



DATE: February 5, 2024
TO: Honorable Members of the Audit Committee
FROM: Andy Hanau, City Auditor
SUBJECT: City Auditor Activity Report – January 2024

This report provides information on the Office of the City Auditor’s activities as of January 2024. This includes any audit reports issued during the month of January, the status of current audit projects, and a list of planned audits that have not yet started.

The “Target Completion Date” provided for each audit project indicates our estimate of when the audit report will be issued. However, future circumstances may delay report issuances, such as delays in receiving data for review, numerous and extensive findings that require further evaluation, and additional discussions with management to demonstrate that our audit findings are valid and recommendations for improvement are necessary.

Audit reports and other work products were issued in January 2024

01/19/2024

[CY2023 Annual Accomplishments Report](#)

01/17/2024

[City Auditor’s Quarterly Fraud Hotline Report – Q2 Fiscal Year 2024](#)

Audits in Progress – Report Writing Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Street Maintenance Efficiency and Equity	The objective is to determine whether the Transportation Department adequately plans for street maintenance to ensure that repairs are efficient, effective, and equitable.	February 2024	2,735	1,600
IT Integrated Performance Audit of the San Diego Police Department – Body Camera Usage	The objective of the IT audit component of this audit is to evaluate the IT security of the City's Body Worn Camera Usage. The findings and recommendations will be published confidentially in accordance with Government Auditing Standard 6.63.	February 2024	1,025	300
San Diego Housing Commission: Property Acquisition Process	The objectives are <i>Objective 1</i> : Determine whether SDHC has a property acquisition strategy that aligns with organizational goals. <i>Objective 2</i> : Determine whether SDHC has a funding strategy for property acquisitions based on best practices. <i>Objective 3</i> : Determine whether SDHC's policies and procedures for acquiring property incorporate industry best practices to increase affordable housing in the City.	March 2024	1,579	1,800
San Diego Police Department - Overtime	The objectives are <i>Objective 1</i> : Determine if SDPD's overtime policies are in line with best practices. <i>Objective 2</i> : Determine if SDPD's overtime policies	March 2024	2,308	2,100

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
	<p>are followed. <i>Objective 3:</i> Determine if SDPD's overtime costs are in line with comparable police agencies. <i>Objective 4:</i> Determine what factors contribute most to SDPD overtime costs and if there are opportunities to reduce overtime costs.</p>			
<p>High-Risk Re-Review: Topic 2 Potholes</p>	<p>The objective is to determine the extent to which the City is still implementing the identified (or similar) recommendations in OCA's 2013 Performance Audit of the Street Division's Pothole Repair Operations, specifically:</p> <p>to determine the completeness and reliability of pothole operational data collected, analyzed, and publicly reported; and to analyze the effectiveness, efficiency, and equity of Citywide pothole repair operations.</p>	<p>April 2024</p>	<p>679</p>	<p>1,000</p>

Audits in progress in the Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
<p>Facilities Maintenance</p>	<p>The objectives are Objective 1: Determine whether the City tracks and assesses the condition of City-owned, City-occupied facilities. Objective 2: Determine whether the City plans and conducts maintenance efficiently and</p>	<p>June 2024</p>	<p>708</p>	<p>1,800</p>

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
	effectively for City-owned, City-occupied facilities. Objective 3: Determine whether the City efficiently funded the maintenance needs of City-owned, City-occupied facilities from FY2016 through FY2023.			
Purchasing and Contracting: Contract Management	<p>The objective is to determine if the process for administering contracts and the governance process for contract extensions or increases allows for effective management and oversight, specifically:</p> <ul style="list-style-type: none"> Does the City appropriately extend or increase the value of goods and services contracts in accordance with SDMC and best practices? 	July 2024	989	1,600

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Annual Mission Bay and San Diego Regional Parks Improvement	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	TBD	24	310

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Funds Audit FY2023	Mission Bay Funds comply with City Charter requirements.			
Department of Finance and Government Affairs: Grants	The tentative objective is to determine if the City effectively competes for grant funding to support critical City priorities and initiatives.	TBD	22	1,800
General Services: Fleet Maintenance	The tentative objective is to determine if the fleet repair program is timely and cost-effective.	TBD	13	2,000
Fire-Rescue: Overtime	The tentative objective is to determine if Fire-Rescue manages overtime to maximize the efficiency and effectiveness of operations.	TBD	3	2,000
Public Utilities and Strategic Capital Projects: Pure Water	The tentative objective is to determine lessons learned from Part I of the Pure Water project as they relate to planning and project management and identify improvements for future phases of the project.	TBD	3	2,400

Other Audit Activity

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	<p>We report the implementation status in a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports.</p> <p>We issued our first report in September, and the next report will be issued in March 2024. We will update our interactive recommendation tracking dashboard to accompany the report.</p>	On-going	442	750
Fraud, Waste, and Abuse Hotline	<p>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.</p>	On-going	1,922	2,960

Audit Reports and Other Work Products Completed During FY2024

01/19/2024

[CY2023 Annual Accomplishments Report](#)

01/17/2024

[City Auditor's Quarterly Fraud Hotline Report – Q2 Fiscal Year 2024](#)

11/14/2023

[Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2022](#)

- [Performance Audit of Mission Bay FY22 Highlights](#)

11/13/2023

[Agreed-Upon Procedures Report Related to the Central Stores Physical Inventory - Fiscal Year 2023](#)

10/31/2023

[City Auditor's Quarterly Fraud Hotline Report – Q1 Fiscal Year 2024](#)

10/30/2023

[Re-Review of the 2016 Audit of the City's Programs Responsible for Improving Pedestrian Safety](#)

- [City's Programs Responsible for Improving Pedestrian Safety Highlights](#)

09/05/2023

[Fraud Hotline Report of Purchase Order Approvals](#)

07/18/2023

[Performance Audit of the City's Classified Employee Hiring Process](#)

- [City's Classified Employee Hiring Process Highlights](#)

07/17/2023

[Performance Audit of the City's Brush Management on City-Owned Land](#)

- [City's Brush Management on City-Owned Land Highlights](#)

07/11/2023

[City Auditor's Quarterly Fraud Hotline Report - Q4 Fiscal Year 2023](#)

FY2024 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
Environmental Services: Trash, Recycling, and Organics Collection	2,000
IT Audits	2,000
Annual Central Stores Inventory Agreed-Upon Procedures Review FY2024	10

Respectfully submitted,



Andy Hanau
City Auditor

cc: Honorable Mayor Todd R. Gloria
Honorable Members of the City Council
Honorable City Attorney Mara Elliott
Eric K. Dargan, Chief Operating Officer
Christiana Gauger, Chief Compliance Officer
Charles Modica, Independent Budget Analyst