In any given year, transparency, accountability, and good stewardship of public resources are the backbone of good government. In challenging years like 2020, our work in these areas is indispensable. We serve the people of Denver by championing accountability in our audit work and through education and enforcement of wage laws on behalf of everyone who lives and works here.

In 2020, we worked effectively despite significant and unexpected challenges caused by the COVID-19 pandemic and resulting budget shortfalls. In this 2020 Annual Report, I am pleased to present a look back at our work and how it served our community.

In this report, you will find summaries of our audits and highlights and impacts identified from our follow-up work. We also provide a detailed look at Denver Labor’s record-breaking success in getting people paid and supporting employers as they comply with Denver’s wage laws. This Annual Report also serves as our annual Denver Labor Wages Report on our minimum wage and prevailing wage efforts. We also share the achievements of my exemplary staff, and how we maintain open communication with all members of our diverse community.

First, let me extend my appreciation to Mayor Michael B. Hancock, the Denver City Council, the Audit Committee, and members of the city’s operational management for supporting our mission throughout the year.

As an independent agency, we take an objective look at how public money is used and how efficient and effective the city’s services are for the people of Denver. Our work is performed on behalf of everyone who cares about the city, including its residents, workers, and decision-makers. Our mission is to deliver independent, transparent, and professional oversight in order to safeguard the public’s investment in the City and County of Denver.

In the past year, we examined city agencies based on concerns we heard from the public and others, as well as our own risk assessments and analyses. In 2020, we shifted to working from home and didn’t miss a beat in holding the city accountable.

One of the audits we received the most requests for from the public was our audit of the city’s Neighborhood Sidewalk Repair Program. My audit team found the program was expected to miss its schedule by decades and wasn’t designed to be compliant with Americans with Disabilities Act best practices. The city’s Department of Transportation & Infrastructure cannot ensure sidewalk repairs are meeting all relevant standards and that the program is reaching its intended outcomes. I was pleased agency officials are ready to make changes and find solutions to make these public spaces accessible for everyone and to improve equal access to affordability options for sidewalk repairs across the city.

Another audit that directly impacted how the public successfully interacts with the city was our assessment of how city agencies manage and respond to open records requests. We found city leaders needed to do more to fully and transparently respond to open records requests from the public. The city was inconsistent in how it fulfilled records requests. Deficiencies in Denver’s open records response process hinder the public’s ability to confidently submit requests. I believe the city’s records are really the people of Denver’s records. Unless prohibited by law, we should be making it easy and clear for people to find information about what their government is doing. I was disappointed with the Mayor’s Office’s disagreement and unwillingness to take simple steps to improve transparency.

However, we did see some progress from city leaders on another important issue: taxpayer-funded nonprofits. In 2020, we completed our second audit of one of these organizations, which were approved by voters and are funded by dedicated taxes as they operate as independent nonprofits. Our audit of the Caring for
Denver program — which supports efforts to address mental health issues and substance misuse — found the program was leaving millions of dollars unused and that it lacked a clear strategy and goals. City leaders agreed to develop a strategic plan and review and revise the program’s financial management policies.

We also completed a follow-up assessment of our first audit of a tax-funded initiative: the Denver Preschool Program. We found the city implemented every recommendation we made, allowing the nonprofit to do more to support kids in our community. I plan to audit more of these types of programs sooner rather than later, in the hope of making sure the city is setting up these nonprofits for success as they use millions of dollars in tax revenue.

The Audit Committee continues to contribute valuable feedback on findings from performance and financial audits and the risks found through audit analytics work. I’m pleased with the fine work my Audit Analytics Team does to use innovative data and continuous auditing techniques. Our substantive and impactful audit work helps make our government better.

Meanwhile, Denver Labor had a record year — recovering more lost wages for workers than ever and finding even more new ways to educate employers despite the gathering and training restrictions that were necessary during the pandemic.

Every penny matters in a recession like we all faced this past year. Our minimum wage and prevailing wage teams recovered more than $1 million in restitution in 2020 — money that went back to workers who should have received the correct wages in their paychecks.

Thanks to our team of analysts, we also recovered restitution for the largest number of underpaid employees ever uncovered in a single wage investigation by our office. Nearly 850 workers for one employer got paid for wages they should have received under Denver’s citywide minimum wage. We were able to work with the employer to get the backpay returned to the employees without needing to pursue any fines or attorney’s fees.

My goal is to get money to workers according to the law, not to punish employers for an honest mistake. Our office frequently works to find solutions that will bring employers into compliance without putting them out of business. Among those proactive efforts, we began live weekly training sessions called “Wages Wednesday.” Anyone can watch these trainings live or as recordings on our Facebook page — and they can ask questions in English and Spanish. These — along with other specialized trainings for community groups and employers and other virtual events — allowed our team to build relationships and answer questions despite the obstacles the pandemic created.

We continue to work hard to engage the people we work for: the public. We believe the people of Denver have a right to know what we do on their behalf and what their government is doing for them. As a result, we continue to find creative ways to reach all parts of our community on their terms. In 2020, we expanded our Spanish-language outreach, attended and hosted virtual events and training sessions, continued our monthly “Ask the Auditor” video series, and reimagined our monthly email newsletter in both English and Spanish. Follow us on Facebook, Twitter, Instagram, Nextdoor, and LinkedIn for updates from our office, or email auditor@denvergov.org to share your thoughts, concerns, or questions. Read this Annual Report in Spanish on our website.

I am very proud of my team’s accomplishments and of our efforts to work with city agencies and residents, employers and employees, to ensure a better Denver for everyone.

Timothy M. O’Brien, CPA, Denver Auditor
Airport Capital Assets

We evaluated whether Denver International Airport had adequate safeguards to ensure complete and accurate accounting of its capital assets and whether the airport’s asset management program ensures the condition of capital assets is properly maintained through preventive maintenance so the airport can effectively budget for future costs.

**RESULTS:** The airport needs to improve internal controls and processes to properly manage its capital assets and lacks adequate communication with all its divisions managing capital assets. It also does not have an effective contract monitoring process. Preventive maintenance is backlogged, and the airport’s digital maintenance management system lacks accurate data to help the airport more effectively budget for future costs, such as maintenance and staffing. The airport has not formalized its preventive maintenance program to ensure consistent and timely maintenance of capital assets. The airport did not agree to our recommendation to use common asset identifiers across asset management and accounting systems, which would improve communication and consistency.

**IMPACT:** The airport agreed to most recommendations to improve several of its asset management and preventive maintenance processes and to improve integrity of maintenance management system data. It also agreed to implement centralized monitoring of contracts, enforce the terms of those contracts, and collect contractual penalties where necessary.

Caring for Denver

We wanted to determine the effectiveness of the Department of Public Health and Environment’s oversight of the Caring for Denver Foundation and what it did with the city’s designated tax dollars. This included evaluating contract compliance and overall program effectiveness, assessing its board of directors, and assessing its progress in disbursing grants.

**RESULTS:** Caring for Denver operates independently but the city is still financially responsible for it. We found that as of May 31, 2020, the foundation had accumulated over $41.5 million in unspent tax revenue meant for public services that include addressing mental health, suicide prevention, and substance misuse. At the same time, the foundation had awarded only $2.5 million in grants — which mostly went to Denver Police Department programs, instead of noncity entities. Caring for Denver also did not have a strategic plan, which hindered its ability to operationalize key processes, fund its priorities, and fulfill its voter-approved mandate. Public Health and Environment needs to provide better oversight to ensure strategic distribution of money in a timely manner.

**IMPACT:** By amending the Caring for Denver ordinance and revising contract terms, Public Health and Environment should gain more clarity of its responsibilities and provide better oversight. In response to our audit, as of Sept. 30, 2020, Caring for Denver had funded 60 proposals with more than $16.8 million, and it had agreed on a strategic plan.

City Real Estate Portfolio Management

We assessed how well the Finance Department’s Real Estate Division manages the city’s real estate portfolio.

**RESULTS:** We found problems with Real Estate’s record keeping, records retention, interdepartmental communications, and oversight of the city’s real estate portfolio. Real Estate lacked specificity and detail in many of its processes and policies — including its eminent domain policy, which could leave the city open to liability if left unresolved. We concluded that Real Estate needs to improve controls and processes over project management of the city’s real estate activities, and it needs to review and update division policies and procedures to provide clarity and establish consistency with city policies. In addition, it needs a documented strategic vision and lacks performance measures.

**IMPACT:** Although the Real Estate Division agreed to document a strategic vision and strengthen some policies and procedures, its responses stated disagreement on coordinating with other agencies for space planning and it declined to develop a centralized comprehensive real estate portfolio. In public discussion, Real Estate verbally committed to implementing some aspects of these important process improvements.
Hensel Phelps Construction Contract – National Western Center

We contracted with BKD LLP to evaluate the National Western Center’s construction contract with Hensel Phelps and assess how the center reviews Hensel Phelps’ compliance with its contract terms.

RESULTS: The assessment revealed the National Western Center needs to implement a process to review subcontractors’ financial documentation for the work they perform. The city and the National Western Center also need to enhance language in future construction contracts to ensure subcontractors are paid in a timely manner after the contractor is paid and that the contract’s conflict-of-interest clause includes the contractor and other vendors.

IMPACT: As work moves forward on the National Western Center construction project, the city can improve the financial accountability and transparency of contractors’ activities through strengthened conflict-of-interest disclosure requirements and better tracking of subcontractors’ financial reports and contractors’ payments to those subcontractors. The city agreed to implement all recommendations for improvement.

Continuous Auditing (general)

By directly connecting with city data systems, we use entire data populations rather than samples to automate ongoing analyses of the data. These efforts help us identify high-risk areas and test controls in the city’s financial and operational systems in a timely fashion.

RESULTS: In 2020, we continued to monitor city datasets involving short-term rentals, city-issued purchase and travel cards, purchase orders, unauthorized purchases, expense reports, supplier invoices, and GenTax, the city’s tax processing system.

We evaluated the impact the COVID-19 pandemic had on city travel and quantified the resulting significant drop in expenses and purchase card transactions. We also noted that during the year, split transactions appeared to decrease, while purchases using pass-through vendors – such as Amazon, PayPal, or Etsy – continued to grow.

We conducted a new risk-finding analysis on journal entries to identify high-risk line-items with the goal of continuously auditing those risks.

IMPACT: Our risk analyses informed many audits in 2020 — including the Library Financial Processes audit and the Travel Expenses audit — and we provided support on several others, such as the Syringe Access and Sharps Disposal Programs audit.

Our continuous auditing and analytics work continues to support ongoing and future audit work, such as those related to the Denver Art Museum, email phishing, and city employees’ compensation-setting and merit increases processes.
Cybersecurity assessments

Partnering with cybersecurity experts, we examined the city’s vulnerabilities to cybersecurity attacks and security breaches using information from earlier audit work and by addressing new potential risks.

**RESULTS:** We commonly found areas of strength as well as areas that need improvement. Because of the information security sensitivities involved with cybersecurity audits, many of the issues we identified were communicated separately to the relevant city agencies for their remediation.

**IMPACT:** Our recommendations helped fortify the city’s ability to safeguard important and sensitive data and to prepare for, prevent, and respond to cybersecurity threats. Having a proactive approach to cybersecurity can also improve the efficiency of city operations and reduce costs to the taxpayer going forward.

Open Records Request Process

We assessed how well some selected city agencies were complying with the Colorado Open Records Act and how those agencies track their open records requests. We also sought to determine how well the city makes the records request process accessible and transparent to Denver residents.

**RESULTS:** Our audit revealed the city’s records request process is not as accessible or transparent as other Colorado governments. The city falls short in providing transparent, complete, and easily accessible information on its website for how residents and community members can submit records requests.

The city also lacks a standardized and centralized intake process to track open records requests. It does not know how many records requests it receives citywide, how much time is spent on them, or how much it charges in fees for those requests.

Furthermore, the fulfillment of records requests is inconsistent. Fees and fee waivers are not consistent across some city agencies, the city is not consistently notifying requesters when their records requests are delayed, the city does not always fully address records requests, and agencies are not retaining sufficient supporting documentation for the requests they receive. These inconsistencies can hurt public trust and diminish transparency.

**IMPACT:** These deficiencies hinder the public’s confidence in open records requests and the city’s ability to comply with state law. While the Mayor’s Office agreed to improve the website guidance, it chose to disagree with important recommendations that would enhance transparency and improve the open records request process for the public.
Library Financial Processes

We evaluated the quality of the policies, procedures, and other internal controls the Denver Public Library has for its financial accounting processes.

RESULTS: The Denver Public Library lacks sufficient internal controls over its financial accounting processes, its payroll approvals, and its accounting for digital assets. For example, we found key procedures are outdated or nonexistent, procedures for handling cash are insufficient and related duties are not adequately segregated, and the library lacks a succession plan to ensure the transfer of knowledge and the continuity of operations for new staff who assume more responsibilities. The library also was not requiring professional performers to submit invoices before being paid.

Meanwhile, we learned the library was not recording digital assets accurately for financial accounting purposes — meaning the city’s annual financial report misstates the value of the library’s material capital assets.

In addition, we found the library had previously used store credit cards for some purchases, but the library was already taking steps to end this high-risk practice by replacing them with city-issued purchase cards.

IMPACT: The library agreed to all recommendations fortifying these internal controls and addressing the risks we identified. By making the recommended changes, the Denver Public Library can improve the consistency, accuracy, and thoroughness of its financial accounting processes.

Edward Byrne Memorial Justice Assistance Grant

We looked at the Edward Byrne Memorial Justice Assistance Grant, awarded to the Denver Department of Public Safety, to determine compliance with grant regulations.

RESULTS: We found that all tested expenditures were allowable, but we also found that both the Denver Police Department and the Denver Sheriff Department submitted some of their grant reports late. Also, we found the police department had not completed the city’s worksheet for determining whether the District Attorney’s Office was a subrecipient of grant funding.

IMPACT: Because of management’s agreement to quickly implement our recommendations for stronger controls over reporting timeliness and by gaining a better understanding of the District Attorney’s Office’s subrecipient status, the Department of Public Safety will be better equipped to ensure the city is in compliance with grant requirements.

Employment Services Cluster Grants

We sought to determine Denver Economic Development & Opportunity’s compliance with federal Employment Services Cluster grant requirements, which are disbursed to local municipalities through the state to pay for workforce development activities.

RESULTS: We found that some of the city’s state-required reports were submitted late. Additionally, while the audit found all tested expenditures were allowable, we identified two transactions associated with one conference where Denver Economic Development & Opportunity did not properly document its need to use employment services grant funds to pay for those costs.

IMPACT: Through its agreement to quickly implement our recommendations for stronger adherence to reporting and expenditure requirements, Denver Economic Development & Opportunity will be better equipped to ensure the city follows grant requirements.
Board of Ethics

We evaluated whether the Board of Ethics was supporting the city’s overall ethics program and whether Denver’s Code of Ethics aligned with those of similar governments. We paid close attention to city officers’ gift disclosures and whether they kept to the letter and spirit of Denver’s rules.

RESULTS: We found gaps in the Board of Ethics’ authority and role in the city, which limit its effectiveness and ability to foster a strong ethical culture. For example, key policies and procedures were absent, and Denver’s ethics training and ethics website lagged behind leading practices in some areas. Another concern was that the city’s process for gift reporting was insufficient. Several officers did not submit required gift disclosure forms, and these gift disclosures were not readily available online for two months in 2019.

IMPACT: The Board of Ethics said it would collaborate with necessary parties to address changes in ordinances that need to occur for it to have explicit authority to enforce ethics rules and issue appropriate penalties. The board agreed to our recommendations providing stronger documented procedures, training, and collaboration with other city agencies to better keep an eye on Denver’s ethical environment.

High Intensity Drug Trafficking Areas Grant

We assessed whether the Denver Police Department and the Front Range Task Force were following the requirements of the High Intensity Drug Trafficking Areas grant and whether the police department had adequate controls to properly manage and track grant expenditures and assets.

RESULTS: The audit found that while the Denver Police Department and the Front Range Task Force are substantially complying with the grant requirements, there are some smaller bookkeeping essentials the department needs to clean up related to equipment, investigative overtime, the purchase of confidential information and evidence, and travel.

For example, inventory processes for grant-funded equipment lacked adequate safeguards to ensure proper accountability of the assets, the Front Range Task Force was not consistently following its own policies for purchasing information and evidence, responsibilities for handling that money were not segregated among different personnel, and staff were not tracking grant-related overtime in required increments.

Furthermore, we noted one budget proposal was incomplete and submitted late.

IMPACT: There was full agreement with our recommendations to shore up these gaps in compliance with the federal grant requirements. The improvements will help ensure the Denver Police Department and the Front Range Task Force continue to fulfill their mission of disrupting large-scale drug trafficking operations in the region.

Minority/Women and/or Disadvantaged Business Program

We contracted with BerryDunn to perform an audit assessing the effectiveness and efficiency of the city’s Minority/Women and/or Disadvantaged Business Program.

RESULTS: The audit found 34% of contracts BerryDunn looked at did not meet the program’s goals, and there were no consequences for these contractors. The Division of Small Business Opportunity did not have adequate procedures or documentation for monitoring goal progress or failure.

Additionally, goal setting for contracts was not adequately documented, potentially resulting in inconsistent or unreasonable goals and more limited competition. A new ordinance may mitigate some issues, which will be reviewed during our follow-up audit.

The audit also found the division lacked updated, documented procedures necessary for consistency, accountability, and compliance with city ordinance. And the division did not use its records system to its fullest capability, such as by not running accurate reports to monitor noncompliant contractors and by not tracking payments to second-tier subcontractors.

IMPACT: The Division of Small Business Opportunity said it began acting on audit recommendations, all of which were agreed to, during the course of the audit. Implementing the recommendations will enhance the program’s efforts to advance economic mobility, equity, and diversity.
Marijuana Taxation
We assessed the Treasury Division’s effectiveness and efficiency in conducting marijuana tax audits.

**RESULTS:** Treasury’s audit unit made ineffective and inefficient use of city resources. There are gaps in agency-level practices that include: relying on faulty assumptions and inaccurate data when selecting which marijuana businesses to audit, not using relevant and sufficient information when performing its marijuana sales tax audits, not communicating with the state to obtain relevant information when performing tax audits, and a lack of structure related to how the audit unit uses its marijuana industry-dedicated tax technician specialist. The risks we identified in this audit could lead to a loss of marijuana tax revenue for the city, which could mean less funding for services for Denver residents.

**IMPACT:** Treasury agreed to our recommendations for stronger internal controls, a more systematic approach to evaluating marijuana businesses, and procedures for identifying unlicensed marijuana delivery businesses. Taking these steps should help the city more effectively and efficiently collect more marijuana tax revenue.

Neighborhood Sidewalk Repair Program
We sought to determine the efficiency and effectiveness of the city’s Neighborhood Sidewalk Repair Program and how equitably it serves Denver residents.

**RESULTS:** The audit revealed the Department of Transportation & Infrastructure did not adequately design or implement the Neighborhood Sidewalk Repair Program. The program designers chose not to require sidewalk repairs to be done in compliance with Americans with Disabilities Act standards, and they failed to consider equal access to affordability options for homeowners needing payment assistance for their sidewalk repairs. The program is also not in alignment with the city’s own mobility plan.

The audit found the sidewalk repair program is expected to take decades longer than planned, and city personnel did not use formal analyses to set a realistic timeline for the program. They also did not effectively implement, monitor, or evaluate the program. For example, the department lacked strong data collection and review methods to be able to determine whether the sidewalk repair program was effective.

**IMPACT:** The city is not ensuring that its sidewalks are accessible to everyone regardless of their mobility level or that sidewalk repairs can be completed in a timely manner. City officials severely underestimated how many sidewalks in Denver needed repair and how many private homeowners would need to make repairs. The city agreed to all our recommendations to evaluate and improve the sidewalk repair program.

Patch Management
We evaluated the City and County of Denver’s software patch management program — which involves applying corrections or fixes to combat vulnerabilities and cybersecurity gaps — for its information technology systems.

**RESULTS:** This audit found some areas of strength and some areas that needed improvement.

**IMPACT:** An effective patch management program helps reduce cybersecurity risks across the city’s information technology systems, and installing patches in a timely manner can lessen the chance of a breach and resulting data loss.
Prevailing Wage Rate Determination Process

We contracted with CliftonLarsonAllen LLP to examine the city’s prevailing wage rate determination process at the Office of Human Resources.

RESULTS: Auditors found that Human Resources’ internal controls were generally operating effectively, although there were some issues — such as incorrectly updating prevailing wage rates through the Service Contract Act for certain job classifications. Auditors also pinpointed a need for Human Resources to create a prevailing wage guideline manual.

However, when it came to the most consequential findings, Human Resources disagreed. Auditors called for the Office of Human Resources to assess whether it was the right agency to be in charge of administering prevailing wage rates and to assess whether the Career Service Board or some other board should have expanded duties to address concerns, such as stagnant wages and the lack of an appeals process. The office chose to disagree with both recommendations and said key functions were not its responsibility.

IMPACT: The Office of Human Resources’ unwillingness to address wage stagnation and appeals from contract workers led the city create a working group that is looking to propose a new city ordinance to address these issues.

Public Works Asset Management Software Applications

We sought to determine whether information technology general controls were effective for two cloud-based asset management software applications managed by the city’s Department of Transportation & Infrastructure (formerly called the Department of Public Works) and the city’s Technology Services agency.

RESULTS: We uncovered broader issues beyond the two software applications we analyzed. Namely, we found Technology Services lacked the explicit authority to create and enforce citywide information technology policies, which could weaken the city’s approach to cybersecurity and its management of information technology. We noted specifically that the lack of a formal citywide best practice for safeguarding spreadsheets resulted in errors in Transportation & Infrastructure’s asset accounting and reporting data.

Meanwhile, the audit revealed Transportation & Infrastructure had no process for effectively reviewing cloud-based vendors’ information technology general controls, and we noted the city’s contracting process failed to account for the required steps that Technology Services review and approve all technology purchases.

We also found that Technology Services did not provide adequate customer service to address Transportation & Infrastructure’s requests regarding cybersecurity processes, and for its part, Transportation & Infrastructure lacked a formal strategy for managing infrastructure assets.

IMPACT: The agencies agreed to address these gaps and create uniform information technology standards citywide. This will help the city improve its cybersecurity approach and better protect critical financial and operational data, while also ensuring city agencies work more collaboratively and efficiently to improve city services provided to Denver residents.
Safety and Security of City Facilities

We sought to determine the overall effectiveness of the City and County of Denver’s safety and security practices at its public buildings.

RESULTS: The city is not always receiving security services in alignment with the city’s contract or leading security practices.

We found there is no documented citywide strategic plan. City agencies adopted a fragmented approach to city facility safety and security with unclear or outdated roles and responsibilities and inconsistent communication between relevant city agencies. Four agencies and HSS Inc. have safety and security responsibilities. However, the city lacks a formalized approach to performing and evaluating vulnerability, or threat, assessments and is not adequately educating employees on evacuation and drill procedures.

This fragmented approach has also resulted in various city agencies using different access and badging systems that are not compatible with each other. Further miscommunications among agencies have led to duplicative vulnerability assessments and potentially duplicative equipment purchases.

IMPACT: The city agreed to all recommendations, including a citywide strategic plan, updating its regulations, and stronger policies and contract monitoring, so it can fully ensure the safety and security of public buildings for its employees and the public.

Syringe Access and Sharps Disposal Programs

We assessed whether the Department of Public Health and Environment effectively manages and oversees the city’s syringe access and sharps disposal programs to help ensure the programs’ success.

RESULTS: The city needs to assess the extent to which the people who need these services are receiving them.

We found gaps in the department’s data management and program evaluation of both the syringe access program and the sharps disposal program — including insufficient documentation of key oversight practices and inconsistent collection of relevant data.

The department needs to improve its contract monitoring processes to hold providers accountable, and it should assess whether city ordinances governing the syringe access program are too restrictive or outdated.

We also found the department does not effectively coordinate with its syringe access providers to assess the success in reducing harm for people who use drugs or inject substances, and our data analysis revealed the syringe access facilities and sharps disposal locations were not always near the highest-need areas.

IMPACT: The department agreed to create formal plans to address all audit recommendations by the end of 2020. By mitigating the risks, the city could allocate its limited resources more efficiently and improve its ability to determine the programs’ success at reducing harm and connecting people to health services they need.

Travel Expenses

We evaluated whether travel expenses had errors or evidence of fraud, either intentional or unintentional, and we evaluated the efficiency and effectiveness of the Controller’s Office’s system for processing these transactions.

RESULTS: While city travel remains minimal during the COVID-19 pandemic, we found the Controller’s Office needs to improve how it checks city agencies’ compliance with the Fiscal Accountability Rule that governs travel transactions.

In fact, the Controller’s Office had not updated that fiscal rule or its related procedure in seven years. City officials need to change the rule and communicate procedures to all city employees. We did note that the Controller’s Office conducts random checks to see whether agencies follow travel rules, but the they lack systematic monitoring to keep agencies on track.

We also found the Controller’s Office allowed the Denver Fire Department to ignore the city’s per diem policy and that the fire department miscalculated some per diems. Lastly, we found that some employees still had access to city-issued travel cards long after leaving their jobs with the city, although we found no evidence of misuse or fraud.

IMPACT: The Controller’s Office’s agreement to implement all recommendations should strengthen its monitoring and recording of travel expenses by improving automated controls over per diem calculations, ensuring that the Fiscal Accountability Rule is understood and followed, and communicating its travel policy and procedure to all city employees.
FOLLOW-UP REPORT HIGHLIGHTS
The Audit Services Division follows up on all recommendations an audited agency agreed upon to determine whether city agencies sufficiently addressed our audit findings to mitigate the risks our audit identified. We communicate our follow-up activities in formal reports published online, specifying how each recommendation was implemented or why an agency did not implement an agreed-upon recommendation. The city's implementation of our recommendations is one way we measure the impact of our audit work.

LIST OF 2020 FOLLOW-UP REPORTS

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<th>FOLLOW-UP DATE</th>
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<td>Property Tax Spending for Intellectual and Developmental Disabilities</td>
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AUDIT IMPACTS

Our audit recommendations are intended as tools to help city agencies better serve the people of Denver. When management takes our findings seriously, we all benefit from the improvements. We continued to see constructive impacts from our audits this year thanks to our staff’s diligent work and agencies’ willingness to make changes based on our findings. However, the city still has work to do in some other areas identified in our audits.

Here are just a few examples of our audit impacts or remaining risks identified in this year’s follow-up audit results. After our audit, Denver Preschool Program board members and city administrators made significant improvements that will do more to support kids in our community. Our follow-up work found every recommendation from our 2019 audit was implemented which includes improved monitoring of taxpayers’ funding, better management of investments, and stronger contract administration by the city. Other tax-funded nonprofit initiatives are looking to the preschool program as they set up their own budgets, strategic plans, investments, and governance. We hope the improvements made here will lead to better outcomes across the city.

However, the city still has some work to do to hold the nonprofit Rocky Mountain Human Services financially accountable in aiding residents with intellectual and developmental disabilities. Several of our recommendations had yet to be acted upon or fully implemented at the time of follow-up, in addition to the three recommendations Denver Human Services disagreed with. The failure to implement monitoring procedures for subcontracts means there remains a risk that subcontractors could misuse city money by not meeting goals.

Our audit team was pleased to see the city has completed cataloging its affordable housing inventory after our first audit. Our 2018 audit found improper determinations of income eligibility, incorrect pricing of homes, and errors in record keeping that could lead to a loss of the city’s affordable housing inventory. As of this year, the city now tracks affordable properties and keeps a complete list with little room for human error. There is still a risk of sale and resale of affordable properties at incorrect prices; however, city leaders have made improvements in how they verify income for individuals.

We conduct audits, such as these, on behalf of the people of Denver. Their support and the support of city agencies help us make meaningful recommendations that result in real change and improvement.
Denver Labor works to foster community relationships with businesses and labor organizations and educate our diverse community on labor issues. We audit 100% of certified payrolls and investigate 100% of wage complaints.

The Denver City Council passed a local minimum wage ordinance on Nov. 25, 2019. In 2020, the ordinance set the hourly citywide minimum wage at $12.85. In 2021, the ordinance requires that wage rate to increase to $14.77 per hour. Both the separate minimum wage for city contractors and the prevailing wage rate still apply as determined by law. Denver Labor will continue efforts in 2021 for both education and enforcement of all wage laws through payroll auditing, wage investigations, and outreach.

### Wage rates timeline

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<td>$12.85</td>
<td>$14.77</td>
<td>$15.87</td>
<td>$15.87</td>
</tr>
<tr>
<td><strong>Denver Contractor Minimum Wage</strong></td>
<td>$13</td>
<td>$14</td>
<td>$15</td>
<td>$15</td>
</tr>
<tr>
<td><strong>Prevailing Wage</strong></td>
<td>Determined by the Denver Office of Human Resources</td>
<td>A series of wages based on job classification</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Living Wage</strong></td>
<td>Determined by statute</td>
<td>A minimum wage based on federal standards for parking lot attendants, security guards, child care workers, and clerical support workers employed through a contract with the city.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
In 2020, our team of skilled minimum wage analysts demonstrated leadership and innovation as they launched new efforts to begin protecting the minimum pay of every employee in the city and county. Executive Director Jeffrey Garcia and our team of analysts developed a new complaint-based system to investigate possible underpayments. The citywide minimum wage took effect for the first time at the start of the year and our team was ready to go on Day 1.

The citywide minimum wage was $12.85 per hour, with few exceptions. City leaders estimated more than 50,000 workers were impacted by the wage increase. Our team worked to educate employers and employees about the law, and we conducted dozens of investigations based on complaints.

During the 2019 legislative session, the Colorado Legislature enacted a law permitting local governments to set a jurisdictionwide minimum wage. In November 2019, the Denver City Council created Denver Revised Municipal Code Chapter 33.7-16, which sets the local minimum wage for Denver and prescribes the means for setting, enforcing, and complying with the new local minimum wage.

Our office believes education for the public and for employers is the key to a successful citywide minimum wage ordinance. This year, we held nearly 30 live training sessions called “Wages Wednesday” related to all of Denver’s wage laws, what the laws mean for employees and employers, and how they can stay in compliance. We made these virtual trainings accessible by conducting them in both English and Spanish and making our bilingual staff available to answer questions in either language. Despite the COVID-19 pandemic, we continued to hold virtual events, community meetings, and training sessions throughout the year.

We also offer several useful tools for both employers and employees on our website—including a regional address finder to help determine whether work performed was within the boundaries of the City and County of Denver, a minimum wage and tip calculator, an employer underpayment calculator, and complaint forms in English and in Spanish.

Our minimum wage team also worked to educate employees and employers about and enforce the city’s contractor minimum wage, which impacted hundreds of workers particularly at Denver International Airport. The contractor minimum wage rate increased on July 1 to $14 per hour and will go up again on July 1, 2021, to $15 per hour. Workers covered by the contractor minimum wage work on city projects in concessions, catering, maintenance, ramp and cargo work at the airport, hospitality, security, and other jobs on city property.
Steps of an investigation

1. **Receive Complaint**
   - Denver Labor receives a complaint about a minimum wage violation.

2. **Assess Complaint**
   - Complaint will be reviewed to ensure initial investigation requirements.

3. **Contact Employer**
   - Denver Labor contacts the employer to request employee, payroll and compliance documentation.

4. **Evaluate Complaint**
   - Denver Labor re-examines the complaint, considering all information provided by complainant and employer.

5. **Determine Underpayment and Fines**
   - If employer has underpaid complainant, Denver Labor informs both parties of amount and levies applicable fines on employer for violations.

6. **Resolve Complaint**
   - Employer provides evidence of complete restitution.

   **CASE CLOSED**

   Without evidence, the case is referred to another agency for investigation or to an outside firm for collection of restitution.
Here are some examples of how we worked with both employers and employees this year to recover unpaid wages in accordance with the Minimum Wage Ordinance:

**RESTITUTION STORIES**

**Minimum Wage Complaint Leads to Pay for Hundreds**
Denver Labor worked with an employer to get nearly 850 underpaid people the wages they earned. It was the single largest number of underpaid employees we’ve ever uncovered in a wage investigation. The restitution totaled $130,442, and the employer agreed to pay every single employee their backpay and they agreed to start paying Denver’s minimum wage going forward.

**Minimum Wage Ensured for All Ages**
A local ice cream shop mistakenly believed it did not have to pay the citywide minimum wage to employees under 18, resulting in an underpayment of about $300 for six employees. Unless minors are part of a city-certified youth employment program, they must be paid the minimum wage.

**Denver Labor Checks the Math**
A national restaurant was not paying the correct minimum wages for its tipped and nontipped employees. Upon notice that it was not paying Denver’s citywide minimum wage, the restaurant attempted to complete backpay to all employees. When Denver Labor reviewed payroll documents and proof of backpay to confirm, we discovered another $1,400 that was still owed. After working with the company, 32 employees received a total of more than $3,600 in unpaid wages.

**Marijuana Dispensary Workers Get Pay Raise**
A cannabis dispensary was mistakenly underpaying its retail clerks and growers working in multiple locations within the City and County of Denver. Upon being informed of its obligation to pay $12.85 per hour for anyone working in Denver, the company raised the affected employees’ wages and paid all owed restitution. Twenty employees were paid a total of almost $4,000 in unpaid wages.

**National Retailer Pays Restitution in Full**
A large national retail store is near the border of Denver and Littleton in the Marston neighborhood. Mistakenly believing it was not subject to Denver’s citywide minimum wage, the company continued paying its employees below the $12.85 per hour required wage. For the first six weeks after the new minimum wage law went into effect, there was an underpayment of more than $7,000 to almost 70 employees. The company paid restitution in full, and all employees at the store are now being paid at least $12.85 per hour.

LARGEST NUMBER OF EMPLOYEES IMPACTED BY SINGLE INVESTIGATION

849
Every year, the city takes on billions of dollars’ worth of new projects and construction. The Auditor’s prevailing wage team works with both contractors and workers on all Denver projects to ensure compliance and payment according to the law. We have enforced prevailing wage requirements in Denver since the 1950s. Auditor O’Brien changed the way Denver does business on all projects and changed how work is performed on city property by revamping the city’s Prevailing Wage Ordinance in 2016. Now, his growing team works to bring all parties together to make Denver an efficient and good place to work.

In 2020, Denver Labor broke a record for the most restitution recovered for workers — surpassing $1 million.

Contractors and subcontractors doing work on behalf of the City and County of Denver must pay their workers at least prevailing wage. Prevailing wage is required on contracts of $2,000 or more for construction, improvement, repair, maintenance, demolition, or janitorial work.

Wage reporting software, easy-to-use tutorial videos, and public question-and-answer sessions all help streamline the process. The simplified process aims to reduce the burden on contractors and encourages more of them to seek work with the city. Our analysts work with employees to ensure the employees are classified correctly, and we also work with employers to guide them through the reporting process.

The role of the Prevailing Wage Division includes education as well as enforcement. Here are some examples of how we worked with both employers and employees this year to recover unpaid wages in accordance with the Prevailing Wage Ordinance:

### Restitution Stories

**$270,000 Recovered for Airport Workers**

Denver Labor was contacted by an employee who had concerns about his fringe benefits. After conducting an investigation that included meeting with the employer and the employees’ union, a labor analyst was able to identify a significant underpayment to workers at Denver International Airport — including the need for $270,000 in restitution to a union pension plan. The employer was highly cooperative, and all parties are working together to ensure restitution is paid.
**Denver Labor Works with Contractor to Get Correct Payment**

After failing to submit certified payroll for nine months, an asphalt company submitted the proper documents. We found the contractor underpaid seven employees by a total of more than $18,000. Initially, the contractor calculated the restitution owed as greater than the actual amount due. But our office worked with the contractor to calculate the correct amount so they could pay the actual restitution owed.

**Worker Receives Almost $2,000 in Owed Wages**

A large earth-moving contractor employing power equipment operators and laborers paid more than $15,000 in total restitution to 37 employees. Our analysts determined the company was claiming unapproved fringe benefits, resulting in a failure to meet prevailing wage requirements. One trackhoe operator received almost $2,000 in backpay.

**Denver Prevailing Wage Preserves Fringe Benefit Rules**

A company installing solar panels on a roof failed to pay the correct fringe benefit amounts into their employees’ 401(k) plans, resulting in a $2,200 total underpayment for 10 employees. Any fringe benefits claimed by a contractor must be approved and validated by prevailing wage analysts.

**Denver Labor Protects Workers in Training**

An electrical contractor had two apprentices working without journeymen on a city project for one day, resulting in a $350 prevailing wage underpayment. All apprentices working alone must be paid the journeyman prevailing wage rate.

Every dollar matters to Denver’s workers and every case matters to Denver Labor. Read more successful Restitution Stories for Denver Labor on our website.

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**ARE YOU OWED MONEY?**

If you were underpaid at work, our office might have a restitution check waiting for you. Check for your name on our website denverauditor.org/denverlabor/

100% certified payroll audit rate  More than 76,000 payrolls audited  $1,017,362+ paid in restitution  19,000+ total number of employees on audited payrolls  Nearly $5 million total project payroll value
We Are

The mission of the Auditor’s Office is to deliver independent, transparent, and professional oversight in order to safeguard and improve the public’s investment in Denver. Our work is performed on behalf of everyone who cares about the city, including its residents, workers, and decision-makers.

Denver’s Auditor is unique because Auditor Timothy M. O’Brien, CPA, was elected by the people and is independent from all other citywide elected officials and city operational management. He works independently from Mayor Hancock’s office and the City Council to maintain objectivity and offer frank, truthful reports for the betterment of Denver. Auditor O’Brien was elected to a four-year term in 2015 and re-elected for a second term in 2019.

The Denver Charter provides for the Auditor to conduct:

- Financial and performance audits of the City and County of Denver and its departments and agencies in accordance with Generally Accepted Government Auditing Standards;
- Audits of individual financial transactions, contracts and franchise of the City and County; and
- Audits of the financial accounting systems and procedures administered by the Manager of Finance and other departments and agencies of the City and County, including records systems, revenue identification and accounting, and payment practices.

The Denver Charter mandates the Auditor follow the Generally Accepted Government Auditing Standards published by the U.S. Comptroller General, as well as financial management best practices and any applicable laws and regulations governing the financial practices of Denver.

Denver’s charter further requires Auditor O’Brien to countersign all city contracts to ensure no liability is incurred, no money is disbursed, and no city property is disposed of in a manner contrary to law.

The Auditor’s Office also oversees enforcement of the city’s minimum wages, prevailing wage, and living wage ordinances.

Denver Labor, a division of the Auditor’s Office, promotes lawful employment and wage compliance while providing exceptional labor, wage, and hourly enforcement. Our goal is to protect Denver’s employers and employees through education and ensuring everyone is paid according to the law.

That means Auditor O’Brien works with both employers and employees to ensure every worker is paid according to the law. The office does outreach and works individually with contractors to help them understand these laws. Analysts also help identify workers’ correct prevailing wage classifications. New in 2020, the office’s Denver Labor division oversaw education and enforcement of the citywide minimum wage law.

The Auditor is chairman of the Audit Committee, whose primary task is to annually commission an independent external audit of Denver. In addition, results of the external audit and all audits performed by the Auditor’s Office are presented to the Audit Committee. To ensure the committee’s independence, the mayor, the City Council, and Auditor O’Brien each appoint two members for four-year terms.
**What We Do**

**AUDIT SERVICES DIVISION**

The Audit Services Division produces independent financial and performance audits and other types of assessments of city agencies, programs, finances, technology, and contracts. The resulting recommendations from our work help strengthen governance, improve performance, enhance efficiency, increase revenues, reduce costs and risks, and improve the quality of services for Denver.

Performance audits review the efficiency and effectiveness of agencies’ work, as well as the overall use of Denver tax dollars. Financial audits take a close look at an agency’s records and processes to identify errors in reporting and payments and other risks to the city and its reputation. Meanwhile, contract compliance audits determine whether a third-party vendor — and/or a city agency — is following the terms of a contract. Information technology audits review the controls and operation of the city’s network, software applications, and cybersecurity processes to make sure they are operating correctly.

Our continuous auditing and audit analytics programs help identify high-risk areas of the city by repeatedly performing updated analyses of transactional data from different city databases. Using automation, we sort through thousands of data entries, rather than rely only on a random sample. This helps inform our risk assessments for current or future audits and can help us focus on areas of higher concern. The resulting reports provide us with timely feedback of anomalies or outliers in the city’s processes and transactions.

Key audits completed this year included a report calling for better and more consistent transparency for the public through the management of open records requests. We also encouraged the city to maintain a comprehensive real estate portfolio so city resources could be used more efficiently and effectively. Our audit teams found the city needed to enhance the safety and security of city facilities, and they identified areas where the city could do more to encourage contracts with minority- and women-owned businesses. An audit of the Denver Board of Ethics found the board lacks authority and is unable to ensure ethical behavior across agencies. And we made recommendations to help the city get its decades-behind-schedule sidewalk repair program back on the path to accessibility for all Denver residents.

A follow-up assessment is performed after the last implementation date given by agencies in response to recommendations in each audit. The follow-up reports confirm whether the agreed-upon recommendations were indeed implemented. We follow up on every audit to see whether our recommendations are implemented and our findings are impactful.

Auditor O’Brien also contracts with professional service firms to work with our teams as a co-source or to provide third-party audits and engagements where specialized expertise is needed, such as in a particular industry or technical discipline. This is a cost-effective and efficient way to complete specialized work such as cybersecurity audits or actuarial work, among other areas of focus. Hiring these firms on a contract basis allows our office to expand its range of audits while using taxpayer funds prudently.
The City and County of Denver enters into thousands of contracts every year, and the Denver Charter mandates Auditor O’Brien review and sign every city contract to ensure any liability incurred, any money disbursed, or any property disposed of is done so according to the law.

Auditor O’Brien believes progress in the city should not be held up by processes and paperwork. As a result, he works to get contracts signed more quickly while still ensuring a thorough review.

Denver contracts can range from zero-dollar park rentals to multimillion-dollar technology purchases or construction projects. The Auditor’s Office continues to perform contract compliance, financial and specialty audits, evaluations, and assessments of selected contracts we identify through ongoing monitoring of citywide risks. Auditor O’Brien believes the city has a responsibility to oversee contracts to confirm third parties uphold their agreements and spend taxpayer dollars as promised.

AUDIT COMMITTEE

AUDIT COMMITTEE MEMBERS

• Rudolfo (Rudy) Payan, Vice-Chairman (appointed by Auditor O’Brien)
• Jack Blumenthal (appointed by Auditor O’Brien)
• Leslie Mitchell (appointed by City Council)
• Florine Nath (appointed by City Council)
• Charles Scheibe (appointed by Mayor Hancock)
• Edward Scholz (appointed by Mayor Hancock)

Auditor O’Brien is the chairman of the independent Audit Committee, which meets monthly. The other six members of the committee are appointed to four-year terms. Members are appointed based on education or experience in accounting, auditing, financial management, or related fields.

The primary responsibility of the Audit Committee is to commission an annual independent external audit of the city's finances. The Audit Committee receives the results of audits, assessments, and examinations performed or commissioned by the Auditor's Office, and the results of the annual external audits. In addition to the audits of the Comprehensive Annual Financial Report and the Single Audit report of major grant programs, an external CPA firm audits two enterprise fund agencies — Denver International Airport and the Wastewater Management Enterprise Fund. An external firm also audits the Deferred Compensation Plan Trust Fund. Auditor O’Brien and the Audit Committee receive and review the results of these audits and assessments.

All audit reports and committee minutes are published, and the committee meetings are televised on Denver8 TV. Audit Committee meetings went virtual in 2020 thanks to the hard work of the audit teams, Audit Committee members, and the team at Denver8 TV.
COMMUNITY OUTREACH

The Denver Auditor and his communications team believe in transparency and accountability in local government. As a check and balance on the “strong mayor system,” we work on behalf of taxpayers to make sure residents know what is happening in the city. This year, Auditor O’Brien continued to fulfill his promise to keep the public informed by continuing to explore new ways to reach members of the community where they are and in ways they can understand — in English and Spanish, through social media, a dynamic website, a successful e-newsletter, videos, media outreach, and many forms of printed informational materials.

The Auditor’s community outreach efforts ensure the important work of the office is more widely known and understood. This year, our team attended virtual meetings with neighborhood and community groups and others to discuss audit and wage enforcement work. The public is also invited to participate on social media platforms: Facebook, Nextdoor, Twitter, LinkedIn, and, Instagram for both the Auditor’s Office and Denver Labor. We post unique content on different platforms about community events, important city updates, audit information, labor and wage developments, and other key communications.

The Auditor also continues to emphasize visual media, including an ongoing initiative to bring information about auditing and wage enforcement to YouTube and local television through Denver8 TV. This year, we shared on Denver8 TV, YouTube, our website, and social media our monthly public service announcements about how the office works and about important takeaways from audits on “Ask the Auditor.” The Auditor also expanded our graphics and visualization capabilities for audit reports and public communications to improve residents’ understanding of our work.

The multiplatform approach to outreach helps the Auditor’s Office maintain two-way communication with the people it serves. Residents provide valuable information about what is and is not working in the city. The Auditor always wants to hear from constituents. You are encouraged to contact the office by phone, by email, or at community meetings. You can also join our conversations about current city updates on Facebook or our other social media platforms.

TWITTER
@DenverAuditor | @DenverLabor

FACEBOOK
@DenverAuditorOBrien | @DenverLabor

LINKEDIN

NEXTDOOR

INSTAGRAM

CONTINUED OUTREACH
• Community events, live trainings, and meetings
• Consistent and meaningful engagement and reach on social media
• 200 “Ask the Auditor” episodes on YouTube and Denver8 TV

NEW THIS YEAR
• English and Spanish outreach
• New “Wages Wednesday” Live Training
• Redesigned email newsletter

ENGAGEMENT BY THE NUMBERS

<table>
<thead>
<tr>
<th>Twitter</th>
<th>175,000+ impressions</th>
<th>200,000+ impressions</th>
<th>33 media releases</th>
</tr>
</thead>
</table>

CONTACT US IN ENGLISH AND SPANISH
Email: auditor@denvergov.org
Email: wagecomplaints@denvergov.org
In 2020, our office — like others in the city — faced new and unexpected professional challenges, including adjusting to remote working, continuing to engage with agencies and the public, learning new video conferencing technology, and juggling the unexpected demands of family and work during the pandemic. The Audit Committee’s monthly meeting has been broadcast remotely since March, so we could continue to share important information about our findings and recommendations. And, our Denver Labor team found ways to get restitution to employees without needing in-person contact in many cases.

Auditor O’Brien was especially proud this year of his office, which managed to keep productivity up even as he and all staff members took furloughs and faced other new challenges, we served the people of Denver through thoughtful auditing and hard work, even in the face of adversity.

Auditor O’Brien is a certified public accountant with more than 40 years of auditing experience. He recognizes the importance of professional development, of continuous learning throughout a career, and of serving the community in the office and beyond. Auditor’s Office team members met high standards again this year through continued professional learning and achievements, industry conferences, staff presentations, involvement in professional organizations, and community contributions.

Audit Services, under the leadership of Auditor O’Brien and Deputy Auditor Valerie Walling, completed impactful, substantial work on behalf of the people of Denver. Our office integrated the auditing specialties and experience of all our auditors, along with Audit Directors Katja Freeman and Dawn Wiseman, to ensure success and impact of our work. We completed performance, financial, technology and cybersecurity, data analytics, and compliance audit work.

This year, the Auditor’s Office received a national Distinguished Knighton Award from the Association of Local Government Auditors, or ALGA. The professional organization chose our “Denver Preschool Program” audit for recognition among submissions from auditing offices across the U.S. and Canada. The prestigious Knighton awards recognize the best work from government auditing offices each year. Auditor O’Brien directed his audit team to submit the “Denver Preschool Program” audit for consideration for the award because of the strength of the findings, the community impact, and the opportunity for other city initiatives to look at this audit and the preschool program as an example.

The audit team worked hard on this award-winning audit, including Audit Supervisor LaKeshia Allen Horner, Senior Auditor Darrell Finke, Senior Auditor Maria Durant, Staff Auditor June Samedi, and Audit Intern Samantha Lasher. Audit Director Katja Freeman oversaw the team.

Our office currently has four members who volunteer to serve on and participate in Association of Local Government Auditors governing committees. Deputy Auditor Valerie Walling serves on the Awards Committee; Audit Director Katja Freeman is a member of the Professional Issues Committee; and Reporting Specialist Kristen Clark serves on the Diversity, Equity, and Inclusion Committee.

Members of our auditing division also participated in professional conferences remotely this year to further their education and expertise. This helps to maintain continuing education requirements for various professional certifications and auditing standards. Audit services staff hold memberships in several professional organizations that provide resources relevant to government auditing.

Several of our knowledgeable audit and communications staff did presentations and shared their professional expertise for local, national, and international groups.
Audit Analytics Supervisor Sam Gallaher and Lead Data Analytics Auditor Robert Persichitte presented a session for the virtual ALGA conference over the summer called “Improving Your Data Analytics Impact through Sensitivity Analysis and Traditional Audit Work.” Communications Director Tayler Overschmidt and Reporting Specialist Kristen Clark also gave a presentation at the conference called “Making Audit Reports Accessible for the Public.”

Dr. Gallaher served as a part-time faculty member at the University of Colorado Denver School of Public Affairs, where he was a second reader for a master’s student capstone project. He also created and led two three-day audit analytics trainings for attendees in Saudi Arabia and a four-hour training on analytics for participants in the United Arab Emirates.

Mr. Persichitte continues to run the Volunteer Tax Assistance Program and teach principles of accounting at Metropolitan State University of Denver. He also gave presentations about using computer models to detect fraud for the Association of Certified Fraud Examiners Global Conference and the Association of Certified Fraud Examiners Canada Conference.

Our auditors’ expertise and knowledge are valuable to auditors across Colorado, the United States, and Canada, and we are happy to share our experience with our peers and support the progress of government auditing. Our audit analytics and continuous auditing techniques are some of the most advanced in the country, and we are proud to continue to develop more efficient ways to monitor city risks.

**DENVER LABOR ACCOMPLISHMENTS**

Auditor O’Brien, Denver Labor Executive Director Jeffrey Garcia, and the labor team had a year of growth and significant impact in 2020. The Denver Labor team continues to build relationships in the community to encourage employers to pay employees according to the law. This year, Denver’s new citywide minimum wage took effect and led to pay raises for thousands of workers across many industries. Our analysts audited 100% of certified payrolls for prevailing wage and investigated every minimum wage underpayment complaint. Read more about the excellent work this team accomplished in our Denver Labor Wages Report section.

**OUTSTANDING STAFF**

Our staff comprises many talented, well-educated, and hard-working people. This year, our team worked to improve their work, themselves, our office, and our industry. Deputy Auditor Valerie Walling served as a member of the Jefferson County Audit Committee and she was on the Institute of Internal Auditors’ Denver board.

Our Safety Committee helped keep members of our office safe and healthy this year with the leadership and support of committee members Edyie Thompson, Kharis Eppstein, Darrell Finke, Rafael Gongón, Daniel Summers, Vilma Balnyte, Nicholas Jimroglou, Alexandra Dickerson, and Tyson Faussone.

Our New Employee Onboarding Committee worked hard this year to implement updates to our process for welcoming new employees and to find ways to bring on new employees in a remote-work environment. Committee members included Tammy Phillips, Edyie Thompson, Emily Owens Gerber, Dawn Wiseman, John Danilenko-Dixon, Tayler Overschmidt, Valerie Walling, and Kharis Eppstein. Audit Supervisors Emily Owens Gerber, Sonia Montano, and Kharis Eppstein also developed an extensive multi-course curriculum in auditing essentials for our new and existing audit staff.

Our Events Committee kept our office connected even from home by organizing virtual gathering opportunities. Finding ways to maintain positive relationships and a strong team was more important than ever this year, since our team couldn’t stay in touch in person. Thanks to committee members Rafael Gongón, Cyndi Lubrano, Anna Hansen, Cody Schulte, Kristin McCormack, Megan O’Brien, Brandon Stolba, and Shaun Wysong for your fun ideas and organization!
To continue to provide quality work and meaningful services to the people of Denver, the Auditor’s Office is committed to attracting, supporting, and retaining an educated and well-qualified staff of auditors, analysts, and other professionals to carry out our mission. Members of our skilled staff hold a number of advanced degrees — including public policy doctorate, law, and master’s degrees in public administration, accounting, political science, business administration, and international relations.

Many also have professional and academic certifications and designations — such as certified public accountant (CPA), audit analytics and data science academic certificates, certified internal auditor (CIA), certified government auditing professional (CGAP), certified fraud examiner (CFE), certification in risk management assurance (CRMA), certified information systems auditor (CISA), chartered financial analyst (CFA) and chartered global management accountant (CGMA).
AUDIT SERVICES DIVISION CONTINUED
William Morales, MBA, Senior Data Analytics Auditor
Megan O’Brien, MPP, Senior Auditor
Emily Owens Gerber, MPA, Audit Supervisor
Robert Persichitte, CPA, CFE, CFP, MAcc, Lead Data Analytics Auditor
June Samadi, MPH, Associate Auditor
Patrick Schaefer, CPA, CIA, CFE, MBA, Audit Supervisor
Cody Schulte, CPA, CIA, MAcc, Audit Supervisor
John-Michael Steiner, MPA, Associate Auditor
Daniel Summers, MPA, Associate Auditor
Edgie Thompson, CAP-OM, Executive Assistant II
Chris Wilson, MPA, Senior Auditor
Dawn Wiseman, CRMA, Audit Director
Shaun Wysong, MA, Lead Auditor
Taylor Younger, Associate Auditor

DENVER LABOR
Maggie Baker, Denver Labor Analyst
Matthew Borquez, Denver Labor Analyst
Michael Brannen, Denver Labor Analyst
Carol Carter, Contract Compliance Technician
Arielle Denis, Esq, Denver Labor Analyst
Daniel Foster, Denver Labor Analyst
Rafael Gongón, Denver Labor Manager
Susan Keller, Denver Labor Analyst
Abby Kreckman, Lead Denver Labor Analyst
Rudy Lopez, MS, Denver Labor Analyst
Kandice McKeon, OSHA 510, Lead Denver Labor Analyst
Luis Osorio, JD, Lead Denver Labor Analyst
Valerie Ramirez, Lead Denver Labor Analyst
Chris Rubio, Contract Compliance Technician
Brandon Stolba, Denver Labor Analyst
Veronica Totten, Denver Labor Analyst
Karla Trevino, Contract Compliance Technician
Chris Wat, Denver Labor Analyst

COMMUNICATIONS
Kristen Clark, Reporting Specialist
Jeff Neumann, Graphics and Visual Information Specialist
Stelios Pavlou, Reporting Specialist
Sara del Valle Ruiz, Community Engagement Specialist
Questions and comments can be directed to:
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denverauditor.org