




THE CITY OF SAN DIEGO

DATE: June 14, 2013

TO: Honorable Members of the Audit Committee

FROM: Eduardo Luna, City Auditor 

SUBJECT: **City Auditor Activity Report – April 2013 and May 2013**

This report provides information on the activities of the Office of the City Auditor for the month of April and May 2013. It includes the status of current audit projects and a summary of planned audits that we have not yet started.

During April 2013 and May 2013, the Office of the City Auditor issued the following 5 audit reports:

April 12, 2013 – Issued the Performance Audit of the Street Division’s Pothole Repair Operations. The report can be found on our website at: http://www.sandiego.gov/auditor/reports/fy13_pdf/audit/13-012_potholes.pdf

May 6, 2013 – Issued the Performance Audit of the Zoological Exhibit Funds. The report can be found on our website at: http://www.sandiego.gov/auditor/reports/fy13_pdf/audit/13-013_Zoo_Fund.pdf

May 30, 2013 – Issued the City Auditor’s Quarterly Fraud Hotline Report – Qtr 3 Fiscal Year 2013. The report can be found on our website at: http://www.sandiego.gov/auditor/reports/fy13_pdf/hotline/130530fraudhotlinereport.pdf

May 30, 2013 – Issued the Audit Recommendation Follow-up Report: Status Update as of December 31, 2012. The report can be found on our website at: http://www.sandiego.gov/auditor/reports/fy13_pdf/pdf/recfollowup_123112.pdf

May 30, 2013 – Issued a memorandum to the Audit Committee regarding the termination of the Performance Audit of the Family Justice Center. The memorandum can be found on our website at: http://www.sandiego.gov/auditor/reports/fy13_pdf/memo/130530fjcmemo2ac.pdf

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Audits in Process– Report Issuance Pending				
Audit	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Park and Recreation – Community Parks II	The objective of this audit is to determine the efficiency and effectiveness of playground maintenance. The report was provided to the department for comment on June 11, 2013.	July 2013	1,134	1,400

Audits In Progress– Report Writing				
Audit	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Annual Mission Bay Fund Audit	The Annual Mission Bay Funds Audit is required by the City Charter, Article V, Section 55.2(e). The objective of this audit is to verify the prior fiscal year collection, allocation, and use of Mission Bay Funds are in compliance with the City Charter requirements.	July 2013	118	240
Police Patrol Operations Audit	The objective of this audit is to determine the efficiency and effectiveness of Patrol Operations.	July 2013	1,949	2,500
Utilities Undergrounding	The objective of this audit is to determine if the City has effective controls over and accountability for the undergrounding program’s revenue and expenses.	July 2013	1,290	1,200
Public Utilities Department- Industrial Wastewater Control Program	The objective of this audit is to determine the efficiency and effectiveness on Industrial Wastewater Control Program’s permitting fees, cost recovery, and related efforts.	July 2013	1,017	1,400
City Administration– Business Office (Publishing Services)	The objective of this audit is to determine the efficiency and effectiveness of Publishing Services and assess implementation of managed competition requirements.	July 2013	724	1,000

Audits In Progress – Fieldwork				
Audit	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
IT – Web Services	The objective of this audit is to determine if the listing of online services offered by City departments is current and complete and evaluate barriers to expanding online services.	TBD	415	1,400
Public Utilities Department – Customer Support	The objective of this audit is to identify key risks that may impact the Customer Support operations and provide recommendations to improve the overall efficiency and effectiveness of the operations.	TBD	816	1,600

Audits In Progress – Planning/Preliminary Survey				
Audit	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
City Comptroller– Payroll	The objective of this audit is to determine if payroll payments are properly made and adequate controls are in place.	TBD	363	2,500

Other Audit Activity				
Activity	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	The City Auditor tracks all audit recommendations made since fiscal year 2008. On a semi-annual basis, we conduct audit work to determine if audit recommendations reported as implemented are in fact, implemented. We report the implementation status on a semi-annual follow-up report. The last follow-up report was issued on May 30, 2013. We plan to issue our next report in September 2013.	On-going	505	800

Other Audit Activity				
Activity	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Close-out Audits	Close-out audits are required by City Charter, Article VII, Section 111, when a City Official leaves office. The primary audit objectives are to verify that there are no outstanding debts owed by the City Official to the City, and to ensure that access to critical information and processes has been revoked.	As Needed	76	500
Fraud, Waste and Abuse Hotline	City Auditor investigative staff reviews Fraud Hotline calls received and performs investigations for allegations of material fraud, waste or abuse. Reports are issued for substantiated fraud-related allegations.	On-going	1,311	1,535

Respectfully submitted,



Eduardo Luna
City Auditor

- cc: Honorable Mayor Bob Filner
Honorable Members of the City Council
Scott Chadwick, Interim Chief Operating Officer
Nelson Hernandez, Assistant Chief Operating Officer
Jan Goldsmith, City Attorney
Ken Whitfield, City Comptroller
Andrea Tevlin, Independent Budget Analyst