



THE CITY OF SAN DIEGO

DATE: February 7, 2013

TO: Honorable Members of the Audit Committee

FROM: Eduardo Luna, City Auditor

SUBJECT: **City Auditor Activity Report – December 2012 and January 2013**

This report provides information on the activities of the Office of the City Auditor for the month of December 2012. It includes the status of current audit projects and a summary of planned audits that we have not yet started.

During December 2012, the Office of the City Auditor issued the following three audit reports:

December 20, 2012 – Issued the Performance Audit of Real Estate Assets Department. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy13_pdf/audit/13-009_read.pdf

December 31, 2012 – Issued the Performance Audit of the City's Overtime Controls. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy13_pdf/audit/13-010_overtime.pdf

December 31, 2012 – Issued the Performance Audit of the Public Utilities Department's Valve Maintenance Program. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy13_pdf/audit/13-011_valves.pdf



OFFICE OF THE CITY AUDITOR
1010 SECOND AVENUE, SUITE 555 • SAN DIEGO, CA 92101
PHONE (619) 533-3165 • FAX (619) 533-3036

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Audit Activity	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Public Utilities Department	We conducted two Public Utilities audits. The objectives of these audits were 1) to review the adequacy of the Department's valve maintenance process. The Valve Maintenance Audit Report was released on December 31, 2012	December 2012	4,190	2,200
Real Estate Assets Department Audit	The objective of this audit is to determine the efficiency and effectiveness of the Real Estate Assets Department's administration of City leases. The Real Estate Assets was released on December 20, 2012.	December 2012	1,751	1,600
City Comptroller / Personnel Department Audits	We plan to conduct two audits. The objectives of these audits are: 1) to determine if there are adequate controls over the City's use of overtime; and 2) to review the City's payroll process in order to determine if payroll payments are being properly made and if adequate controls are in place. Report writing for the audit of overtime has been completed.	January 2013	3,296	2,300
Pothole Tracking System Audit	The objective of this audit is to determine the efficiency and effectiveness of the pothole repair system and process. An entrance conference was held on August 21, 2012. Audit report writing is in progress.	February 2013	1,353	800
Police Patrol Operations Audit	The objective of this audit is to determine the efficiency and effectiveness of Patrol Operations. An entrance conference was held on September 19, 2012. Audit fieldwork is in progress.	TBD	978	2,500

Audit Activity	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Zoological Exhibits Fund Audit	The objective of this audit is to determine the efficiency and effectiveness of fund operations for Zoological Exhibits. Audit fieldwork is in progress.	February 2013	496	1,200
Park and Recreation – Community Parks II	The objective of this audit is to determine the efficiency and effectiveness of playground maintenance. Preliminary survey is in progress.	TBD	350	1,400
IT – Web Services	The objective of this audit is to determine the efficiency and effectiveness of IT-Web Services.	April 2013	25	1,400
Family Justice Center Alliance¹	The objective of this audit is to determine the efficiency and effectiveness of the Family Justice Center Alliance.	TBD	391	1,800
PUD –EMTS- Pollution Control	The objective of this audit is to determine the efficiency and effectiveness on EMTS – Pollution Control.	April 2013	111	1,400
Utilities Undergrounding	The objective of this audit is to determine the efficiency and effectiveness on Utilities Undergrounding.	April 2013	225	1,200
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.	On-going	793 (Fiscal Year 2013 Hours)	1,535 (Fiscal Year 2013 Hours)

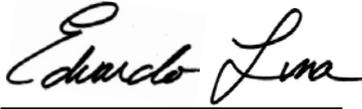
¹ This audit replaced the Risk Management – Workers’ Compensation Audit.

Audit Activity	Status	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	The City Auditor tracks all audit recommendations made since fiscal year 2008. On a semi-annual basis, we conduct audit work to determine if audit recommendations reported as implemented are in fact, implemented. We report the implementation status on a semi-annual follow-up report. The last follow-up report was issued on November 21, 2012. We plan to issue our next report in April 2013.	On-going	288	800
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	74	500

Planned Audits Not Yet Started:

Planned Audit	Estimated Audit Hours
Public Utilities – Customer Support	1,600
City Comptroller – Payroll	2,500
City Administration – Business Office	1,000

Respectfully submitted,



Eduardo Luna
City Auditor

cc: Honorable Mayor Bob Filner
Honorable Members of the City Council
Jay M. Goldstone, Chief Operating Officer
Nelson Hernandez, Assistant Chief Operating Officer
Ken Whitfield, City Comptroller
Jan Goldsmith, City Attorney
Andrea Tevlin, Independent Budget Analyst