

City Auditor



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Description

The Office of the City Auditor is an independent office that reports and is accountable to, the Audit Committee and City Council. The City Auditor conducts performance audits of City departments, offices, and agencies in accordance with government auditing standards.

The audits may assess internal controls over financial reporting and evaluate how well the City complies with applicable laws, rules, and regulations; achieves stated goals and objectives; reports financial and performance information (reliability); efficiently and effectively uses resources; and safeguards and protects assets.

The Office of the City Auditor also administers the City's Fraud Hotline program and performs investigations for all material complaints received related to fraud, waste, and abuse.

The vision is:

Building public trust in government through GREATness in our work: GROWTH by owning our own personal and professional development; RESPECT by representing the office with integrity and treating all colleagues with consideration; EFFECTIVENESS by providing timely, objective, and accurate reviews of City programs and achieving solutions wherever problems are found; ACCOUNTABILITY by adhering to government auditing standards and committing to every project; TRUST by working on behalf of the San Diego community and conducting ourselves with high ethics, independence, and objectivity.

The mission is:

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

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Goals and Objectives

Goal 1: *Increase the economy, efficiency, and effectiveness of City government through audits and their recommendations. To fulfill its mission, the Office reports its independent and impartial reviews, conclusions, and recommendations based on performance audits and attestation engagements conducted. Some audit reports recommend ways to reduce costs or increase revenues. Other audit reports identify opportunities to increase effectiveness, use resources more efficiently, and improve internal controls. An annual audit workplan is prepared and presented to the Audit Committee each fiscal year. The audit workplan targets business processes and programs identified in the annual citywide risk assessment model.*

The Office will move towards accomplishing this goal by focusing on the following objectives:

- Improve performance of government programs and operations
- 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: *Provide independent, reliable, accurate, and timely information to the Mayor, Audit Committee, City Council, and other stakeholders. The City Auditor intends to provide results of all non-confidential audits to its stakeholders. To this end, the Office intends to provide regular updates to the Audit Committee, as well as copies of all issued audit reports to the Mayor and appropriate City management, members of the City Council and their staff, Audit Committee members, and the residents of San Diego via the City Auditor website.*

The Office will move towards accomplishing this goal by focusing on the following objective:

- Provide audit results, including findings and recommendations, to relevant stakeholders

Goal 3: *Provide independent, confidential, and reliable investigations of all material allegations of fraud, waste, or abuse that are reported via the City's Fraud Hotline. The Office of the City Auditor will investigate all material complaints received related to fraud, waste, and abuse. The City Auditor will provide a means for City of San Diego employees, vendors, and residents to confidentially report any activity or conduct in which they suspect any instances of fraud, waste, abuse, or violations of laws and regulations that should be investigated.*

The Office will move towards accomplishing this goal by focusing on the following objective:

- 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

Budget Equity Impact Statement	
Budget Equity Lens Summary Base Budget	Budget Equity Lens Summary Budget Adjustment
<p><i>Is there an opportunity to adjust the department's ongoing Base Budget to address disparity?</i></p> <p>Yes</p> <p>We can add one Performance Auditor and one administrative staff person within our base budget. With these staff additions, the OCA can address</p>	<p><i>Do the Budget Adjustments address a disparity?</i></p> <p>No</p> <p>Although OCA can add one Performance Auditor and one administrative position with its existing base budget, OCA still needs one Performance</p>

Budget Equity Impact Statement	
<p>numerous potential audit topics that review various efficiency, effectiveness, equity and City employee issues. Additionally, the salary increases bring OCA staff highly competitive with peer audit organizations and City job functions that require similar skills and levels of responsibility.</p>	<p>Auditor to help address additional risks to efficiency, effectiveness, and equity across the City.</p>

Key Performance Indicators

Performance Indicator	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Actual	FY2023 Actual	Goal
Percentage of audit recommendations management agrees to implement	100%	96%	100%	99%	95%	95%
Percentage of audit workplan completed during the fiscal year	92%	86%	67%	84%	76%	90%
Percentage of hotline investigation recommendations management agrees to implement ¹	100%	90%	100%	N/A	50%	90%

1. The Office of the City Auditor did not issue any investigative report in Fiscal Year 2022; therefore, no data is available.

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Department Summary

	FY2022 Actual	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
FTE Positions (Budgeted)	22.00	22.00	24.00	2.00
Personnel Expenditures	\$ 3,691,673	\$ 3,923,808	\$ 4,462,000	\$ 538,192
Non-Personnel Expenditures	599,818	638,525	642,700	4,175
Total Department Expenditures	\$ 4,291,491	\$ 4,562,333	\$ 5,104,700	\$ 542,367
Total Department Revenue	\$ 2,128	\$ -	\$ -	-

General Fund

Department Expenditures

	FY2022 Actual	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
City Auditor	\$ 4,291,491	\$ 4,562,333	\$ 5,104,700	\$ 542,367
Total	\$ 4,291,491	\$ 4,562,333	\$ 5,104,700	\$ 542,367

Department Personnel

	FY2022 Budget	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
City Auditor	22.00	22.00	24.00	2.00
Total	22.00	22.00	24.00	2.00

Significant Budget Adjustments

	FTE	Expenditures	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	\$ 509,202	\$ -
Pay-in Lieu of Annual Leave Adjustments Adjustments to expenditures associated with projected compensation to employees in-lieu of the use of annual leave.	0.00	28,990	-
Support for Information Technology Adjustment to expenditure allocations according to an annual review of information technology funding requirements.	0.00	7,721	-
Audit and Administration Support Addition of 1.00 Assistant to the Director, 1.00 Performance Auditor, and a one-time reduction in personnel costs to support administrative operations and performance audits.	2.00	-	-

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Significant Budget Adjustments

	FTE	Expenditures	Revenue
Non-Discretionary Adjustment	0.00	(3,546)	-
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.			
Total	2.00	\$ 542,367	\$ -

Expenditures by Category

	FY2022 Actual	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
PERSONNEL				
Personnel Cost	\$ 2,379,370	\$ 2,607,997	\$ 3,089,346	481,349
Fringe Benefits	1,312,304	1,315,811	1,372,654	56,843
PERSONNEL SUBTOTAL	3,691,673	3,923,808	4,462,000	538,192
NON-PERSONNEL				
Supplies	\$ 13,142	\$ 16,780	\$ 13,631	(3,149)
Contracts & Services	392,435	457,223	457,159	(64)
<i>External Contracts & Services</i>	<i>343,956</i>	<i>417,150</i>	<i>420,283</i>	<i>3,133</i>
<i>Internal Contracts & Services</i>	<i>48,480</i>	<i>40,073</i>	<i>36,876</i>	<i>(3,197)</i>
Information Technology	138,048	157,989	165,710	7,721
Energy and Utilities	-	333	-	(333)
Other	5,700	6,200	6,200	-
Capital Expenditures	50,493	-	-	-
NON-PERSONNEL SUBTOTAL	599,818	638,525	642,700	4,175
Total	\$ 4,291,491	\$ 4,562,333	\$ 5,104,700	\$ 542,367

Revenues by Category

	FY2022 Actual	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
Other Revenue	\$ 2,128	\$ -	\$ -	-
Total	\$ 2,128	\$ -	\$ -	-

Personnel Expenditures

Job Number	Job Title / Wages	FY2022 Budget	FY2023 Budget	FY2024 Adopted	Salary Range	Total
FTE, Salaries, and Wages						
21000000	Assistant City Auditor	1.00	1.00	1.00	\$ 50,055 - 298,853	\$ 231,901
20001233	Assistant to the Director	2.00	2.00	3.00	67,740 - 249,134	374,957
20001252	City Auditor	1.00	1.00	1.00	89,589 - 339,372	252,693
21000001	Performance Audit Manager	1.00	1.00	1.00	67,740 - 249,134	182,111
20001135	Performance Auditor Budgeted Personnel Expenditure Savings Vacation Pay In Lieu	17.00	17.00	18.00	36,489 - 219,002	2,372,693 (359,273) 34,264
FTE, Salaries, and Wages Subtotal		22.00	22.00	24.00		\$ 3,089,346

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	FY2022 Actual	FY2023 Budget	FY2024 Adopted	FY2023-2024 Change
Fringe Benefits				
Employee Offset Savings	\$ 11,520	\$ 13,082	\$ 10,351	\$ (2,731)
Flexible Benefits	288,487	323,733	294,633	(29,100)
Insurance	2,034	-	-	-
Long-Term Disability	10,117	8,962	12,055	3,093
Medicare	35,536	37,129	47,721	10,592
Other Post-Employment Benefits	135,622	125,158	136,536	11,378
Retiree Medical Trust	4,086	4,396	7,251	2,855
Retirement 401 Plan	5,201	5,763	15,503	9,740
Retirement ADC	639,688	595,421	648,206	52,785
Retirement DROP	3,608	6,397	-	(6,397)
Risk Management Administration	24,158	25,630	30,888	5,258
Supplemental Pension Savings Plan	137,425	155,869	155,316	(553)
Unemployment Insurance	3,449	3,252	3,891	639
Workers' Compensation	11,371	11,019	10,303	(716)
Fringe Benefits Subtotal	\$ 1,312,304	\$ 1,315,811	\$ 1,372,654	\$ 56,843
Total Personnel Expenditures			\$ 4,462,000	