

# Memorandum

**TO:** Joint Audit Committee ('JAC') of the  
for Police And Fire Department  
Retirement Plan And the FCERS

**FROM:** John Flynn

**SUBJECT:** Update on the City Auditor  
Findings

**DATE:** May 15, 2025

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Approved

Date

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## Quarterly Update of City Auditor's Findings for ORS

### **Audit #24-03 Retirement Services**

**Finding #02** To clarify responsibilities around the contracting process, the Office of Retirement Services should train its staff on internal and City procurement and contracting procedures. This should include instructions on when procurements or contracts should be coordinated with the Information Technology Department, Finance Purchasing, Finance Risk Management, and the City Clerk.

### **Current Status – Partly Implemented**

#### **May 2025 Update**

**In March 2025, ORS staff involved in contracting attended a City training session on the City's contract process change and, in April 2025, the City's contract training. As part of the ORS training, staff involved in procurement and contracting reviewed the Boards' procurement policy, and ORS plans to conduct a training session to review the policy in July.**

#### **December 31, 2024 Update**

The Office of Retirement Services (ORS) created training resources on procurement, a centralized location for current contracts, and a database that tracks all the steps of the procurement process. In October 2024, ORS attended a training provided by the Finance Department's Purchasing & Risk Management team on procurement and contracting policies and procedures. A full training schedule is under development, and ORS plans to have staff enroll in City procurement training when classes are offered. Staff will also be trained on the finalized internal procurement and contracting procedures.

**Finding #03** To ensure all invoice payments can be made through Finance Accounts Payable and avoid the use of wire transfers, the Office of Retirement Services should work with the City's Finance Department to create purchase orders or establish contracts to be filed with the City Clerk. This should be done for all current service providers and subscription services.

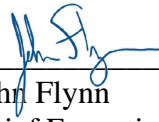
## **Current Status – Implemented**

### **May 2025 Update**

**ORS worked with the City's Finance Purchasing division to process all invoice payments through Finance accounts payable; wire transfers are not used to make payments to providers. Staff worked with Finance to establish purchase orders with the vendors. All the purchase orders have been established.**

### **December 31, 2024 Update**

The Office of Retirement Services (ORS) reports that staff have worked with the City's Finance Department (Finance) to process all invoice payments through Finance Accounts Payable, and that wire transfers are not currently used to make payments to providers. Staff continues to work with Finance to establish purchase orders with the providers, with one new purchase order already established.

  
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John Flynn  
Chief Executive Officer