



THE CITY OF SAN DIEGO

DATE: March 18, 2016
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: City Auditor Activity Report – February 2016

This report provides information on the activities of the Office of the City Auditor for the month of February 2016. It includes the audit reports issued during the month, the status of current audit projects, and a summary of planned audits that we have not yet started.

February 4, 2016 – Issued our Performance Audit of the City’s Overhead Rate Calculation Process.

The report can be found on our website at:

<https://www.sandiego.gov/sites/default/files/performanceauditcityoverheadratecalprocess.pdf>

Audits in Progress – Report Writing

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Transportation & Storm Water Department: Street Division, and Public Works- Engineering & Capital Projects: Right-of-Way Design Division – Streets Audit	The tentative objective of this audit is to examine various issues pertaining to street trenching and paving issues, including, but not limited to, an evaluation of adherence to the requirements set forth in the City’s Street Preservation Ordinance.	Issued: March 3, 2016	1,811	1,500

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Audits in Progress – Report Writing (continued)

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Purchasing & Contracting Department – Selected Contract Review	This audit is a follow-up to the audit of Citywide Contract Oversight, issued in Fiscal Year 2015. The objective of this audit is to review selected City contracts to evaluate areas of potential risk and loss to the City.	April 2016	2,233	1,500
San Diego Public Libraries	The tentative objective of this audit is to evaluate the efficiency and effectiveness of the management and operations of the San Diego Public Libraries.	April 2016	1,270	1,400
IT Audit of the Treasurer’s RTax System	The tentative objective of this audit is to ensure that the RTax system is configured securely to protect and process sensitive information.	April 2016	377	450
IT Audit of the Treasurer’s BTax System	The tentative objective of this audit is to ensure that the BTax system is configured securely to protect and process sensitive information.	April 2016	377	450

Audits in Progress – Fieldwork

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
San Diego Housing Commission	The tentative objective of this audit is to evaluate the efficiency and effectiveness of the management and operations of the San Diego Housing Commission.	May 2016	1,441	2,000
San Diego Police Department, and Public Works– Engineering & Capital Projects: Right-of-Way Design Division – Pedestrian Safety	The tentative objective of this audit is to evaluate the efficiency and effectiveness of the City’s programs responsible for pedestrian safety.	May 2016	811	1,600
IT Audit of the Accela Software Implementation	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. This audit will not be completed until the system is implemented in Fiscal Year 2017.	TBD	82	200

Audits in Progress – Planning

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Annual Mission Bay Fund Audit FY 2015	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 are in compliance with City Charter requirements.	TBD	90	400
Development Services Department (DSD) - Permitting	The tentative objective of this audit is to review the efficiency and effectiveness of selected areas of DSD's permitting processes.	TBD	65	1,600
SAP User Access/Provisioning	This audit will focus on the access granted in SAP focusing on privileged user accounts, segregation of duty conflicts, their mitigating controls and a review of the access provisioning process.	TBD	27	450
San Diego Convention Center	The tentative objective of this audit is to evaluate the efficiency and effectiveness of the management and operations of the San Diego Convention Center.	TBD	30	2,000

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 on a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports.	On-going	335	700
Close-out Audits	Close-out audits are required by City Charter, Article VII, Section 111, when a City Official leaves office. The primary audit objectives are to verify that there are no outstanding debts owed by the City Official to the City, and to ensure that access to critical information and processes has been revoked.	As Needed	109	240
Fraud, Waste and Abuse Hotline	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	1,172	1,410

FY 2016 Planned Audits Not Yet Started

Planned Audit	Estimated Audit Hours
San Diego Police Department – Property and Evidence Room	200
Fleet Services	1,600
Capital Improvements Program	2,000
Data Center Security (IT)	450
Annual Central Stores Inventory Audit FY 2016	40

Respectfully submitted,



Eduardo Luna
City Auditor

cc: Honorable Mayor Kevin Faulconer
Honorable Members of the City Council
Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Marshall Anderson, Director of Council Affairs
Jan Goldsmith, City Attorney
Andrea Tevlin, Independent Budget Analyst