



Metro

Office of the Auditor
Annual Report

FY 2024-2025

Brian Evans
Metro Auditor
September 2025

Message from the Metro Auditor

Residents of the Metro region:

It's an honor and privilege to serve as the Metro Auditor. The Auditor's Office focuses on the transparency and accountability of Metro's programs and services. We provide objective and independent analysis about your regional government.

Continuous improvement is a common theme in the recommendations we make in audit reports. This annual report is a chance to apply the same approach to our own efforts. It includes five-year trends for each of the performance measures I use to assess the efficiency and effectiveness of our work. I use the information to manage resources and adjust when needed. I hope you find it informative.

Last fiscal year (July 1, 2024 to June 30, 2025) we published five performance audits. One was a follow-up audit of the recommendations made in the 2020 Research Center audit. Two focused on internal operations for measuring performance and analyzing the organizational structure. We also covered cybersecurity risks and assessed one of Metro's longest running programs at the Visitor Venues. If you haven't already, I hope you will read the full reports or the one-page summaries to learn about our conclusions. Reports and video presentations for each audit are available on our website.

We passed our peer review in December 2024, which is sometimes referred to as an audit of the auditor. That process confirmed we met audit standards. In May, most of the office attended the Association of Local Government Auditors annual conference in Minneapolis, Minnesota. I helped plan the event and four of us made presentations at the conference. It was great to be able to share our experiences and connect with other auditors from across the country.


Finally, I want to welcome Kendra Wendel who joined our office in May and congratulate Paoa Wandke for becoming a Certified Internal Auditor. I also want to thank Annie Price and Gabby Poccia, the Hatfield Resident Fellows who worked in our office last year. Annie worked on our follow-up audit of the Research Center and Gabby worked on the First Opportunity Target Area audit. I appreciated their service to the region.

If you have ideas for future audit topics or want to learn more about our work, don't hesitate to contact our office. We value engagement with the public and want to hear what is important to you.

Take care,



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Metro Auditor

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 @MetroAuditor

www.oregonmetro.gov/regionalleadership/metro-auditor

Accountability Hotline: 888-299-5460 or www.metroaccountability.org

About the Auditor's Office

The office is led by the Metro Auditor, an elected position serving the Metro region. Performance audits are the primary responsibility of the office and follow Government Auditing Standards. Our audits provide independent and objective information to the public. Audit recommendations are designed to help management and the Metro Council improve program performance, reduce costs, and make informed decisions. The office also manages the contract for the annual financial audit and administers the Accountability Hotline where you can report concerns about Metro's programs and services.

Brian Evans is the third elected auditor since the position was created by the Metro Charter in 1995. Prior to being elected, Brian worked as a staff auditor in the office and as an economist with Oregon's economic and community development department. The office includes the elected auditor, five management auditors, and an administrative assistant.

- David Beller, *Senior Management Auditor*
- Tracy Evans, *Auditor's Administrative Assistant*
- Maggie Muldrew, *Senior Management Auditor*
- Angela Owens, *CIA, CFE, CAPM, Principal Management Auditor*
- Paoa Wandke, *CIA, Senior Management Auditor*
- Kendra Wendel, *Senior Management Auditor*

To meet audit standards, auditors are required to complete 80 hours of continuing professional education every two years. Auditors attend and lead training on performance auditing topics to meet the requirement. They also participate in an annual retreat to plan audit work and enhance communication and teamwork.

Mission and Values

Our mission is to:

- Ensure that Metro is accountable to the public.
- Ensure that Metro's activities are transparent.
- Improve the efficiency and effectiveness of Metro programs and services.

It is our vision to be relevant and efficient, choosing the right areas to audit and completing audits quickly so Metro can continually improve its services and be accountable to the public. Audit findings and recommendations are presented publicly before the Council and are intended to assist the Council and Chief Operating Officer in making improvements to better serve the public. Reports are published on the Metro Auditor's web page (<https://www.oregonmetro.gov/regional-leadership/metro-auditor/audits>).

Our values are:

- | | | |
|---------------------------------------|--------------------|---------------------|
| • Professionalism | • Ethical behavior | • Public service |
| • Wise and equitable use of resources | • Open mindedness | • Respecting others |
| • Supporting findings with fact | • Fairness | • Teamwork |

Performance measures

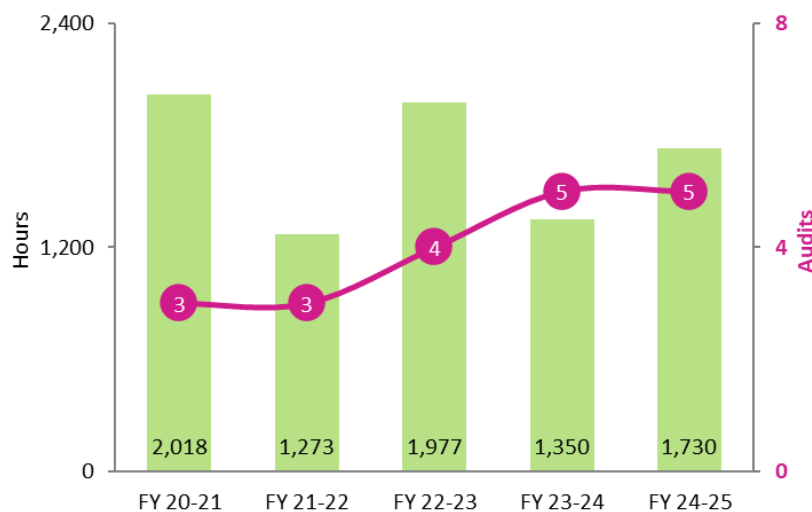
The office monitors performance using these data points

- Average hours to complete an audit and number of audits completed
- Number of audits completed per full time equivalent (FTE) employee
- Audit hours per department
- Auditee feedback
- Recommendation implementation rate
- Average days to close cases reported to the Accountability Hotline

Average audit hours and number of audits

Average audit hours and the number of audits completed measure the office's efficiency. In FY 2024-25, five audits were completed. The hours required to complete each audit ranged from about 1,400 to 2,200. The average was 1,730 hours.

Audits vary in length depending on their scope and complexity. The average in FY 2024-25 was higher than the previous year due to two audits that required a little over 2,000 hours to complete. The other three audits were closer to the typical number of hours (1,200).



The five audit reports published in FY 2024-25 included a total of 41 recommendations. The audit reports released were:

- Performance Measures (September 2024)
- Span of Control (September 2024)
- First Opportunity Target Area (April 2025)
- Research Center Follow-Up (May 2025)
- Information Technology (June 2025)

Audits per Full-Time Equivalent Employee

Another way to measure efficiency is by looking at the number of audits completed per full-time equivalent (FTE) employee. In FY 2024-25, one audit per FTE was completed, which was the same as the previous year. Available staff hours and the scope of each audit determines what can be completed each year. The length is affected by the complexity of the subject and size of the program being reviewed.

Generally, the office tries to complete one and a half audits per FTE each year. We did not meet our performance target last year. Staff experience and smaller scope audits should help improve efficiency in the coming year.



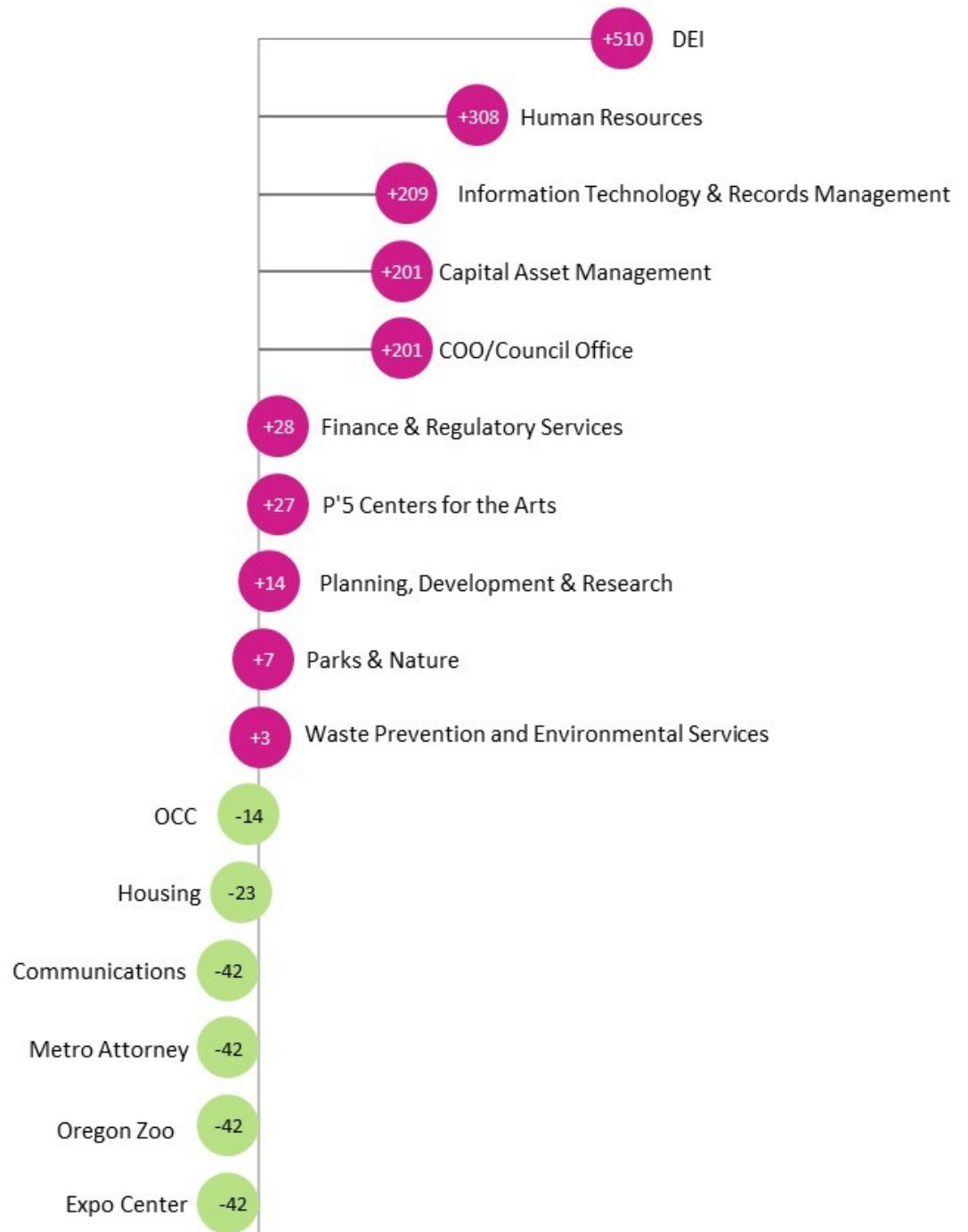
Audit hours by department

This measure is used to evaluate the office's effectiveness by showing how audit hours were distributed among departments and venues. It is calculated by dividing total audit hours spent in each department or venue by its annual expenditure.

In the last five years, about 42 audit hours were available for each \$1 million spent. If our office provided equal coverage, each department and venue would be at the average line. In reality, more time is spent in some areas than others for a variety of reasons including audit timing and greater risks associated with some programs and services.

Over the last five years, audit hours were unevenly distributed between departments and venues when considering their expenditure. More time was spent in Diversity, Equity, and Inclusion; Human Resources; Information Technology and Records Management; Capital Asset Management; COO/Council Office; Finance and Regulatory Services; P5 Centers for the Arts; Planning, Development and Research; and Parks and Nature relative to their spending level.

In contrast, relatively less time was spent in other parts of the organization such as Oregon Convention Center; Housing; Communications; Metro Attorney; Oregon Zoo; and Expo Center. The FY 2025-26 schedule includes audits in two of these areas that will help rebalance audit coverage.



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Average Audit Hours per \$1 Million Expenditure

Auditee feedback

Surveys are a way to get feedback on the quality of our work. After an audit is published, we ask those involved to give input through an anonymous survey. Survey questions are designed to get information about the audit process, staff, report, and overall satisfaction.

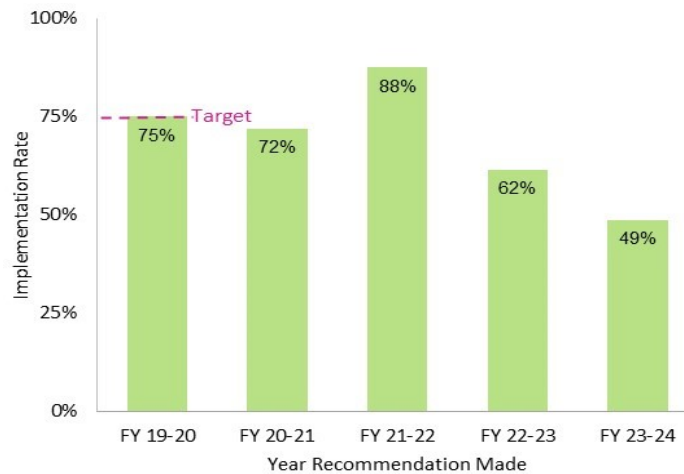
In FY 2024-25, the average level of agreement about the value of our work was 4.1 out of 5, which exceeded our performance target. The response rate for all post-audit surveys in FY 2024-25 was 27%. That was below the previous year and slightly lower than the average over the last five years (31%). Making it as easy as possible to provide feedback will continue to be a focus this year.



Recommendation implementation rate

The percentage of recommendations implemented shows the impact audits have on the organization. Each January, the office asks management to report on the status of recommendations made in the last five years. That information, combined with the conclusions from any follow-up audits, is used to track the percentage of recommendations implemented.

The target is for 75% of recommendations to be implemented within five years. The most recent information showed the target was met. Management also made progress implementing recommendations made more recently, which shows strong audit impact. The status of all recommendations can be found in our online dashboard at www.oregonmetro.gov/regional-leadership/metro-auditor/audits/audit-recommendations.



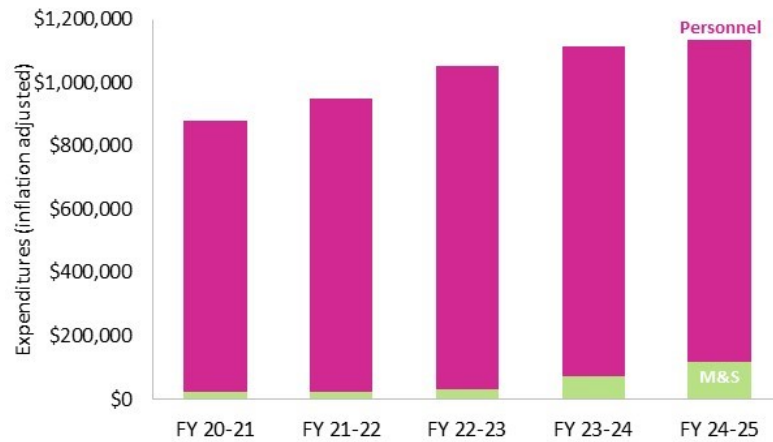
Audit schedule

The following audits were completed, in process, or scheduled to start in FY 2025-26. These topics were selected based on input from Metro Council, department and venue management, audit staff, and the public. We also conducted a risk assessment to identify timely topics.

Audit Title	Started	Expected End
Transparent Governance: FY 2014-15 to FY 2023-24	October 2024	August 2025
Accountability Hotline Case 495	July 2025	October 2025
Supportive Housing Services Follow-up	May 2025	November 2025
Oregon Zoo Bond Implementation	May 2025	January 2026
Transfer Station Operating Controls Follow-up	July 2025	TBD
Communications	TBD	TBD
Accessibility	TBD	TBD
Financial Condition of Metro: FY 2015-16 to FY 2024-25	TBD	TBD

Expenditures

Audit expenditures in FY 2024-25 rose by about 2% compared to the previous year. This was the result of a 62% increase in Materials and Services (M&S), which was mostly used for the two Hatfield Fellows who worked in our office. Personnel costs declined by about 2% due to a vacancy in one of the auditor positions for most of the year.



Staffing available

This graph represents actual staff hours available. In FY 2024-25, there were 14,272 audit hours available, or five full-time equivalent employees (FTE). The increase in FY 2022-23 was the result of a new FTE approved by Council in November 2022.



Accountability Hotline summary

The Accountability Hotline gives employees and the public a way to report fraud, waste, inefficiency, or abuse. The Metro Auditor administers the Accountability Hotline through a third-party vendor. The Metro Auditor reviews all reports first to determine the accuracy and significance of the information reported. After the initial review, the Metro Auditor consults with senior management, the Metro Attorney, or the Human Resources Director to determine the appropriate investigation method and priority. Cases may be handled by Human Resources if disciplinary action could result. In some cases, executive management will assign an investigation to a department or venue director if the report involves a service or program in their department. The Auditor reserves the right to conduct an audit on any report received.

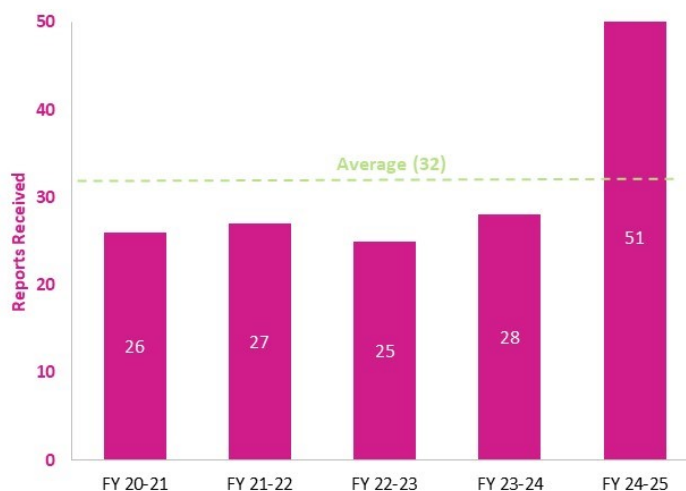
Reports received

In FY 2024-25, the hotline received 51 reports. That was almost twice as many as the previous four years. It was also significantly more than the five-year average of 32.

The reports varied widely in terms of specificity and issues identified. As a result, they cannot be categorized or summarized easily. Reports related to Metro's visitor venues (Oregon Convention Center, Portland's Centers for the Arts, and Expo Center) were the most frequent at 69%. Most of those reports were about Portland's Centers for the Arts. At 16%, agency-wide concerns were the next highest. Oregon Zoo (8%) and solid waste and recycling (8%) made up the remaining reports.

Thirty-nine reports were successfully investigated. Twelve reports were not investigated because they were out of Metro's jurisdiction, did not provide enough information to investigate, or were unfounded.

Of the 39 reports that were successfully investigated, four were substantiated and 35 were unfounded or inaccurate. The most frequent action taken was to relay information to the person reporting the concern to provide context or additional information about what occurred. Corrective actions were taken by management in response to three reports. One audit was initiated because of a hotline report.



Average days to close a case

The Metro Auditor uses the average days to close a case to assess performance. According to benchmark data from the hotline provider, cases are resolved in about 40 days on average. The performance target was achieved in four of the last five years. Longer close times in FY 2020-21 were caused by several factors. There were several reports made about similar issues and the investigations took more time due to their complexity. Closure times have met the performance target in each of the last four years. This appears to be the result of Human Resources hiring a dedicated investigator to address personnel concerns

