



City and County of Denver

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Dennis J. Gallagher
Auditor

March 10, 2009

Senator Bill Avery, Chair
Government Committee
Nebraska State Legislature
State Capitol
1445 K Street
Lincoln, NE 68509

Dear Nebraska Legislative Colleagues:

Firstly, let me introduce myself. I am the independently elected Denver Auditor. I served for 24 years in our Colorado Legislature, with 16 years on our state Legislative Audit Committee. The people of Denver have honored me by allowing me to serve as their auditor for the past six years. I also taught at Regis University here in Denver and we were blessed to have many students at Regis from Nebraska: Berrigan's and Gleason's from O'Neill, Cullen's from around Alliance, and the Cavanaugh's and Tom Fogarty from Omaha. I remember them all fondly and wish them well in their varied and chosen professions - and so close to St. Patrick's Day, how appropriate.

Secondly, Thomas F. Cavanaugh, Douglas County Clerk/Comptroller (Omaha) has informed me of the proposed legislation to do away with the audit function in Omaha.

Rather than diminish or do away with an auditor in Omaha, I hope the legislature would enhance and expand the auditor's role.

Two years ago, here in Denver, the Mayor, Council and Auditor studied the role of the auditor with an eye determining what the powers and duties of the auditor should be. There were some who wanted to do away with the auditor all together. I thought of the questioner in Fiddler on the Roof, "Is there a prayer for the auditor." And paraphrasing the rabbi's answer about a prayer for the Tzar: "Lord, may the auditor....be far away from us."

There were others who suggested the auditor should come to the Mayor and Council and beg leave to do an audit. That would have taken away our independence for doing audits. Some others said we should not be allowed to do performance audits. Gary Blackmer, the auditor of Portland, Oregon, has led the way in our nation to show how much performance audits can approve accountability in government.

After much exploration and discussion we came to consensus on the appropriate role for our elected auditor. The citizens approved language to our City Charter which gave the auditor total independence; the authority to conduct all types of audits, including performance audits; and established an independent audit committee chaired by the Auditor. The Committee has responsibility for engaging and overseeing the external auditor that does the annual comprehensive audit of the city's financial records.

With the new charter authority, we have greatly expanded our audit role and have a much more robust performance audit function. With that, the difference in city government has been remarkable. Our city and its agencies now perform much better as a result of our audits and other actions and there is more accountability and transparency.

*To promote open, accountable, efficient and effective government by performing impartial reviews and other audit services that provide objective and useful information to improve decision making by management and the people.
We will monitor and report on recommendations and progress towards their implementation.*

Perhaps the most important part of the charter language, which the citizens approved, gives all audits backup from the rules and regulations of the office of the Comptroller General of the United States. Tim O'Brien, former Colorado State Auditor, and current member on the Denver City Audit Committee, said this put the auditor's office in a strong position to do outstanding audits, especially needed performance audits.

So I hope you consider enhancing the audit function for the Omaha Clerk rather than diminishing the audit function.

We think the Denver Audit model is a template for reform. In the spirit of Sunshine Week, I am happy to share with you any information about our office, how we are structured, audits we have performed and other audit services we have provided to the city and its agencies. Please don't hesitate to contact me for further information and if any of you get to Denver we would be pleased to offer information and a tour of our office.

Best wishes,

A handwritten signature in cursive script that reads "Dennis J. Gallagher".

Dennis J. Gallagher,
Denver City Auditor

cc: Thomas F. Cavanaugh, Douglas County Clerk/Comptroller

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