



DATE: August 15, 2025
TO: Honorable Members of the Audit Committee
FROM: Andy Hanau, City Auditor
SUBJECT: City Auditor Activity Report – July 2025

This report provides information on the Office of the City Auditor's activities in the month of July 2025. This includes audit reports issued, 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, report issuances may be delayed by future circumstances, 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.

The Office of the City Auditor issued the following work products in July 2025.

07/14/2025

[City Auditor's Quarterly Fraud Hotline Report – Q4 Fiscal Year 2025](#)

07/17/2025

[Annual Citywide Risk Assessment and Audit Work Plan - Fiscal Year 2026](#)

07/22/2025

Confidential Performance Audit of Pure Water San Diego

Audits in Progress – Report Writing Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Performance Audit of Citywide Performance Monitoring	<p>The objectives of this audit are:</p> <ol style="list-style-type: none"> 1. Determine if the City has achieved its KPI targets for the past 3 years (FY23 – FY25); 2. Evaluate the control environment of the City's KPI process with respect to City policies and government best practices; and 3. Assess the relevance and timeliness of the City's KPIs as determined by stakeholder feedback and the City's Strategic Plan. 	October 2025	1,144	2,400

Audits in Progress – Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Annual Central Stores Agreed-Upon Procedures – FY2025	San Diego Municipal Code Section 22.0501 requires an annual count of inventory in City storerooms and warehouses. The objective of this review is to confirm the valuation of Central Stores inventory.	September 2025	2	10
Annual Mission Bay and San Diego Regional Parks Improvement Funds Audit, FY2024	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 comply with City Charter requirements.	November 2025	548	510

Audits in Progress – Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
IT Performance Audit of Citywide Cybersecurity Defenses	The objective of this audit is to evaluate the effectiveness of Citywide cyber defenses against both internal and external cyber threats, including cyberattacks. The audit may include a contract for specialized cybersecurity skills, which OCA anticipates could be funded through its current budget allocation.	November 2025	1,001	1,400

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Performance Audit of the Fire-Rescue Department's Dispatch Process	The tentative objective of this audit is to determine if the San Diego Fire-Rescue Department's dispatch process facilitates timely and efficient response to emergency calls.	TBD	651	1,600
Performance Audit of the City's Management of Its Leased Golf Property Portfolio	The tentative objective of this audit is to determine if the City's process for managing and operating City-owned, lessee-operated golf courses align with City objectives and municipal golf best practices.	TBD	448	1,400

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Performance Audit of the Unsafe Camping Ordinance	The tentative objective of this audit is to determine if the implementation of the Unsafe Camping Ordinance has effectively and equitably reduced encampments on public property while protecting the rights of individuals experiencing homelessness, including an analysis of the program's outcome data.	February 2026	507	2,069
Performance Audit of the San Diego Police Department's Internal Affairs Unit	The tentative objectives of this audit are to determine if the San Diego Police Department's Internal Affairs Unit is structured and operates in line with best practices and if investigations are handled effectively, equitably, and in compliance with applicable laws and policies.	March 2026	219	2,200
Performance Audit of Brush Management on Private Property	The tentative objective of this audit is to determine whether the City conducts regular and effective inspections of private property in accordance with City-established wildfire resiliency goals.	TBD	128	1,000

Other Audit Activity

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	We report the implementation status in a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports. We issued our second semi-annual report of the fiscal year in April 2025, and we updated our interactive recommendation tracking dashboard to accompany the report.	On-going	95	900
Fraud, Waste, and Abuse Hotline	We review Fraud Hotline calls received and investigate allegations of material fraud, waste, or abuse. We issue reports for substantiated fraud-related allegations and a Quarterly Fraud Hotline Report with the status of activities.	On-going	358	3,500

Audit Reports and Other Work Products Completed During FY2026

07/14/2025

[City Auditor's Quarterly Fraud Hotline Report – Q4 Fiscal Year 2025](#)

07/17/2025

[Annual Citywide Risk Assessment and Audit Work Plan - Fiscal Year 2026](#)

07/22/2025

Confidential Performance Audit of Pure Water San Diego

FY2026 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
Performance Audit of Police Armory	1,000
Performance Audit of Streetlight Equity	1,600
Performance Audit of the Business Tax Program	1,600
Performance Audit of Citywide Vehicle Rentals	1,800
Performance Audit of Arts and Culture Funding Equity	1,800
Performance Audit of Returns on Homelessness Investments	2,200
IT audits	1,300
Annual Audit of Mission Bay and San Diego Regional Parks Improvement Funds, FY2025	400
Annual Central Stores Agreed-Upon Procedures, FY2026	10

Respectfully submitted,



Andy Hanau
City Auditor

cc: Honorable Mayor Todd R. Gloria
Honorable Members of the City Council
Honorable City Attorney Heather Ferbert
Christiana Gauger, Chief Compliance Officer
Charles Modica, Independent Budget Analyst