



THE CITY OF SAN DIEGO

DATE: May 18, 2015
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: City Auditor Activity Report – April 2015

This report provides information on the activities of the Office of the City Auditor for the month of April 2015. It includes the audit reports issued, status of current audit projects, and a summary of planned audits that we have not yet started.

April 2, 2015 – Issued our City Auditor’s Quarterly Fraud Hotline Report for the Third Quarter of Fiscal Year 2015. The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/hotline/Fraud_Q3_2015_UpdateReport.pdf

April 15, 2015 – Issued our Accomplishments Report for the Period July 1, 2013 through December 31, 2014. The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/pdf/Accomplishments_Report

April 22, 2015 – Issued our Recommendation Follow-up Report for the period ending December 31, 2014. The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/pdf/Recommendation_Follow-Up_12-31-2014.pdf

April 24, 2015 – Issued our Performance Audit of Citywide Contract Oversight. The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/audit/15-016_Citywide_Contract_Oversight.pdf



Audits in Progress – Report Writing

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Airports – Real Estate Assets	The objective of this audit is to review the efficiency and effectiveness of the City’s Airport Program.	May 2015	1,138	1,400
Fire - Rescue Lifeguard Services	The objective of this audit is to review the efficiency and effectiveness of the City’s Lifeguard services.	May 2015	1,923	1,400
Annual Mission Bay Fund Audit – FY 2014	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 that the prior fiscal year’s collection, allocation, and use of Mission Bay Funds are in compliance with the City Charter requirements.	June 2015	212	340
Citywide Other/Special Funds	The objective of this audit is to review the controls associated with the disbursement and oversight of special funds, including TransNet funds.	June 2015	1,249	1,200

Audits in Progress – Fieldwork

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
City’s Fiscal Sustainability and Financial Condition	The objective of this audit is to review the fiscal sustainability and financial condition of the City of San Diego by analyzing trends in the City’s financial data.	June 2015	669	800
Business Improvement Districts	The objective of this audit is to review the efficiency and effectiveness of the Business Improvement Districts.	June 2015	801	1,400

Audits in Progress – Planning

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Development Services – Code Enforcement Division	The tentative objective of this audit is to review the efficiency and effectiveness of this program.	TBD	225	1,400
Police Department – Property and Evidence Room and Inventory	The tentative objective of this audit is to review the controls over the Police property and evidence room. We also plan to review the condition and sufficiency of Police equipment and the controls over the equipment.	TBD	115	1,400

Other Audit Activity

Audit	Audit Objective	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, and we periodically issue other recommendation follow-up reports.	On-going	580	800
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	217	240

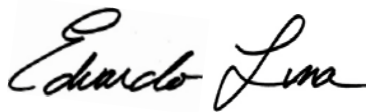
Other Audit Activity

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
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, and we issue a Quarterly Fraud Hotline Report with the status of activities.	On-going	1,222	1,450

FY 2015 Planned Audits Not Yet Started

Planned Audit	Estimated Audit Hours
Public Utilities – Overhead Rate Review	1,000
Annual Central Stores Inventory Audit FY 2015	40

Respectfully submitted,



Eduardo Luna
 City Auditor

- cc: Honorable Mayor Kevin Faulconer
 Honorable Members of the City Council
 Scott Chadwick, Chief Operating Officer
 Stacey LoMedico, Assistant Chief Operating Officer
 Brian Pepin, Director of Council Affairs
 Jan Goldsmith, City Attorney
 Andrea Tevlin, Independent Budget Analyst