



## THE CITY OF SAN DIEGO

DATE: September 21, 2018  
TO: Honorable Members of the Audit Committee  
FROM: Eduardo Luna, City Auditor  
SUBJECT: City Auditor Activity Report – August 2018

---

This report provides information on the Office of the City Auditor's activities as of August 31, 2018. This includes any audit reports issued during the month of August, 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 issuance, such as delays in receiving data for review, numerous and extensive findings that require further evaluation, and additional discussions with management to prove and demonstrate that our audit findings are valid and recommendations for improvement are necessary.

### Reports Issued August 2018:

August 31, 2018– Issued our Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2017. The report can be found on our website at:  
[https://www.sandiego.gov/sites/default/files/19-004\\_missionbayimprovement\\_fy17.pdf](https://www.sandiego.gov/sites/default/files/19-004_missionbayimprovement_fy17.pdf)

August 31, 2018– Issued our-Performance Audit of the Public Utilities Department's Water Meter Cover Replacement Program. The report can be found on our website at:  
[https://www.sandiego.gov/sites/default/files/19-005\\_box\\_lid\\_0.pdf](https://www.sandiego.gov/sites/default/files/19-005_box_lid_0.pdf)



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*



**Audits in Progress – Report Writing Stage**

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours <sup>1</sup>
<b>Annual Central Stores Inventory Audit FY18</b>	San Diego Municipal Code Section §22.0501 requires an annual count of inventory in City storerooms and warehouses. The objective of this audit is to confirm the valuation of Central Stores inventory.	Issued September 4, 2018	11	20
<b>Fleet Services – Vehicle Acquisition</b>	The objective for this audit is to determine if Fleet Operations’ vehicle acquisition process is efficiently meeting the City’s needs.	September 2018	1,598	1,674
<b>IT Audit of the Accela Software Implementation</b>	This is a cursory audit of the Accela software implementation. The objective of this audit is to help ensure Accela is configured to mitigate the risks identified in prior audit recommendations and proper system implementation procedures are followed.	October 2018	482	504
<b>Community Planning Group Audit</b>	The objectives for this audit are to determine if Community Planning Groups have an effective control environment, are they in compliance with key elements of Council Policy 600-24 and Administrative Guidelines, and are they a contributing factor to permit approval delays.	October 2018	1,330	1,498

<sup>1</sup> For audits carried over from Fiscal Year (FY) 2018, “Budgeted Hours” reflects the actual hours used in FY 2018 plus the Budgeted hours for FY 2019.

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours <sup>1</sup>
<b>Transportation Storm Water – Transportation Engineering Ops Division and Streets Division – Curb Painting Process/Program</b>	The objective for this audit is to evaluate the efficiency and effectiveness of the City’s Curb Painting process/program.	October 2018	677	790

**Audits in Progress – Fieldwork Stage**

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours <sup>1</sup>
<b>Security Audit of Cityhub and Supporting Infrastructure</b>	The objective is to determine whether Cityhub data is adequately secured through the application and supporting infrastructure as a data repository for department sensitive information.	October 2018	413	582

**Audits in Progress – Planning Stage**

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours <sup>1</sup>
<b>Parks and Recreation - Joint Use Agreements</b>	The tentative objective for this audit is to determine if the Joint Use Agreements are reasonable and effective.	TBD	110	800
<b>Transportation Storm Water - Tree Trimming Process</b>	The tentative objective for this audit is to determine the efficiency and effectiveness of the tree trimming / removal process.	TBD	44	1,000

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours <sup>1</sup>
<b>Department of Finance - External Financial Reporting</b>	The tentative objective for this audit is to assess the City's compliance regarding the State of California's compensation reporting requirements, and evaluate how the City uses this data internally	TBD	92	800
<b>Public Utilities - Water Operations - Construction &amp; Maintenance – AMI Implementation Project</b>	The tentative objective for this audit is to determine the efficiency and effectiveness of the Advanced Metering Infrastructure (AMI) Implementation Project.	TBD	15	2,000

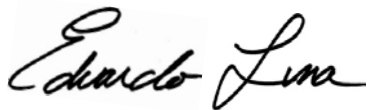
**Other Audit Activity**

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
<b>Follow-up on Audit Report Recommendations</b>	We report the implementation status on a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports. Our most recent report was issued on March 29, 2018.	On-going	167	800
<b>Fraud, Waste and Abuse Hotline</b>	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.	On-going	339	3,100

**FY 2019 Planned Audits Not Yet Started**

<b>Planned Audits</b>	<b>Estimated Audit Hours</b>
IT Audit of Citywide Sensitive Data Encryption Standards and Data Classification	640
IT Audit of Disaster Recovery Preparedness	800
IT Audit of Network Perimeter Controls	820
Public Utilities - Customer Support Service Division	1,200
Public Works - Engineering & Capital Projects - Department Charges	1,800
Development Services – Charges for Deposit Accounts	2,000
Neighborhood Services - Homelessness	2,000
Risk Management / City Attorney - Liability Payouts	2,200
Strategic Human Capital Management	2,200
Annual Mission Bay Fund Audit FY18	420
Annual Central Stores Inventory Audit FY19	20

Respectfully submitted,



---

Eduardo Luna  
City Auditor

cc: Honorable Mayor Kevin Faulconer  
Honorable Members of the City Council  
Kris Michell, Chief Operating Officer  
Stacey LoMedico, Assistant Chief Operating Officer  
Jessica Lawrence, Policy Advisor  
Andrea Tevlin, Independent Budget Analyst  
Mara Elliott, City Attorney