



THE CITY OF SAN DIEGO

DATE: March 11, 2021
TO: Honorable Members of the Audit Committee
FROM: Andy Hanau, City Auditor
SUBJECT: City Auditor Activity Report – February 2021

This report provides information on the Office of the City Auditor's activities as of February 28, 2021. This includes any audit reports issued during the month of February, 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 during February 2021:

02/18/2021

[Performance Audit of the City's Climate Action Plan](#)

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Audits in Progress – Report Writing Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Public Utilities – EMTS – Industrial Wastewater Control Program	The objectives for this audit are to determine whether the Industrial Wastewater Control Program (IWCP) maintains an accurate inventory of industrial users within the metropolitan wastewater area and whether IWCP inspects and issues permits to industrial users according to federal and local requirements.	March 2021	1,604	800

Audits in Progress – Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Audit of IT Service Delivery Effectiveness	The objectives for this audit are to (1) Assess the Service Design/Identification, Service Provider and Service Budget; (2) Assess the Service Management Practice, Service Accessibility and Service Process; and (3) Assess Service Measurement Conduction and Service Measurement Methodology for each of the identified 14 IT services.	April 2021	564	570

¹ For audits carried over from Fiscal Year (FY) 2020, “Budgeted Hours” reflects the actual hours used in FY 2020 plus the budgeted hours for FY 2021.

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Office of the COO - Cares Act Funding	The objectives for this audit are to determine if the City has sufficient internal controls to ensure that CARES Act funds are distributed in compliance with requirements and if funds being used to efficiently, effectively, and equitably address the effects of the pandemic. Also evaluate whether internal controls are sufficient to mitigate fraud, waste, and abuse.	May 2021	1,097	1,600
Real Estate Assets – Asset Acquisition (Including 101 Ash St. Building)	The objective for this audit is to review the City’s acquisition and due diligence process for procuring new real estate assets, including the purchase of 101 Ash Street and potentially other major acquisitions.	June 2021	786	1,800
Annual Mission Bay Fund Audit FY 2020	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 and San Diego Regional Parks Improvement Funds are in compliance with City Charter requirements.	June 2021	49	300

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Department of Finance - User Fees	The tentative objective for this audit is to review the process and frequency of user fee updates to determine if they are being evaluated and updated in accordance with CP 100-05 and industry best practices.	TBD	459	1,600

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 October 14, 2020, we issued our Recommendation Follow-Up Report for the period ending June 30, 2020.	On-going	515	720

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
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	2,437	2,960

FY 2021 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
Annual Central Stores Inventory Audit FY 2021	20
San Diego Police Department – Data Reliability – Crime Data	400
IT Application Audit of the Fire Department’s Emergency Response Management System	600
Audit of the IT Procurement and Vendor Management Process	1,000
Public Utilities – Water System Operations – Lakes	1,000
Real Estate Assets Department – Leasing City Property	1,400
Parks & Recreation – Program Equity	1,600
Risk Management – Workers’ Compensation	1,600
Public Works - Engineering & Capital Projects - Department Charges	1,800
San Diego Police Department – Community Policing	2,000

Reports Completed During FY 2021

07/15/2020

[Follow-Up Performance Audit of the Public Utilities Department's Industrial Wastewater Control Program](#)

09/14/2020

[Agreed-Upon Procedures Related to the Central Stores Physical Inventory - Fiscal Year 2020](#)

09/22/2020

[Performance Audit of the Transportation and Stormwater Department's Street Sweeping Section](#)

09/28/2020

[Performance Audit of San Diego Police Department's Data Analysis](#)

10/7/2020

[City Auditor's Quarterly Fraud Hotline Report - Q1 Fiscal Year 2021](#)

10/14/2020

[October 2020 - Audit Recommendation Follow-Up Report](#)

10/14/2020

[Request for Independent Legal Counsel for the Office of the City Auditor – Response to the City Attorney's Memo](#)

11/24/2020

[Performance Audit of the Purchasing and Contracting Department's Small Local Business Enterprise Program](#)

11/25/2020

[Performance Audit of Strategic Human Capital Management II: Employee Performance Management](#)

12/23/2020

[IT Performance Audit of Legacy Applications](#)

12/23/2020

[IT Performance Audit of Legacy Applications \(Confidential\)](#)

01/14/2021

[City Auditor's Quarterly Fraud Hotline Report - Q2 Fiscal Year 2021](#)

Respectfully submitted,



Andy Hanau
City Auditor

cc: Honorable Mayor Todd R. Gloria
Honorable Members of the City Council
Honorable City Attorney Mara Elliott
Jay Goldstone, Chief Operating Officer
Matthew Helm, Chief Compliance Officer
Andrea Tevlin, Independent Budget Analyst