

September 24, 2019

Honolulu City Council  
530 South King Street #1665  
Honolulu, HI 96813

19SEP24 PM 2:08 CITY CLERK

## **Findings and Recommendations of the Special Auditor Search Committee**

### **Background**

On February 13, 2019, the Honolulu City Council adopted Resolution 19-17, which established a Special Auditor Search Committee and appointed the members thereof. Named as members of the Special Auditor Search Committee were Councilmembers Ikaika Anderson and Carol Fukunaga, who then selected Ms. Patricia Mau-Shimizu and Ms. Natalie Iwasa as the two additional members of the Committee from the private sector with knowledge and/or experience in government audits and/or government operations.

Pursuant to the provisions of Resolution 19-17, the Special Auditor Search Committee hereby submits its findings and recommendations.

### **Summary of Selection Process**

1. An advertisement soliciting applications for the position of City Auditor ran for 14 consecutive days starting on April 14 in the Star Advertiser and on Monster.com. The deadline for the submission of applications was April 29, 2019. The solicitation was also posted on the website of the following associations: Association of Certified Fraud Examiners (ACFE), Association of Government Accountants (AGA) Hawaii Chapter, Association of Local Government Auditors (ALGA), and the Association of Internal Auditors (IIA) Hawaii Chapter. The job posting was also sent to the ALGA Board members for circulation as appropriate.
2. A total of eight applicants submitted letters of interest and/or resumes by the designated deadline.
3. Following the April 29th deadline, a compilation of all applicant submissions was forwarded to all members of the Special Auditor Search Committee for review.
4. On Friday, June 21, 2019, the Special Auditor Search Committee met to discuss the selection process and established scoring criteria to ensure consistency and fairness.

5. On Monday, July 29, 2019, the Special Auditor Search Committee met to collectively review and discuss the qualifications, background and experience of the list of applicants. At this meeting, the committee decided to interview all eight candidates. (Note: after notification of interview dates and times, one of the eight applicants withdrew from consideration.)
6. On Monday, August 26, 2019, Tuesday, August 27, 2019, and Wednesday, August 28, 2019, the Special Auditor Search Committee conducted interviews with each of the seven remaining candidates. On Wednesday after the completion of the last interview, the Committee also discussed the qualifications, background, experience and personal strengths of each of the seven applicants, and by consensus narrowed the field to one recommended applicant. The references noted by the recommended applicant were contacted.
7. Thereafter, the recommended applicant withdrew from consideration.
8. On Tuesday, September 17, 2019, the Special Auditor Search Committee met to collectively review and discuss the qualifications, background, experience, personal strengths of the second preferred applicant.


**Recommendation of the Auditor Search Committee**

Based on the requisite qualifications for the City Auditor established by Charter and a thorough evaluation of the educational background and work experience of the applicants, the Special Auditor Search Committee hereby recommends Troy Shimasaki for the position of City Auditor conditioned upon his being certified as a Certified Internal Auditor or Certified Public Accountant by October 31, 2020.


Attached is Troy Shimasaki's letter of introduction and current resume.

Respectfully submitted:

  
Council Chair Ikaika Anderson  
Member, Special Auditor Search Committee

  
Councilmember Carol Fukunaga  
Member, Special Auditor Search Committee

  
Patricia Mau-Shimizu  
Member, Special Auditor Search Committee

  
Natalie Iwasa  
Member, Special Auditor Search Committee

APR 22 2019

# Troy Shimasaki

Acting City Auditor

City & County of Honolulu

April 18, 2019

Office of the Council Chair  
530 South King Street, Room 202  
Honolulu, HI 96813

Dear Council Chair Kobayashi:

I am writing to apply for the position of City Auditor for the City & County of Honolulu. I have attached a copy of my resume that details my work experience, credentials, and education. In addition, I have attached a list of references that can provide further insight to my auditing background, leadership skills, and personal characteristics.

I am confident that my extensive knowledge and experience in government auditing, education, and leadership capabilities has prepared me to be an effective city auditor. I have 19 years of performance auditing experience working at the state and city levels of government. Combined, I have been the lead auditor on 18 performance audits and worked on 10 other value-added reports such as service efforts and accomplishments, annual reports, and recommendation follow-up reports. Prior to my auditing career, I worked at the State Legislature for eight years, House and Senate, in various capacities including legislative aide, committee clerk, and community liaison.

As Acting City Auditor, I have implemented innovations to the office's audit process. For the upcoming DPP building permits process audit, we will be splitting the audit into two reports to provide the city council with valuable audit information quicker. The grants-in-aid audit will feature an interactive GIS component to make the report more interactive. I have also started a formal audit follow-up program to ensure audit recommendations are relevant and impactful. If given the opportunity, I plan to implement additional innovations to the audit process and product.

I also earned the Certification in Risk Management Assurance (CRMA) from the Institute of Internal Auditors. This certification validates my ability to provide assurance on core business processes, quality assurance, and control self-assessment. Combined with my Bachelors in Business Administration degree, I am confident that I have the credentials to effectively serve as City Auditor.

Thank you for your time and consideration of my application. I look forward to the opportunity to discuss my qualifications with you in person.

Sincerely,




Troy Shimasaki

Enclosure

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Waipahu, HI 96797

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kaloi85@hotmail.com

# Troy Shimasaki

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My goal is to be appointed City Auditor, City & County of Honolulu. As City Auditor, I would ensure that the office fulfills its mandate under Chapter 5, Revised Charter of Honolulu; adhere to its mission to promote honest, efficient, effective, and fully accountable city government; and to provide the City Council and city management with independent and objective audit information. In addition, I would continue to improve the audit process by keeping updated on innovative audit techniques, networking with peer audit organizations, and integrating applicable technology.

## Skills and Accomplishments

- 19 years of state and local government performance audit experience
- Proficient knowledge and application of U.S. Government Auditing Standards
- Responsible for leading and producing 16 high-quality audit reports for the city
- Recipient of the prestigious national Association of Local Government Auditors Knighton Award for 3 audit reports
- Served as panelist or guest speaker at national and local audit conferences
- Served as team member and leader on 2 peer reviews of national audit agencies

## Experience

FEBRUARY 1, 2019 – PRESENT

### **Acting City Auditor / Honolulu Office of the City Auditor**

Responsible for leading and managing an audit team of 12 FTE and an annual agency budget of \$1.8 million. Prepared the office's annual budget, conducted oversight of audit projects in FY 2018-2019 annual work plan to ensure quality and timely completion, analyzed and prepared for the FY 2019-2020 annual work plan, and conducted contract management oversight of the city's financial audits. Implemented innovations in the office's auditing processes by introducing split audits, formal follow-up audit program, and data analytics.

DECEMBER 18, 2004 – JANUARY 31, 2019

### **Senior Auditor / Honolulu Office of the City Auditor**

Served as lead auditor on audit projects of considerable complexity and difficulty. I supervised audit teams ranging from 1 to 4 auditors. As a mentor, I trained new audit staff to ensure compliance with government auditing standards, office policies, and procedures. To promote efficiency and relevancy, I helped our agency transition to electronic workpapers, maintain content on our Twitter and Facebook accounts, and look for opportunities to incorporate technology in our audit work. To date, I have led or contributed to 22 value-added audit projects. They include:

- HART (Report 19-01): Identified cost overruns due to contract amendments and change orders; council introduced Resolution 19-82 urging HART to adopt audit recommendation related to internal audit function;
- Paratransit Service (Report 16-02): Council adopted Bill 68 to allow premium fares for select paratransit service and Bill 28 that amended monthly and annual pass fare; council considering Bill 77 (2018) to further amend paratransit fare structure; and

- City's Ambulance Fleet and Operations (Report 12-01): State Legislature adopted HB 2487 (Act 153, SLH 2012) which amended retirement benefits calculation due to pension spiking. State ERS cited this audit report in its testimony supporting the bill's passage.

NOVEMBER 1, 2000 – DECEMBER 15, 2004

### **Analyst / Office of the Auditor, State of Hawai'i**

Served as staff auditor on 4 audit projects, supervised 2 audit projects, and produced 3 annual reports. Audits include the Hawai'i Tourism Authority, Hawai'i Health Systems Corporation, and Kalaupapa Settlement. As Legislative Liaison, I monitored bills and resolutions at the State Legislature and provided information and guidance to the State Auditor.

DECEMBER 14, 1992 – OCTOBER 31, 2000

### **Legislative Aide & Committee Clerk / Hawai'i State Legislature**

As a Legislative Aide, in both the State Senate and House of Representatives, I conducted research, responded to constituent needs, prepared correspondence, and drafted reports. As Committee Clerk for the Senate Committee on Consumer Protection, I coordinated committee agendas, testimonies, and drafted committee reports. For the Ways and Means Committee, I assisted the Bills Chief with tracking and managing the large number of money-related bills that were assigned to that committee. As a staff member of the Senate President's office I conducted bill referrals, assisted in Senate administration and policy, and coordinated work with other Senate member offices.

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## **Certification and Education**

AUGUST 2012

### **Certification in Risk Management Assurance (CRMA) Institute of Internal Auditors**

This certification assures my ability to provide assessments on core processes in risk management, governance, and quality assurance for performance audits.

AUGUST 1990

### **Bachelor of Business Administration University of Hawai'i at Mānoa**

AUGUST 1986 – MAY 1987

### **National Student Exchange Program University of Massachusetts at Amherst**

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## **Professional Affiliations**

**Institute of Internal Auditors (IIA)**

**Association of Government Accountants (AGA)**

**Association of Local Government Auditors (ALGA)**

## **TROY SHIMASAKI**

94-510 Lumiaina Street  
#E204  
Waipahu, HI 96797

(808) 782-6151  
kaloi85@hotmail.com

## **REFERENCES**

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### **Edwin S.W. Young**

Former City Auditor, City & County of Honolulu  
(650) 218-8678 | eswyong@aol.com

#### **Relationship**

As City Auditor, Mr. Young was my employer and mentor from May 2010 to February 2019. Mr. Young expressed confidence in my auditing capabilities and leadership skills by designating me as Acting City Auditor upon his retirement.

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### **Norman Mizuguchi**

Past Senate President, Hawai'i State Senate  
(808) 721-2483 | normmiz@gmail.com

#### **Relationship**

Senate President Mizuguchi was my employer from 1998-2000. I've known Mr. Mizuguchi since I began working at the State Senate in 1996.

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### **Drummond Kahn**

Former Director of Audit Services, City of Portland, Oregon  
Past National President of the Association of Local Government Auditors  
(503) 784-5749 | drummondk@aol.com

#### **Relationship**

Mr. Kahn is a friend and professional colleague. I've known Mr. Kahn since 2006. Currently an Instructor with Graduate School USA's International Institute and Government Audit Training Institute, Mr. Kahn is a nationally and internationally recognized accounting and auditing professional.