

CHAPTER XIV.

AUDIT.

The work of audit varies very considerably in different cities. Some cities rely upon internal audit to the Balance Sheet, having their own audit department up to this point. Others again have outside firms of accountants to perform the complete audit, whilst others yet, maintain their own complete audit staff.

But whichever plan is adopted, the duties are the same no matter by whom they are performed.

Practically every city has a pre-audit, it being almost universally recognized today that no expenditure of public moneys should be made without this function having been performed. This has been dealt with in the preceding chapter, and we are free to discuss the general or post audit.

Let us assume a new appointment to the position of the city auditor and discuss the duties of the appointee right down to the point where his report is presented, after the work of the year is completed.

On arrival at the City Hall, he should ask the City Commissioner or whoever is in authority for a complete list of the officials of the city who are permitted

1. To authorize the purchase of goods
2. To authorize payment for goods
3. To authorize payment for other purposes

and he should also be furnished with particulars of bylaws or regulations containing such authorizations.

He should then request a list of those authorized to receive funds, and regulations providing for their remission to and receipt by the City Treasurer.

His next visit should be to the city treasurer, who should be asked to furnish an outline of the system of city book-keeping, and what method of cash checking from one department to another is in use.