

Bond Case Briefs

Municipal Finance Law Since 1971

The Trials and Tribulations of Auditing Government.

The people who probe governments' finances and effectiveness often have little power and are at risk of losing more, says Philadelphia Controller Alan Butkovitz.

Controllers (otherwise known as comptrollers) produce a remarkable amount of important information that could improve government transparency. Though their function and title differs from place to place, they generally oversee and audit government finances, examine program effectiveness and monitor compliance with laws.

But all too often their work ends up buried in old computer files and gathering dust in file cabinets. This is sometimes because their conclusions are politically unpopular or because they simply don't take the steps necessary to draw attention to their work.

This is a significant concern for Philadelphia Controller Alan Butkovitz, who has been in office since 2006. He's worried about what he calls a "trend of taking power away from controllers." He spoke with us about this issue and the importance of the position in the following interview, which has been edited for clarity and length.

We know you're concerned about controllers having sufficient influence. Could you comment about that?

There's a trend of taking power away from controllers. The budget power is all in the hands of the mayor and city council — or for the counties, in the county commissioners. They've been very restrictive in the kinds of money that they're willing for the controllers to have. There's an ongoing legislative assault to take away more power from controllers.

The controller's offices in many smaller counties are completely overwhelmed with routine day-t-day operations. They do a professional job and then get unfunded and outvoted. Then they shrug their shoulders and say they stood for the right thing.

Any advice for other controllers?

You have to avoid becoming isolated, and you have to show that you're able to win a fight.

Do you have any success stories for controllers in these situations?

Thirteen years ago, school districts were underwater financially. There were calamitous deficits and a lot of misrepresentation back in 2006. When we attacked this issue, there was a lot of skepticism. It took a long time and a lot of examples to shift opinions, but now we don't have to do the outreach. There are all sorts of stakeholders who come to us for a judgment of what could be done with the schools. You have to develop a personal credibility with the public that is based on concrete issues.

How do you develop that kind of credibility?

You need to be persistent on specific issues — instead of hitting an issue and then being done with it. There is no automatic deference to controller findings. In this era, you have to accumulate allies, evidence and a scorecard for being right. It takes many years.

We try to become the expert in Philadelphia on the subject we're involved with. It's hard to argue with us. That's even the case with issues of corruption. We did the first forensic audit regarding the Philadelphia sheriff's office. There was \$11 million of inappropriate spending and that had an impact on over 7,000 people.

How does that kind of persistence and development of expertise evolve?

We identified high priority issues like slow response times on ambulances or failure of the license and inspection department to do their safety enforcement mission competently. We would revisit those issues on very short timetables. It took a lot of time to build the case on each issue.

Are there any particular tools you've used that have helped get attention to your findings?

We developed video audits. We have found they have devastating impact. For example, we did our third review of the condition of school buildings. The video that showed the bathrooms clogged with human waste that isn't cleaned up — that had the school district surrender. Traditionally it has been able to deny the situation.

Is there any lesson you've learned that you wish you had known when you were newer to the office?

We developed a relationship with the media and became a resource for them. It would have been tremendously valuable to have those strong relationships in place in the first year. A lot of the work we do is technical and difficult to understand. I would have liked to create the relationships more quickly.

Are there any ways you wish the controller's office was treated differently within the government structure?

I wish that the controller was consulted at earlier points in the process on policy matters. We have the role of giving an opinion to the Pennsylvania Intergovernmental Cooperation Authority, but that doesn't come until after the city council approves the budget. We're the only people who delve into the accuracy of the projections about the city's finances for the next five years. It's a little backwards. Our opinion should be required before the council approves the budget.

That would also be a good idea in a number of other policy areas. For example, we have found a lot of systemic problems in a lot of agencies like L&I [Licenses and Inspections]. When we find a pattern of systemic abuse, there ought to be the requirement that our well-thought-out solutions get considered.

What about your relationship with Mayor Nutter, who has just left office? We've heard it hasn't been the best.

I wish we would have had a better relationship with Mayor Nutter, but I don't know how we could have done that. He used to call me at 11 at night to yell at me. The option would have been to do what he wanted, which would have been sacrificing our independence. Part of that is the nature of the relationship. You're criticizing people and giving demerits in their career advancement.

BY KATHERINE BARRETT & RICHARD GREENE | JANUARY 7, 2016

Copyright © 2024 Bond Case Briefs | bondcasebriefs.com