City of San Diego
Office of the Auditor & Comptroller

Proposed Office Reorganization

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City Auditor & Comptroller

- **Objective:** To realign duties and responsibilities within the Auditor’s Office to:
  - Better reflect the office’s priorities
  - Enhance timeliness, efficiency and quality of the office’s primary business processes
  - Strengthen internal controls over Financial Reporting
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- Major elements of the Reorganization:
  - Modifications to organizational structure
  - Review of Auditor & Comptroller Business Processes
    - Re-design processes to improve internal controls, enhance efficiency and effectiveness.
Organizational Modifications:

- Establish a new Financial Reporting division and re-align certain tasks among existing divisions
- Decentralize certain proprietary and intergovernmental accounting activities
- Establish the position of ‘Chief Accountant’
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- Review of Major Business Processes:
  - ‘First Tier’ Projects
  - ‘Second Tier’ Projects
• **First Tier Projects:** These four projects are related since they each have an impact on the timely and accurate preparation of the City’s annual financial statements.

1. Review of the City-wide internal controls (M.C. 22.0708)
2. Review and redesign of the CAFR preparation process
3. Enhancement of reporting capabilities of the City’s financial system
4. Decentralization of proprietary accounting functions
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- Internal Control Review (M.C. 22.0708)
  - Departmental Control Activity Self Assessment
  - Control Environment Assessment
  - Organizational Survey
  - Identifying and testing Key Financial Reporting Controls
  - Final Report – Control Evaluations and Recommendations (by January 1, 2006)
Second Tier Projects:

This next level of projects is concerned primarily with reviewing current operations to *improve overall efficiency and effectiveness of our business processes*. 
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Second Tier Projects:

- **Methodology** – Document current process workflow, identify opportunities to automate repetitive tasks, re-engineer process to maximize efficiencies.

- **Identified projects**
  - City’s bill paying process
  - Construction in Progress (Capital Projects) accounting
  - Employee timesheet preparation
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- **Action Items:**

  1. Establish three new positions:
     A. Division Manager
     B. Chief Accountant
     C. Financial Systems Analyst
  2. Initiate modifications to the city’s financial accounting system to provide *enhanced access* to accounting data for financial reporting and management decision making purposes.

- **Revenue sources:**
  Salary savings from vacant positions realized in FY 2005 and announced retirements in FY 2006.
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