Results in Brief: The City Auditor's participation on the Solid Waste Task Force does not impair independence under Government Auditing Standards. This memo summarizes my evaluation of independence, as required by my policies and procedures.

The City Commission established the Solid Waste Task Force and appointed the City Auditor as a non-voting member.¹ The City Commission directed the task for to develop recommendations to the City Commission regarding solid waste service. The City Commission directed the task force to:

- Articulate / document the services currently provided through solid waste user fees.
- Articulate issues driving recommendations for service changes.
- Consider solid waste services that may be included in the long-range plan for the Lawrence community (such as, variable rate pricing, curbside recycling, yard trimmings collection, bulky item collection, and so on).
- Seek community-wide input in the options for desired solid waste services.
- Develop recommendations for the Lawrence City Commission regarding implementation of services or changes to existing services.
- Propose timelines and educational outreach to achieve recommended service levels.

The task force's work is not an audit under Government Auditing Standards and, as such, requires me to evaluate whether the work impairs my independence. My evaluation involved reviewing the resolution creating the task force and minutes of the City Commission meeting

¹ Resolution No. 6918. The text of the resolution is attached.

where the resolution was approved; reviewing my policies and procedures²; and reviewing Government Auditing Standards and the exposure draft of auditing standards that have not yet gone into effect.³ I also spoke with three auditors from other jurisdictions who have expertise in applying Government Auditing Standards and are members of the Association of Local Government Auditors.⁴

Government Auditing Standards specifically address an auditor's participation on a task force as non-audit work that does not impair independence as long as the auditor does not perform management functions. Audit standards allow auditors to participate and provide advice as non-voting members of commissions or task forces. The resolution defines my role as one of a non-voting member. Participating in the task force involves making recommendations but does not involve performing a management function. Based on the fact that I will be a non-voting member and the task force will make recommendations to the City Commission, my participation does not impair independence.

² *Performance Audit Policies and Procedures*, Office of the City Auditor, City of Lawrence, KS, July 2008.

³ *Government Auditing Standards*, Comptroller General of the United States, July 2007; and *Government Auditing Standards 2010 Exposure Draft*, Comptroller General of the United States, August 2010.

⁴ The current and past chairs of the Association of Local Government Auditors Peer Review Committee and the Association of Government Auditors representative to the Government Accounting Standards Advisory Council.

RESOLUTION NO. 6918

A RESOLUTION OF THE CITY OF LAWRENCE, KANSAS ESTABLISHING THE SOLID WASTE TASK FORCE

WHEREAS, the Lawrence community values comprehensive solid waste services; and

WHEREAS, the long-term viability of the Solid Waste Enterprise Fund is critical to providing comprehensive services in the community; and

WHEREAS, the Lawrence community is committed to source reduction, waste diversion, and recycling; and

WHEREAS, the governing body wishes to facilitate meaningful public conversation on the long-term planning of solid waste services;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LAWRENCE, KANSAS:

Section 1. Establish the Solid Waste Task Force. The City of Lawrence will create the Solid Waste Task Force to develop recommendations to the Lawrence City Commission regarding the long-term solid waste service options for the citizens of Lawrence.

Section 2. Purpose of the Solid Waste Task Force. The Solid Waste Task Force will:

- Articulate / document the services currently provided through solid waste user fees.
- Articulate issues driving recommendations for service changes.
- Consider solid waste services that may be included in the long-range plan for the Lawrence community (such as, variable rate pricing, curbside recycling, yard trimmings collection, bulky item collection, and so on).
- Seek community-wide input in the options for desired solid waste services.
- Develop recommendations for the Lawrence City Commission regarding implementation of services or changes to existing services.
- Propose timelines and educational outreach to achieve recommended service levels.

Section 3: Membership and Organization. The Task Force shall consist of seven to eleven members who are citizens of the City of Lawrence, representing a broad range of community, business, and staff interests, including the City Auditor as a non-voting member. It will coordinate with the City Manager, the Public Works Department, the Sustainability Advisory Board, and other applicable departments.

Section 4: Reporting and Recommendations. The Solid Waste Task Force shall provide recommendations to the City Commission by March 1, 2012, with periodic reports to the City Commission as appropriate.

Section 5: Initial Meeting. The Solid Waste Task Force shall meet initially at the time and place determined by the Mayor. The Chair and Vice Chair shall be selected. Organizational structure and future meetings shall be determined.

Section 6: Open Meetings and Open Records. The Task Force shall conduct all meetings in public sessions. The Task Force may organize subcommittees to conduct specific reviews and inquiries, with such subcommittee work to also be conducted in public sessions.

ADOPTED by the Governing Body of the City of Lawrence, Kansas, this 15th day of February, 2011.