
City Auditor
MONTHLY BUDGET

City Auditor

Description
The Office of the City Auditor (OCA) is an independent City department created by voters through the passage of Proposition C in 2008. Per City Charter Section 39.2, the City Auditor reports and is accountable to the Audit Committee and conducts performance audits of City departments, offices, and agencies in accordance with Government Auditing Standards. In addition, OCA administers the City's Fraud Hotline Program and oversees investigations of all material complaints received related to fraud, waste, and abuse.

OCA's goal is to enhance public trust in the City's proper use of taxpayer money by reviewing program performance and compliance with laws and regulations for the General Fund, Enterprise Funds, Special Revenue Funds, Internal Service Funds, and Capital Project Funds.

OCA is a key municipal asset that helps ensure accountability and oversight of City operations and programs, and that limited public funds are used appropriately, effectively, and efficiently. The department's independent audits and investigations routinely identify opportunities for cost savings, efficiencies, additional revenues, and equitable delivery of City services. These audits and investigations provide essential information to assist the Mayor and the City Council in decision-making. They also provide recommendations to improve City operations and mitigate the risks identified during our audits and investigations. OCA regularly follows up and reports on the status of these recommendations, which helps hold City management accountable for making critical improvements. The department also promotes community engagement by issuing audit and investigative reports through various public communications, such as emails and postings on government and social media sites.

The vision is:
A City government that inspires public trust through transparency, accountability, and continuous improvement.

The mission is:
To advance open and accountable government through independent, objective, and accurate audits and investigations that seek to improve the efficiency, effectiveness, and equity of City government.

Goals and Objectives

Goal 1: Provide recommendations to City leadership that improve the efficiency, effectiveness, and equity of the City of San Diego's government.

- Provide independent, objective, accurate, reliable, and timely information to the Audit Committee, the City Council, the Mayor, City management, the public, and other stakeholders to inform their decision-making process.
- Identify opportunities to improve City programs that result in financial benefits, substantial improvements in service delivery, and/or improved oversight, compliance, transparency, or accountability.
- Administer the City's Fraud Hotline Program to detect, deter, and respond to fraud, waste, and abuse within City government.
- Utilize audits to identify opportunities for improved efficiency and the effective use of City resources.
- Regularly report the status and encourage implementation of open recommendations.

Goal 2: Broaden the department's reach and engagement with stakeholders, including the general public.

- Refine the department's digital strategy, seek ways to expand public engagement, and facilitate awareness and understanding of OCA's work.
- Provide audit results, including findings and recommendations, to relevant stakeholders.

Goal 3: Continue to be a leader in the local government performance auditing field.

- Further professional staff development to maximize skillsets and comply with continuing professional education requirements.
- Participate in professional organizations to keep informed of professional standards, learn from other practitioners, and offer advocacy and representation.
- Provide investigation results, including recommendations for necessary actions to be taken, for all allegations of fraud, waste, abuse, or violations of law and regulations that are found to be substantiated.

Goal 4: Pursue continuous improvement of office operations.

- Update the annual risk assessment methodology to ensure that our limited resources are directed toward the audit topics that will achieve the greatest impact for residents and taxpayers.
- Implement Measure A, approved by 67 percent of voters in March 2024, by retaining independent legal counsel.
- Enhance the Recommendation Follow-Up Dashboard to provide stakeholders with more comprehensive tools to assess management's progress on implementing audit and investigative recommendations.

Budget Equity Impact Statement

Equity Highlights

- Performance Audit of the City's Disaster Response (OCA 25-10): Recommended update to disaster communication plans to ensure they meet residents' needs, including expeditious translations when needed.
- Performance Audit of the City's Grants Program (OCA-25-07): Recommended the creation of a Citywide grants strategic plan to include a summary of departments' staff capacity limitations and identified strategies to address these limitations.
- Performance Audit of the City's Street Maintenance Program (OCA-24-07): Recommended listing of street selection prioritization factors, including new equity criteria that will be incorporated into the planning process.

Budget Equity Lens Summary

Ongoing Operations

Is there an opportunity to adjust the department's ongoing operations to mitigate the impacts of identified disparities, gaps, and deficiencies?

NO

The department is achieving equal outcomes for both employees and community members, given current budget limitations. Most of the department's non-personnel expenditure (NPE) budget is allocated to core, non-discretionary functions that cannot be reduced. Specifically, more than 80% of the department's NPE is comprised of: the Charter-required ACFR contract; implementation of Measure A for outside legal advice; essential systems to manage workflows and support and maintain the confidentiality of audit and investigative work; and staff training required by Government Auditing Standards per the City Charter. Any changes would result in a negative impact to ongoing operations.

Budget Adjustment(s)

Do the adjustments impact any department disparities, gaps, and deficiencies?

YES

Adjustment(s) impact disparities, gaps and deficiencies identified within the following Tactical Equity Plan (TEP) Goals and Objectives:
TEP Goal 1,2, 3
• Objective 1-1, 1-2, 2-1,2-2, 3-1: The addition of expenditure and revenue budget for 1.00 FTE Employ and Empower Intern will impact the General Fund. This addition will enable the department to receive necessary assistance with performance audits by gathering and organizing data for analysis, issuing audit reports, assisting with the creation of graphs, charts, and tables, and undertaking special projects as needed. Additionally, the role will support department operations through administrative duties, including tracking and reporting on the continued professional education requirements.

Key Performance Indicators

Performance Indicator	Definition	Baseline	FY2026 Performance	Goal
Audit Recommendations	Percentage of audit recommendations management agrees to implement	98.00%	100.00%	95.00%
Audit Work Plan	Percentage of audit work plan completed during the fiscal year	74.00%	74.00%	90.00%
Hotline Investigation	Percentage of hotline investigation recommendations management agrees to implement	70.00%	100.00%	90.00%

Department Summary

	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
FTE Positions	24.00	24.00	25.00	1.00
Personnel Expenditures	$4,789,898	$5,112,340	$5,030,338	($82,002)
Non-Personnel Expenditures	$665,932	$777,017	$863,942	$86,925
Total Department Expenditures	$5,455,830	$5,889,357	$5,894,280	$4,923
Total Department Revenue	$448	$0	$24,985	$24,985

General Fund

Department Expenditures

	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
City Auditor	$5,455,830	$5,889,357	$5,894,280	$4,923
Total	**$5,455,830**	**$5,889,357**	**$5,894,280**	**$4,923**

Department Personnel

	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
City Auditor	24.00	24.00	25.00	1.00
Total	**24.00**	**24.00**	**25.00**	**1.00**

Budget Adjustments

	FTE	Personnel Expenditures	Non-Personnel Expenditures	Total Expenditures	Total Revenue
Salary and Benefit Adjustments Adjustments to reflect savings resulting from vacant positions for any period of the fiscal year, retirement contributions, retiree health contributions, and labor negotiations.	0.00	$101,241	$0	$101,241	$0
Non-Discretionary Adjustment Adjustment to expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	$0	($1,999)	($1,999)	$0
Support for Information Technology Adjustment to expenditure allocations according to an annual review of information technology funding requirements.	0.00	$0	$28,924	$28,924	$0
One-time Additions and Annualizations Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in the prior Fiscal Year.	0.00	$0	$60,000	$60,000	$0
Employ and Empower Program Support Addition of 1.00 Intern - Hourly and associated revenue to support the Employ and Empower Program.	1.00	$24,985	$0	$24,985	$24,985
Personnel Expenditures Reduction Reduction of expenditures by managing personnel costs within the Office of the City Auditor.	0.00	($208,228)	$0	($208,228)	$0
Total	**1.00**	**($82,002)**	**$86,925**	**$4,923**	**$24,985**

Expenditure by Category

PERSONNEL	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
Personnel Cost	$3,451,585	$3,613,453	$3,560,312	($53,141)
Fringe Benefits	$1,338,313	$1,498,887	$1,470,026	($28,861)
PERSONNEL Subtotal	**$4,789,898**	**$5,112,340**	**$5,030,338**	**($82,002)**

NON-PERSONNEL	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
Supplies	$6,139	$8,406	$8,461	$55
Contracts & Services	$474,474	$553,473	$611,419	$57,946
Information Technology	$179,478	$208,938	$237,862	$28,924
Other Expenses	$5,840	$6,200	$6,200	$0
NON-PERSONNEL Subtotal	**$665,932**	**$777,017**	**$863,942**	**$86,925**
Expenditures Total	**$5,455,830**	**$5,889,357**	**$5,894,280**	**$4,923**

Revenues by Category

	FY2025 Actual	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
Charges for Current Services	$0	$0	$24,985	$24,985
Other Revenue	$448	$0	$0	$0
Revenue Total	**$448**	**$0**	**$24,985**	**$24,985**

Personnel Expenditures

Job Number	Job Title / Wages	FY2025 Actual	FY2026 Adopted	FY2027 Draft	Total
20001135	Performance Auditor	18.00	18.00	18.00	$2,546,305
20001233	Assistant to the Director	3.00	3.00	3.00	$465,141
20001252	City Auditor	1.00	1.00	1.00	$288,330
21000000	Assistant City Auditor	1.00	1.00	1.00	$250,973
21000001	Performance Audit Manager	1.00	1.00	1.00	$187,429
91001000	Intern - Hourly	0	0	1.00	$23,241
	Adjust Budget To Approved Levels				($208,228)
	Vacation Pay In Lieu				$7,121
FTE and Salaries and Wages Subtotal		**24.00**	**24.00**	**25.00**	**$3,560,312**

	FY2025 Actuals	FY2026 Adopted	FY2027 Draft	FY 2026 - 2027 Change
Fringe Benefits				
401(A) Plan Mandatory	$15,402	$17,437	$20,665	$3,228
CERS - DROP - General	$951	$0	$0	$0
CERS - General Retirement	$401,967	$456,927	$408,299	($48,628)
CERS - General Retirement 2010	$209,164	$259,785	$351,517	$91,732
CERS-UAAL Classified Unrepresented	$3,501	$3,708	$3,708	$0
CERS-UAAL MEA Professional	$2,729	$2,883	$2,883	$0
CERS-UAAL Unclass-Unrepresented	$2,342	$2,970	$0	($2,970)
Employer Contrib RMT	$7,203	$7,845	$8,316	$471
Exec Life Insurance Premium	$1,826	$0	$0	$0
FICA/Medicare Insurance	$50,313	$52,914	$54,541	$1,627
Flexible Benefit Plan	$325,576	$354,226	$314,953	($39,273)
Long Term Disability	$12,301	$18,501	$16,397	($2,104)
Retiree Health Contribution	$101,194	$97,728	$76,392	($21,336)
Risk Mgmt Administration	$33,269	$39,984	$38,328	($1,656)
SPSP-H Budgeted	$118,945	$0	$872	$872
SPSP-H General Members	$0	$128,305	$115,895	($12,410)
Supp Pens Sav Plan Mandatory	$15,456	$15,328	$12,358	($2,970)
Supp Pens Sav Plan Voluntary	$15,713	$15,584	$12,564	($3,020)
Unemployment Insurance	$0	$3,462	$3,271	($191)
Workers' Comp Insurance	$20,460	$21,300	$29,067	$7,767
Fringe Benefits Subtotal	**$1,338,313**	**$1,498,887**	**$1,470,026**	**($28,861)**
Total Personnel Expenditures	**$4,789,898**	**$5,112,340**	**$5,030,338**	**($82,002)**