

Section 6

Reporting Audit Results

This section of the Audit Manual documents the report writing process, identifies GAGAS standards related to reporting for performance audits, and documents the Office of the City Auditor policies and procedures and steps related to developing and issuing an audit report. The reporting standards for performance audits relate to the form of the report, the report contents, and report issuance and distribution.

REPORT PROCESS

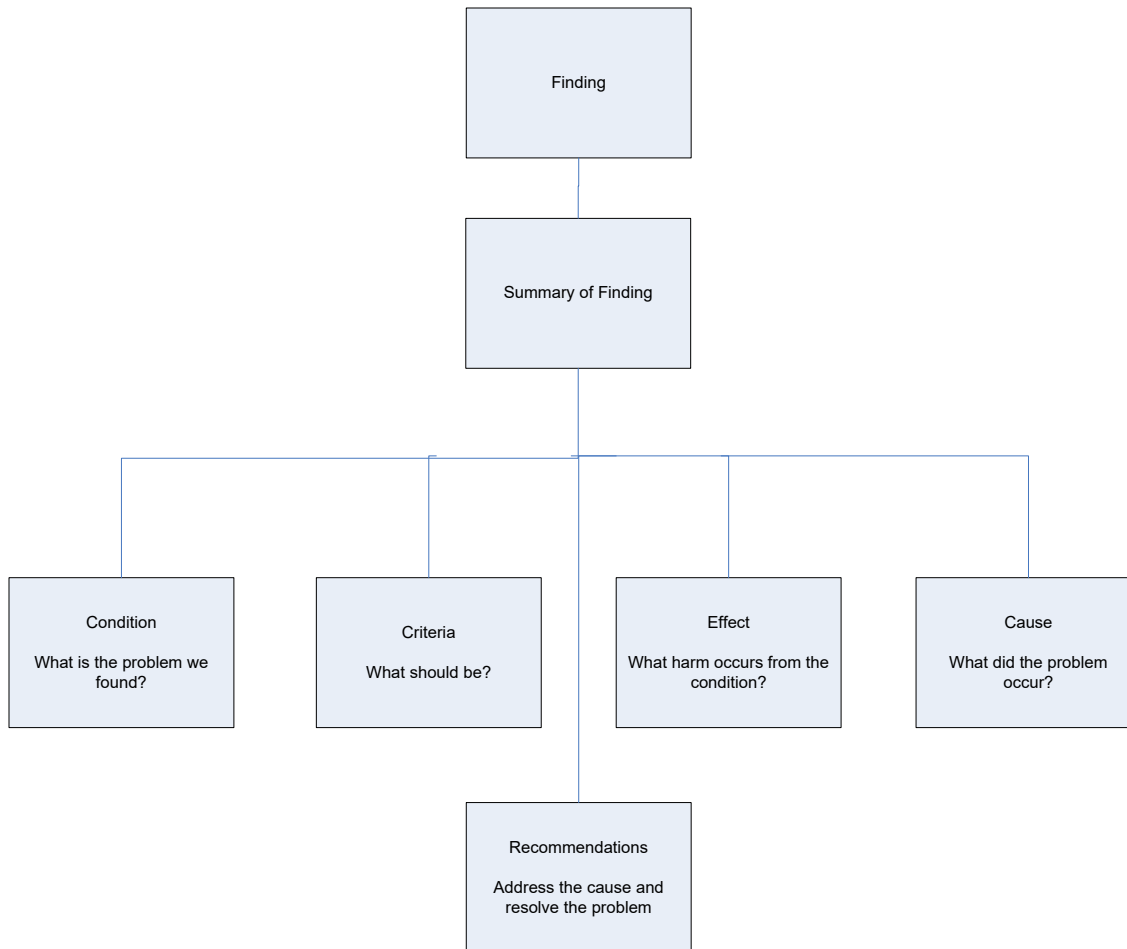
The report process begins at the end of field work, after auditors have completed all of the audit steps in the field work audit program and developed preliminary findings.

Report Process
<div>1. Auditor creates document frame/report outline</div> <div>2. Report draft meeting is held</div> <div>3. Auditor develops draft report</div> <div>4. Supervisor reviews draft report</div> <div>5. City Auditor reviews and approves draft report</div> <div>6. Independent Report Review Process</div> <div>7. Draft audit report is issued to management</div> <div>8. Exit Conference</div> <div>9. Final draft report is issued to management</div> <div>10. Management submits written response to audit report</div>



Audit Report

1. Auditor creates document frame/report outline based on preliminary audit finding. The auditor drafts an introduction or summary that identifies the key issues and components of the report summary. The report summary can be presented as text box, as shown in the next page, or presented as report outline. As discussed in Section 4, the auditor needs to ensure the report outline contains the elements of a finding. A meeting is held with the City Auditor and Audit Manager to discuss the report outline.



2. A report draft meeting is held to discuss the report frame/outline. The purpose of the meeting is to obtain City Auditor and Audit Manager input on the proposed findings. Additional work may be required or if agreement is reached, the auditor proceeds to drafting the report draft.
3. Auditor develops draft report based on office guidelines. See below for specific report content requirement and general writing guidelines.
4. Audit Supervisor reviews the draft report by checking that evidence is accurate and sufficient and that the findings, conclusions, and recommendations are well-argued and supported.
 - Overall quality of the draft and its consistency with the reporting standards for content and presentation.
 - Responsiveness to the assignment objectives.
 - Soundness of the evidence supporting the findings and recommendations.
 - Logic, reasonableness, and soundness of the argument supporting the findings and recommendations.

- Appropriateness, constructiveness, and specificity of recommendations.
- Professional quality of the writing and presentation.

Once the Supervisor's comments have been addressed, the report draft is submitted to the City Auditor for review.

5. The City Auditor reviews the draft report for message content, readability, and tone. The in-charge auditor makes changes to the report draft as appropriate and submits the revised report draft back to the City Auditor for review. At this point, the report draft may undergo a separate editorial review.
6. After the City Auditor approves the draft report for issuance, the draft report undergoes an Independent Report Review. As discussed in Section 2, the independent report review is an important component of our quality assurance program. It is a detailed word-by-word, line-by-line examination of an indexed office draft of the report to ensure that its contents are accurate and supported. The City Auditor or Supervisor assigns an audit staff member who has not worked on the project to verify the accuracy of the information and whether the evidence supports the contents of the draft. Once this process is complete, the in-charge will prepare the report for distribution, including proper formatting.
7. Draft report issued to entity management. Report draft should be transmitted to entity management.
8. Exit meeting is held to review and discuss report with management. Meeting can be scheduled in advance.
9. Final draft report is issued. Management generally has two weeks to respond to draft report. City Auditor may grant a one week extension.
10. Final Audit report issued.

REPORTING STANDARDS

Auditing standards require that auditors must issue audit reports communicating the results of each completed performance audit. The standards provide auditors flexibility in determining reporting format. Auditors should use a form of the audit report that is appropriate for its intended use and is in writing or in some other retrievable form. For example, auditors may present audit reports using electronic media that are retrievable by report users and the audit organization. The users' needs will influence the form of the audit report. Different forms of audit reports include written reports, letters, briefing slides, or other presentation materials. The City Auditor will decide on the most appropriate report format.

The purposes of audit reports are to (1) communicate the results of audits to those charged with governance, the appropriate officials of the audited entity, and the appropriate oversight officials; (2) make the results less susceptible to misunderstanding; (3) make the results available to the public, as applicable; and (4) facilitate follow-up to determine whether appropriate corrective actions have been taken.

Office of the City Auditor Report Content Policy

Auditors should prepare audit reports that contain (1) the objectives, scope, and methodology of the audit; (2) the audit results, including findings, conclusions, and recommendations, as appropriate; (3) a statement about the auditors' compliance with GAGAS; (4) a summary of the views of responsible officials; and (5) if applicable, the nature of any confidential or sensitive information omitted. The Audit Standards Plan will document compliance with these provisions. The published report should generally include an executive summary, mission statement describing the purpose and authority of the office, title page, transmittal letter, executive summary, table of contents, introductory material, background, findings, recommendations, notes, appendixes, and responses of the affected agencies. For all significant audit reports, a Highlights page summarizing the report will also be prepared. See example Highlights page below.

Transmittal Letter

Letter addressed to the Members of the Audit Committee and cc's the Mayor, City Council members, Chief Operating Officer, Chief Financial Officer, Chief Deputy Operating Officer, department directors, Independent Budget Analyst, and City Attorney. Includes report title, reference to a written response, committee date, and audit team members. See example Transmittal Letter below.

Executive Summary

The executive summary briefs the reader on the substance of the report. It highlights the key findings and issues and summarizes the recommendations and agency responses. The summary is generally a point-by-point summary of the report, using a bullet-type format to highlight the findings and recommendations of the report.

Introductory Chapter

Usually the first chapter explains the impetus and authority for the report, gives some background on the subject of the report, lists the objectives of the assignment, describes the scope and methodology of work, and declares any significant limitations. Normally this section contains a statement that the project was conducted according to generally accepted government auditing standards and describes any review of management controls.

Reporting Auditor's Compliance with GAGAS

The standards require that when auditors comply with all applicable GAGAS requirements, they should use the following language, which represents an unmodified GAGAS compliance statement, in the audit report to indicate that they performed the audit in accordance with GAGAS:

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Office of the City Auditor Policy on Compliance with GAGAS

All City Auditor reports will be done in accordance to GAGAS and will have the above statement in the Objective, Scope, and Methodology section of the audit report. In the event of non-compliance with any applicable GAGAS requirement, we should include a modified GAGAS compliance statement in the audit report. We can modify the above statement and indicate the standard that was not followed or specify that we did not follow GAGAS.

Background

The background prepares the reader for the material to follow and enables the reader to better understand the findings and recommendations. Findings, conclusions, or recommendations are not discussed in the background. The background may include information on the following elements: the authority and purpose of the program being examined, the character and responsibilities of the administering organization, funding sources and expenditures, staffing and organization, the nature of the subject being studied, and key concepts and terms.

Objectives, Scope, and Methodology

All audit reports should include a description of the audit objectives and the scope and methodology used for addressing the audit objectives. This information allows report users to understand the audit purpose,

the nature and extent of the audit work performed, the context and perspective regarding what is reported, and any significant limitations in audit objectives, scope, or methodology.

Reporting confidential or sensitive information

If certain pertinent information is prohibited from public disclosure or is excluded from a report due to the confidential or sensitive nature of the information, auditors should disclose in the report that certain information has been omitted and the reason or other circumstances that makes the omission necessary.

Certain information may be classified or may be otherwise prohibited from general disclosure by federal, state, or local laws or regulations. In such circumstances, auditors may issue a separate, classified or limited use report containing such information and distribute the report only to persons authorize. Additional circumstances associated with public safety and security concerns could also justify the exclusion of certain information from a publicly available or widely distributed report.

Report Findings

In the audit report, auditors should present sufficient, appropriate evidence to support the findings and conclusions in relation to the audit objectives. Clearly developed findings assist management or oversight officials of the audited entity in understanding the need for taking corrective action. If auditors are able to sufficiently develop the elements of a finding, they should provide recommendations for corrective action if they are significant within the context of the audit objectives. However, the extent to which the elements for a finding are developed depends on the audit objectives. Thus, a finding or set of findings is complete to the extent that the auditors address the audit objectives.

Auditors should describe in their report limitations or uncertainties with the reliability or validity of evidence if (1) the evidence is significant to the findings and conclusions within the context of the audit objectives and (2) such disclosure is necessary to avoid misleading the report users about the findings and conclusions.

Deficiencies in Internal Controls

Auditors should include in the audit report (1) the scope of their work on internal control and (2) any deficiencies in internal control that are significant within the context of the audit objectives and based upon the audit work performed. When auditors detect deficiencies in internal control that are not significant to the objectives of the audit, they may include those deficiencies in the report or communicate those deficiencies in writing to officials of the audited entity unless the deficiencies are inconsequential considering both qualitative and quantitative factors. Auditors should refer to that written communication in the audit report, if the written communication is separate from the audit report.

Fraud, Illegal Acts, Violations of Provisions of Contracts or Grant Agreements, and Abuse

When auditors conclude, based on sufficient, appropriate evidence, that fraud, illegal acts, significant violations of provisions of contracts or grant agreements, or significant abuse either has occurred or is likely to have occurred, they should report the matter as a finding.

When auditors detect violations of provisions of contracts or grant agreements, or abuse that are not significant, they should communicate those findings in writing to officials of the audited entity unless the findings are inconsequential within the context of the audit objectives, considering both qualitative and quantitative factors. Determining whether or how to communicate to officials of the audited entity fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that is inconsequential is a matter of the auditors' professional judgment. Auditors should document such communications.

When fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse either have occurred or are likely to have occurred, auditors may consult with authorities or legal counsel about whether publicly reporting such information would compromise investigative or legal proceedings. Auditors may limit their public reporting to matters that would not compromise those proceedings, and for example, report only on information that is already a part of the public record.

Outside Reporting

When management fails to act regarding the reporting of fraud, illegal acts, violations of contract provisions and grant agreements, we have an obligation to report to parties outside the audited entity. The standards require outside reporting in the following two circumstances:

1. When entity management fails to satisfy legal or regulatory requirements to report such information to external parties specified in law or regulation, auditors should first communicate the failure to report such information to those charged with governance. If the audited entity still does not report this information to the specified external parties as soon as practicable after the auditors' communication with those charged with governance, then the auditors should report the information directly to the specified external parties.
2. When entity management fails to take timely and appropriate steps to respond to known or likely fraud, illegal acts, violations of provisions of contracts or grant agreements, or abuse that (1) is significant to the findings and conclusions, and (2) involves funding received directly or indirectly from a government agency, auditors should first report management's failure to take timely and appropriate steps to those charged with governance. If the audited entity still does not take timely and appropriate steps as soon as practicable after the auditors' communication with those charged with governance, then the auditors should report the entity's failure to take timely and appropriate steps directly to the funding agency.

Office of the City Auditor Policy

The City Auditor will be responsible for determining when management has failed to act appropriate regarding the reporting of fraud, illegal acts, violations of contract provisions and grant agreements. The City Auditor will be responsible for reporting to outside entities.

Conclusions

Auditors should report conclusions, as applicable, based on the audit objectives and the audit findings. Report conclusions are logical inferences about the program based on the auditors' findings, not merely a summary of the findings. The strength of the auditors' conclusions depends on the sufficiency and appropriateness of the evidence supporting the findings and the soundness of the logic used to formulate the conclusions. Conclusions are stronger if they lead to the auditors' recommendations and convince the knowledgeable user of the report that action is necessary. All audit reports must have conclusions.

Recommendations

Auditors should recommend actions to correct problems identified during the audit and to improve programs and operations when the potential for improvement in programs, operations, and performance is substantiated by the reported findings and conclusions. Auditors should make recommendations that flow logically from the findings and conclusions, are directed at resolving the cause of identified problems, and clearly state the actions recommended. Effective recommendations encourage improvements in the conduct of government programs and operations. Recommendations are effective when they are addressed to parties that have the authority to act and when the recommended actions are specific, practical, cost effective, and measurable.

Recommendations should be specific and clear, and directed at resolving the cause of identified problems. Auditors should avoid using verbs such as, consider or may in report recommendations, but make recommendations that are action oriented. Recommendations should be made to improve operations or program effectiveness, or improve economy and effectiveness.

Reporting Views of Responsible Officials

Audit standards require that we include the views of responsible officials of the audited entity and the corrective actions they plan to take. Providing a draft report with findings for review and comment by responsible officials of the audited entity and others helps the auditors develop a report that is fair, complete, and objective.

Obtaining the comments in writing is preferred, but oral comments are acceptable.¹ When auditors receive written comments from the responsible officials, they should include in their report a copy of the officials' written comments, or a summary of the comments received. Obtaining oral comments may be appropriate when, for example, there is a reporting date critical to meeting a user's needs; auditors have worked closely with the responsible officials throughout the conduct of the work and the parties are familiar with the findings and issues addressed in the draft report; or the auditors do not expect major disagreements with the findings, conclusions, and recommendations in the draft report, or major controversies with regard to issues discussed in the draft report.

Auditors should also include in the report an evaluation of the comments, as appropriate. In cases in which the audited entity provides technical comments in addition to its written or oral comments on the report, auditors may disclose in the report that such comments were received. When the audited entity's comments are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, or when planned corrective actions do not adequately address the auditors' recommendations, the auditors should evaluate the validity of the audited entity's comments. If the auditors disagree with the comments, they should explain in the report their reasons for disagreement. Conversely, the auditors should modify their report as necessary if they find the comments valid and supported with sufficient, appropriate evidence.

If the audited entity refuses to provide comments or is unable to provide comments within a reasonable period of time, the auditors may issue the report without receiving comments from the audited entity. In such cases, the auditors should indicate in the report that the audited entity did not provide comments.

¹ When the responsible officials provide oral comments only, auditors should prepare a summary of the oral comments and provide a copy of the summary to the responsible officials to verify that the comments are accurately stated.

Office of the City Auditor Policy On Reporting Views of Responsible Officials

All audited entity officials will be provided ample opportunity to review and comment on draft audit reports. Once a draft audit report has been approved by the City Auditor and has undergone Independent Report Review, a draft report will be issued to management to discuss at an exit conference.

The purpose of the exit conference meeting is to provide the responsible officials of the audited program the opportunity to state their views concerning the auditors' findings, conclusions, and recommendations, as well as corrections planned. To ensure that the audit report is fair, complete, and objective, the City Auditor provides the auditee an audit report draft and invites auditee representatives to the Exit Conference in which the auditee representatives can state their views concerning the audit findings, conclusions, and recommendations. At this meeting, the auditee representatives will also explain the corrections they plan to do in response to the audit findings and recommendations. Based on the outcome of the exit conference, a final draft report, incorporating any changes discussed at the meeting will be issued to management. Entity management will generally have two weeks to respond to the final draft report. The City Auditor may grant a one week extension. *Note: the new response period will require changing Administrative Regulation 15.10 which allows Department Directors 60 days to respond to audit recommendations.*

In addition to their written response, entity management may submit a separate one to two page memorandum of program accomplishments to include in the final draft report. This memorandum helps ensure that the final report is fair, complete, and objective.

Report Distribution

Auditing standards require that we distribute audit reports to those charged with governance, to the appropriate officials of the audited entity, and to the appropriate oversight bodies or organizations requiring or arranging for the audits. As appropriate, auditors should also distribute copies of the reports to other officials who have legal oversight authority or who may be responsible for acting on audit findings and recommendations, and to others authorized to receive such reports. All reports will be made available to the public by posting them on the City Auditors website (link: <http://www.sandiego.gov/auditor/reports/index.shtml>) except when certain information may be classified or otherwise prohibited from general disclosure.

If after a report is issued, auditors discover that they did not have sufficient, appropriate evidence, the City Auditor will communicate this information to appropriate officials, remove the report from the Office of the City Auditor website, and determine whether to conduct additional audit work necessary to reissue the report with revised findings or conclusions.

Example of Transmittal Letter



THE CITY OF SAN DIEGO

May 31, 2019

Honorable Mayor, City Council, and Audit Committee Members
City of San Diego, California

Transmitted herewith is a performance audit report on the City's Right-of-Way Tree Maintenance Program. This report was conducted in accordance with the City Auditor's Fiscal Year 2019 Audit Work Plan, and the report is presented in accordance with City Charter Section 39.2. The Results in Brief are presented on page 1. Audit Objectives, Scope, and Methodology are presented in Appendix B. Management's responses to our audit recommendations are presented after page 43 of this report.

We would like to thank staff from the Transportation & Storm Water Department for their assistance and cooperation during this audit. All of their valuable time and efforts spent on providing us information is greatly appreciated. The audit staff members responsible for this audit report are Laura Reyes-Cortez, Chris Kime, and Danielle Knighten.

Respectfully submitted,

A handwritten signature in black ink that reads "Kyle Elser".

Kyle Elser
Interim City Auditor

cc: Kris Michell, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Ron Villa, Assistant Chief Operating Officer
Rolando Charvel, Chief Financial Officer
Andrea Tevlin, Independent Budget Analyst
Mara Elliott, City Attorney
Johnnie Perkins, Deputy Chief Operating Officer
Kris McFadden, Director, Transportation & Storm Water Department
Gene Matter, Assistant Director, Transportation & Storm Water Department
Kristy Reeser, Deputy Director, Transportation & Storm Water Department
Nathan Patterson, Deputy Director, Transportation & Storm Water Department
Brian Widener, City Forester, Transportation & Storm Water Department
Juan Aguirre, Program Manager, Transportation & Storm Water Department



OFFICE OF THE CITY AUDITOR
600 B STREET, SUITE 1350 • SAN DIEGO, CA 92101
PHONE (619) 533-3165 • FAX (619) 533-3036

TO REPORT FRAUD, WASTE, OR ABUSE, CALL OUR FRAUD HOTLINE (866) 809-3500

Report Writing Audit Program

Audit Procedures Report Writing
<ol style="list-style-type: none">1. Report Frame/Outline2. Report Outline Meeting3. Auditor develops draft report4. Supervisor reviews draft report5. City Auditor reviews and approves draft report6. Independent Report Review Process7. Report draft is edited8. Draft audit report issued to management9. Exit Conference10. Final draft report is issued to management11. Management submits written response to audit report12. Final audit report is issued with written response. <p>These steps will be documented in the Report Writing section of MKInsight.</p>

SUPPLEMENTAL GUIDANCE ON REPORT WRITING

This supplemental section provides guidance on writing audit reports and describing audit report formats.

Finding Chapter

Most reports issued by the office contain findings and conclusions called for by the objectives and supported by the evidence. Findings are the determinations made as a result of the work of the project; conclusions interpret the meaning of the findings and other report material and link all portions of the discussion. Findings include significant instances of noncompliance and uncorrected deficiencies from past audits that affect the objectives of the current audit.

We include sufficient, competent, and relevant information to produce understanding of the findings, including any background information necessary.

Audit findings often have been viewed as containing the elements of criteria, condition, effect, and when problems are found, the cause. However, the elements needed for a finding depend on the project objectives. A finding is considered *complete* if it meets the objectives of the project and the standards of evidence and is convincing.

Example of Findings

The presentation of findings follows traditional strategies of argument and persuasion. As a general rule, the report follows a deductive structure with the main issue or problem stated upfront in a summary statement such as the following example:

The Department of Labor does not give applicants enough information when it denies their requests for unemployment benefits.

The order of presenting in detail the elements of the finding may then vary somewhat, but a frequent approach is to begin by describing the condition with supporting evidence such as the following example:

Over 60 percent of the unemployment benefit case files we reviewed did not provide sufficient information on the reasons for the department's decisions. Denial notices for unemployment benefit claims were especially poor. Department employees often stated that the claims were denied because employment connection was not found.

The condition is measured against criteria such as standards, statutes, rules, or common sense. The report describes the criteria and explains why they are applicable such as the following example:

Simply telling an applicant that an employment connection was not found does not explain the decision. It does not (1) explain why employment connection was not found, (2) identify the evidence considered in adjusting the claim, or (3) provide an applicant with any indication of how the agency reached its decision. Yet the department's statement of procedural and

appellate rights tells an applicant to consider this kind of information when deciding whether to appeal.

A discussion of effect gives significance to the finding. It shows why the problem warrants attention and helps stimulate interest in correcting it. Whenever possible, the discussion quantifies the effect in dollars, time, service, and so forth as in the following example:

The importance of giving an applicant a full explanation of the department's decision can be seen in the following case study. In June 1986, an applicant sought 100 percent of unemployment benefits for employment service with two recent employers. In this particular case, the claim was eventually awarded after a delay of four months when the applicant's former employers sent a copy of the company's unemployment insurance policy to the department and the claim was reopened.

Attributing a cause or causes to a condition means explaining why and how the problem occurred. Recommendations are often addressed to the causes as in the following example:

One major limitation is the department's centralized computer system that produces most decision notices. If the system is to provide more meaningful information, it has to be made more flexible. It is a rigid system that does not accommodate review and evaluation of correspondence, changes, additions to notices, or details of specific claim actions. To generate a notice using this system, staff members can select from only a limited number of standardized, general paragraphs available on the system. They cannot change or expand the content of the notice to include the information the applicant needs.

We recommend that the director modify the computer system to provide greater flexibility in the preparation of decision notices. At a minimum, notices should list the evidence considered and the best rationale for decisions.

Report Readability Is The Number One Goal!

Audit reports must be readable, that is, the reader can understand the writer's intended message. Report readability is affected by seven elements:

Content	A key to a clear audit message is to ensure the audit objectives have been met. Readers need to see that the findings address the questions raised by the audit objectives and the recommendations clearly emerge from those findings. The report message must be clear and supported and flow logically from the audit objective
Organization	Audit reports must be organized in manner that allows busy readers to find important information and easily understand the report message and significance. Putting the message upfront helps readers understand the message quickly and easily.

Format	Reports should be formatted with related sections that are labeled with informative titles.
Paragraphs	Should be presented deductively with both unity and coherence, allowing readers to understand the relationship among the reported information. Every sentence supports or develops the main point established at the beginning of the paragraph. Sentences should follow each other logically and smoothly. Limit paragraphs to 10 lines.
Sentences	Structure must be logical and answer what is the action, who is responsible for the action, and who is affected by the action; or follow the structure “what is equal to what.” Sentences should be less than 30 words and use active voice.
Word Choice	Use plain language that is accurate. Avoid jargon and legalese.
Mechanics	Proper and correct grammar and sentence structure.

Past Audit Guidance Is Relevant

Auditors should also strive to produce reports that meet past GAO guidance. The 2003 Revision of Government Auditing Standards required that audits reports should be timely, complete, accurate, objective, convincing, clear, and as concise as the subject permits. However, the December 2011 revision removed this language from the standards. Nevertheless, the City Auditor these reporting elements should serve as guides for writing audit reports.

Timely	To be of maximum use, the audit report needs to provide relevant information in time to respond to officials of the audited entity, council, and other users’ legitimate needs. Likewise, the information provided in the report needs to be current. Therefore, auditors should plan for the appropriate issuance of the report and conduct the audit with these goals in mind.
Complete	Being complete requires that the report contain all evidence needed to satisfy the audit objectives and promote an adequate and correct understanding of the matters reported. It also means the report states information and findings completely, including all necessary facts and explanations. Giving report users, an adequate and correct understanding means providing perspective on the extent and significance of reported findings, such as the frequency of occurrence relative to the number of cases or transactions tested and the relationship of the findings to the entity’s operations.
Accurate	Accuracy requires that the evidence presented be true and that findings be correctly portrayed. The need for accuracy is based on the need to assure report users that what is reported is credible and reliable. One inaccuracy in a report can cast doubt on the reliability of an entire report and can divert attention from the substance of the report. Also, use of

inaccurate evidence can damage the credibility of the issuing audit organization and reduce the effectiveness of its reports.

Evidence included in audit reports should demonstrate the correctness and reasonableness of the matters reported. Correct portrayal means describing accurately the audit scope and methodology and presenting findings and conclusions in a manner consistent with the scope of audit work. The report also should not have errors in logic and reasoning.

- Objective** Objectivity requires that the presentation of the entire report be balanced in content and tone. A report's credibility is significantly enhanced when it presents evidence in an unbiased manner so that report users can be persuaded by the facts. The report should be fair and not misleading and should place the audit results in perspective. This means presenting the audit results impartially and fairly. In describing shortcomings in performance, auditors should put findings in context. For example, the audited entity may have faced unusual difficulties or circumstances.
- Convincing** Being convincing requires that the audit results be responsive to the audit objectives, that the findings are presented persuasively, and that the conclusions and recommendations follow logically from the facts presented. The information presented should be sufficient to convince users to recognize the validity of the findings, the reasonableness of the conclusions, and the benefit of implementing the recommendations. Reports designed in this way can help focus the attention of responsible officials on the matters that warrant attention and can provide an incentive for taking corrective action.
- Clear** Clarity requires that the report be easy to read and understand. Reports should be prepared in language as clear and simple as the subject permits. Use of straightforward, non-technical language is essential to simplicity of presentation. Whenever technical terms, abbreviations, and acronyms are used, they should be clearly defined.
- Concise** Being concise requires that the report be no longer than necessary to convey and support the message. Extraneous detail detracts from a report, may even conceal the real message, and may confuse or distract the users. Also, needless repetition should be avoided. Although room exists for considerable judgment in determining the content of reports, those that are fact-based but concise are likely to achieve greater results.

Example of Highlights Page



Performance Audit of the City's Climate Action Plan

The City can strengthen its oversight mechanisms to ensure departments stay on track to implement CAP goals, and can improve its fiscal planning efforts for CAP implementation by developing a prioritization mechanism and estimating costs.

Why OCA did this study

Cities play a vital role in the global response to climate change by curbing their greenhouse gas (GHG) emissions. The City's Climate Action Plan (CAP) is a flexible plan that contains a comprehensive set of goals, actions, and targets that the City can use to reduce GHG emissions.

What OCA found

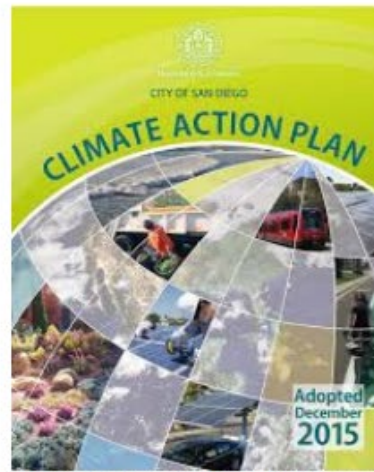
While the City has been nationally and locally recognized for its CAP, plans are only as good as their implementation, and the City has fallen behind on some of its CAP actions. We found that the City can strengthen its CAP implementation by improving oversight mechanisms for accountability, coordination, and fiscal planning.

Finding 1: The City can strengthen its oversight mechanisms to ensure City departments stay on track to implement CAP actions, and can better inform key decisionmakers of implementation progress.

- The Sustainability Department does not currently have authority or mechanisms to hold departments accountable for CAP implementation and may require additional staffing to effectively carry out its duties.
- CAP-related City departments are not required to have formally assigned staff for CAP implementation and are not required to proactively plan for CAP implementation.
- The City Council does not have dedicated opportunities for holding departments and Sustainability accountable for CAP implementation.
- Sustainability Roundtable meetings can be used more effectively as a forum for additional coordination and collaboration between departments.

Finding 2: The City can improve its fiscal planning efforts for CAP implementation by developing a prioritization mechanism and estimating costs.

- Despite several attempts, the City has not yet developed a fiscal planning document to project the future costs of implementing the actions necessary to meet CAP targets.
- CAP implementation cost estimates would need to be based on implementation plans, but these plans do not currently exist.



Source: https://www.sandiego.gov/sites/default/files/final_july_2016_cap.pdf

What OCA recommends

We make six recommendations to improve the City's CAP implementation. The City Administration and Sustainability Department agreed to implement all six recommendations.

Key recommendation elements include:

- Requiring CAP-related City departments to annually provide CAP workplans to the Sustainability department for review and approval;
- Strengthening opportunities for collaboration among City departments;
- Better informing the public and City Council on CAP implementation plans and progress;
- Developing a rating system of CAP measures to help inform prioritization; and
- Developing a CAP implementation plan, including an estimate of associated costs, information on funding sources, and identification of funding gaps.

For more information, contact Andy Hanau, City Auditor at (619) 533-3108 or cityauditor@sandiego.gov