



Association of Local Government Auditors

FOR IMMEDIATE RELEASE

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AUDIT REPORT WINS NATIONAL RECOGNITION

San Diego, CA -- A 2021 Distinguished Knighton Award for best performance audit in the Extra-Large shop category has been awarded to City of San Diego, Office of the City Auditor by the Association of Local Government Auditors (ALGA). The Award will be presented to the audit shop during ALGA's annual conference on May 2, 2022.

The report, *Performance Audit of the City's Major Building Acquisition Process* was judged on several key elements, such as the potential for significant impact, the persuasiveness of the conclusions, the focus on improving government efficiency and effectiveness, and its clarity and conciseness.

The judges found the audit to be thorough, well documented, and supported by evidence. Performing an audit on the topic of real estate was highly responsive to the needs and concerns of decision-makers and the public. The City of San Diego's audit of the City's Major Building Acquisition Process highlighted a serious lack of policies and oversight in the building acquisition process. The audit also found that prior city administration failed to conduct sufficient due diligence on major building acquisitions, and that the City Council and the public were not informed of all material facts for a major acquisition. Overall, the report was impactful and contained specific and feasible recommendations that were clearly communicated. One example of the high-impact nature of the report is that it found the City committed more than \$230 million to acquire buildings it did not understand the condition or value of. As a result, these buildings often sat vacant or underutilized after acquisition, and building improvements are expected to cost more than \$100 million more than anticipated.

Each year, local government audit organizations from around the U.S. and Canada submit their best performance audit reports for judging. The purpose of the competition is to improve government services by encouraging and increasing levels of excellence among local government auditors. Judges from peer organizations determined that this audit was among the best of 2021.

The Association of Local Government Auditors is a national audit association founded in 1985 committed to supporting and improving local government auditing through advocacy, collaboration, education, and training, while upholding and promoting the highest standards of professional ethics.