



THE CITY OF SAN DIEGO

DATE: February 17, 2015
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: **City Auditor Activity Report – January 2015**

This report provides information on the activities of the Office of the City Auditor for the month of January 2015. It includes the audit reports issued, status of current audit projects, and a summary of planned audits that we have not yet started.

January 7, 2015 – Issued our City Auditor’s Quarterly Fraud Hotline Report for the Second Quarter of Fiscal Year 2015. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy15_pdf/hotline/Fraud_Q2_2015_UpdateReport.pdf

January 15, 2015 – Issued our Performance Audit of the Utilities Undergrounding Program. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy15_pdf/audit/15-011_Utilities_Undergrounding_Program.pdf

January 16, 2015 – Issued our Interim Memorandum on the Performance Audit of Citywide Contract Oversight. The report can be found on our website at:
http://www.sandiego.gov/auditor/reports/fy15_pdf/audit/15-012_Memo_Citywide_Contract_Oversight.pdf



Audits in Progress – Report Writing				
Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Park and Recreation – Golf Operations	The objective of this audit is to review the efficiency and effectiveness of the City's golf operations.	February 6, 2015 (Final Report Issued)	1,535	1,400

Audits in Progress – Fieldwork				
Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Citywide Contract Oversight	The objective of this audit is to review the City's overall process to ensure that a) contracts contain adequate provisions for oversight and performance measurement and b) departments are given adequate direction, and are held accountable for ensuring vendor compliance with contract requirements. We issued an interim report January 16, 2015 and plan to issue the final report in March 2015.	Jan. 16, 2015 (Interim Report issued) March 2015 (Final Report)	2,231	1,800
Transportation & Storm Water	The objective of this audit is to review the efficiency and effectiveness of the City's public right of way maintenance program.	March 2015	1,395	1,400
Fire - Rescue Lifeguard Services	The objective of this audit is to review the efficiency and effectiveness of the City's Lifeguard services.	April 2015	1,090	1,400

Audits in Progress – Planning				
Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Citywide Other/Special Funds	The objective of this audit is to review the controls associated with the disbursement and oversight of special funds including TransNet funds.	May 2015	566	1,200
Airports – Real Estate Assets	The objective of this audit is to review the efficiency and effectiveness of the City's Airport Program.	May 2015	239	1,400
Annual Mission Bay Fund Audit - FY 2014	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's collection, allocation, and use of Mission Bay Funds are in compliance with the City Charter requirements.	May 2015	76	340

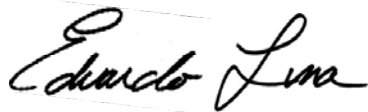
Other Audit Activity				
Activity	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	The City Auditor tracks all audit recommendations made since fiscal year 2008. On a semi-annual basis, we conduct audit work to determine if audit recommendations reported as implemented are in fact, implemented. We report the implementation status on a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports.	On-going	356	800

Other Audit Activity				
Activity	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
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	204	240
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	820	1,450

FY 2015 Planned Audits Not Yet Started:

Planned Audit	Estimated Audit Hours
Public Utilities – Overhead Rate Review	900
Neighborhood Code Compliance Division	1,400
General Services – Fleet Services	1,400
Police Department – Property and Evidence Room and Inventory	1,400
Development Services – Entitlements	1,800
Business Improvement Districts	1,400
City's Fiscal Sustainability and Financial Condition	800
Annual Central Stores Inventory Audit FY15	40

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
Brian Pepin, Director of Council Affairs
Jan Goldsmith, City Attorney
Andrea Tevlin, Independent Budget Analyst