



THE CITY OF SAN DIEGO

DATE: February 16, 2017
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: City Auditor Activity Report – January 2017

This report provides information on the activities of the Office of the City Auditor for the month of January 2017. 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.

January 10, 2017– Issued our Quarterly Fraud Hotline Report for Fiscal Year 2017 – Quarter 2. The report can be found on our website at:

https://www.sandiego.gov/sites/default/files/city_auditors_quarterly_fraud_hotline_report_-_q2_fiscal_year_2017_.pdf

January 18, 2017– Issued our Performance Audit of the San Diego Convention Center. The report can be found on our website at:

https://www.sandiego.gov/sites/default/files/17-013_sdcc.pdf

January 31, 2017 – Issued our IT Audit of the City of San Diego’s SAP Privileged User Access Management Process. The report can be found on our website at:

https://www.sandiego.gov/sites/default/files/17-014_it_sap_audit.pdf

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TO REPORT FRAUD, WASTE, OR ABUSE, CALL OUR FRAUD HOTLINE: (866) 809-3500



Audits in Progress – Report Writing

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Citywide Privileged User Management	The objective is to determine if the City appropriately manages privileged accounts on non-outsourced servers, desktop computers, and standard images.	February 2017	723	300

Audits in Progress – Fieldwork

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Street Light Utility Billing (and Citywide Utility Billing)	The objective of this audit has been expanded to determine the accuracy of Citywide utility billing.	March 2017	772	800
Special Events	The objective is to determine the efficiency and effectiveness of the Special Events Application Process.	March 2017	382	600
Mayor’s Office - Boards and Commissions	The objective is to determine the efficiency and effectiveness of the management of Boards and Commissions.	March 2017	274	600
Capital Improvements Program (CIP) – Quality Assurance	The objectives of this audit is to evaluate the CIP quality assurance process.	April 2017	1,081	1,600

¹ For audits carried over from FY16, “Budgeted Hours” reflects the sum of actual hours used in FY16 and the estimated hours needed in FY17 to complete the audits.

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
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.	June 2017	257	500

Audits in Progress – Planning

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Capital Improvements Program (CIP) – Lifeguard Tower	The objective is to evaluate the construction process for the La Jolla Lifeguard Tower.	March 2017	225	400
Economic Development	The tentative objective is to determine the efficiency and effectiveness of the Business and Industry Incentive Program.	June 2017	236	1,600
Park and Recreation	The tentative objective is to determine the efficiency and effectiveness of Park and Recreation’s Citywide activities and programs.	TBD	213	1,950
City Attorney	At the request of the City Attorney, this audit will be deferred until next fiscal year.	Postponed	130	1,800

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Facilities Financing - Development Impact Fees (DIF)	The tentative objective of this audit is to determine the efficiency and effectiveness of the Development Impact Fee program designed to fund public facilities which serve the community.	TBD	10	1,800

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. Our most recent report was issued on October 13, 2016.	On-going	538	670
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	1,467	2,100

FY 2017 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
Communications	600
Transportation & Storm Water – Storm Water	1,800
Comptroller - Grants	1,800
Annual Mission Bay Fund Audit FY16	400
Security Audit of Public Utilities PCS and SCADA systems	600
Data Security Controls Audit of Sensitive Police Department Data	800
Annual Central Stores Inventory Audit FY17	30

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
Mara Elliot, City Attorney
Andrea Tevlin, Independent Budget Analyst