

## AGENDA REPORT

**Resolution:** Adoption of a Resolution to Appoint Ms. Rebecca Haggerty as the Chief Audit Officer at an Annual Salary of \$195,000 per year. **(Finance & Admin.)**

**MEETING DATE:** 11/29/2018

**AMOUNT:** \$296,000 (estimated annual cost including benefits)  
Operating Expense

**PARTIES INVOLVED:** Alliance Resource Consulting, Sherrill Uyeda

**SUBMITTED BY:** Sara Lee, Chief Financial Officer

**APPROVED BY:** Danny Wan, Acting Executive Director

**ACTION TYPE:** Resolution

### **EXECUTIVE SUMMARY**

Port staff requests that the Board of Port Commissioners (“Board”) adopt the resolution necessary to appoint Ms. Rebecca Haggerty as the Chief Audit Officer effective January 2, 2019 at an annual salary of \$195,000 per year.

### **BACKGROUND**

Article XI, Section 1 of the By-Laws and Administrative Rules of the Board of Port Commissioners (“By-Laws”) provides that the Board of Port Commissioners “shall appoint the Auditor by resolution.” The Chief Audit Officer is a senior management-level classification and a direct report to the Board who is charged with directing an independent, comprehensive program responsible for performing operational and financial internal auditing within all offices of the Port. The former Chief Audit Officer retired on December 31, 2017.

In July 2018, the Port retained Alliance Resource Consulting (“Alliance”) to initiate an executive search for a candidate to be appointed Chief Audit Officer. Sherrill Uyeda of Alliance, under the direction of the Board, conducted an extensive nationwide search effort. Direct outreach efforts, along with advertising through a variety of media, resulted in twenty-seven (27) applicants seeking consideration for the Chief Audit Officer position. The pool was narrowed to a diverse group of four (4) finalists who were interviewed by the Board. An internal panel of subject matter experts narrowed the pool to two (2) finalists who were interviewed by the Board on November 8, 2018.

After completion of the executive search, the Board selected Ms. Rebecca Haggerty to serve as the Chief Audit Officer. Ms. Haggerty's appointment will be effective January 2, 2019.

## **ANALYSIS**

Ms. Haggerty is an experienced audit professional with over 25 years of public and private sector audit experience. Ms. Haggerty has been employed by the County of Santa Clara in various auditor roles since 1997 within the Finance Agency. Ms. Haggerty started her career with Deloitte & Touche where she planned, performed and supervised financial statement audits of government agencies, non-profit organizations, and technology corporations. Ms. Haggerty transitioned into the public sector with the City of San Jose where she utilized her audit expertise to perform audits on a City-wide basis. In 1997, the County of Santa Clara hired Ms. Haggerty as a Supervising Internal Auditor where she supervised a team of auditors who performed operational and financial audits of countywide operations. During Ms. Haggerty's tenure with the County of Santa Clara, she has held several supervising and managerial accountant and auditor roles within the County's Finance Agency. Presently, Ms. Haggerty is the Internal Audit Manager where she is responsible for providing countywide risk assessment and audit services and for the development and management of projects within the Finance Agency. Ms. Haggerty is also responsible for the preparation of confidential audits for the County's Controller-Treasurer.

Ms. Haggerty is a Certified Public Accountant (CPA) and a Certified Internal Auditor (CIA), and she possesses a Bachelor's Degree in Business Administration with an emphasis in Accounting from San Jose State University.

As described in Article XI of the By-Laws, Ms. Haggerty, as the Chief Audit Officer, will be tasked with performing surveys, reviews, and audits which may include but is not be limited to: i) reviewing and appraising the effectiveness, adequacy and application of accounting, functional, and operating controls and reliability and timeliness of accounting and other data generated within the Port; ii) evaluating the Port's internal controls to ensure that the Port's assets and resources are adequately safeguarded from fraud, waste, and mismanagement; iii) ascertaining compliance with the Board's resolutions and policies and the Executive Director's instructions and directives, as well as applicable State and Federal laws and regulations; iv) providing assistance to Port staff to enhance the effectiveness, efficiency and economy of their operations; v) responding to requests for audit and reviews; and vi) reporting to the Board as appropriate or as directed by the Board, as part of a deliberative process, on recommendations for corrective action to adopt new policies.

## **BUDGET & STAFFING**

There is no budget or staffing impact in FY 2018 - 2019.

## **MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)**

The matters contained in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

## **STRATEGIC PLAN**

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Pursue Employee Excellence.

## **LIVING WAGE**

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

## **SUSTAINABILITY**

Port staff have reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. There are no sustainability opportunities related to this proposed action because it does not involve a development project, operations, or purchasing of equipment that presents sustainability opportunities.

## **ENVIRONMENTAL**

The adoption of a resolution to appoint Ms. Rebecca Haggerty as the Chief Audit Officer was reviewed in conjunction with the requirements of the California Environmental Quality Act (CEQA). The requested Board action is not a project pursuant to CEQA Guidelines, Sections 15060(c)(3) and 15378(b)(2). No further environmental review is required.

## **GENERAL PLAN**

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

## **OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)/ PROFESSIONAL LIABILITY INSURANCE PROGRAM (PLIP)**

The Owner Controlled Insurance Program (OCIP) does not apply to the matters addressed by this Agenda Report as they are not capital improvement construction projects.

### **OPTIONS**

1. The Board adopt the resolution necessary to appoint Ms. Rebecca Haggerty as the Chief Audit Officer effective January 2, 2019 at an annual salary of \$195,000 per year.
2. The Board not adopt the resolution necessary to appoint Ms. Rebecca Haggerty as the Chief Audit Officer effective January 2, 2019 at an annual salary of \$195,000 per year.

### **RECOMMENDATION**

Port staff recommends that the Board adopt the resolution necessary to appoint Ms. Rebecca Haggerty as the Chief Audit Officer effective January 2, 2019 at an annual salary of \$195,000 per year.