

# Office of the City Auditor

## City of San Diego

### **2009/2010 SAN DIEGO COUNTY GRAND JURY RECOMMENDATIONS TO THE AUDIT COMMITTEE AND CITY AUDITOR**

**City Council Item 150, September 27, 2010**



# County Grand Jury Report

- **Ethics In Government: Codes Of Ethics, Internal Controls, Fraud Hotlines, May 27, 2010**
- **Audit Committee accepted the response, September 13, 2010**

# Responses to Grand Jury Reports

- In responding to each finding, the City is required to either 1) agree with the finding or 2) disagree wholly or partially with the finding.
- Responses to recommendations must indicate that the recommendation 1) has been Implemented; 2) has not yet been implemented, but will be in the future; 3) requires further analysis; or 4) will not be implemented because it is not warranted or is not reasonable.

# Ethics In Government

- Reviewed fraud hotline practices, internal control processes, and code of ethics by various government entities within the County.
- 18 findings and 21 recommendations to various local government entities.
- 4 findings regarding the City of San Diego's fraud hotline program
- 3 recommendations for the Audit Committee and the City Auditor.
- Response is due October 1, 2010.

# Ethics In Government Findings

- **Finding 05: The City appears to have no integrated comprehensive Code of Ethics designed, for example, for classified employees and parties dealing with the City and addressing basics such as fraud, waste, abuse and conflict of interest. However, the City Auditor publishes, on the departmental web page, explicit definitions of fraud, waste and abuse, accessed either as a separate link or through the City Employee Fraud Hotline Policy and Procedures Manual.**

**Proposed Response: Partially disagrees**

# Ethics In Government Findings

- **Finding 06: The City has an effective charter-based internal audit and hotline process managed by the City Auditor and resulting in identification of significant recoverable funds and cost savings.**

**Proposed Response: Agree**

# Ethics In Government Findings

- **Finding 07: Investigations and audits by the City Auditor, whether initiated by City Hotline calls or otherwise, often result in savings due to prevention and increased efficiency, not quantified in dollars.**

**Proposed Response: Agree**

- **Finding 08: The City Hotline phone number is not posted on the Home page of the City website.**

**Proposed Response: Agree**

# Ethics In Government Recommendations

- 10-63: Consider collecting and posting an integrated comprehensive Code of Ethics designed for classified employees and parties dealing with the City and addressing basics such as fraud, waste, abuse and conflict of interest.

Proposed Response: Implemented

- 10-64: Consider posting the City Hotline phone number on the Home page of the City website, on the City Television Network (Channel 24), and post prominently the phone number in City workplaces.

Proposed Response: Partially Implemented

- 10-65: Consider including a non-binding recommendation regarding disposition in City Auditor staff reports of cases involving fraud, waste, abuse and conflicts of interest.

Proposed Response: Implemented