



THE CITY OF SAN DIEGO

DATE: July 23, 2015
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: City Auditor Activity Report – June 2015

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

June 24, 2015 – Issued our Hotline Investigation of Under-Recorded Leave Time.

The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/hotline/15-019_Investigation_Under-Recorded_Leave.pdf

June 30, 2015 – Issued our Audit of Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2014. The report can be found on our website at:

www.sandiego.gov/auditor/reports/fy15_pdf/audit/15-021_missionbayimprovement_fy14.pdf



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Audits in Progress – Report Writing

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.	Issued: July 15, 2015	1,657	1,200
City's Fiscal Sustainability and Financial Condition	The objective of this audit is to review the fiscal sustainability and financial condition of the City of San Diego by analyzing trends in the City's financial data.	August 2015	1,263	800
Business Improvement Districts	The objective of this audit is to review the efficiency and effectiveness of the Business Improvement Districts.	August 2015	1,387	1,400

Audits in Progress – Fieldwork

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Development Services – Code Enforcement Division	The tentative objective of this audit is to review the efficiency and effectiveness of this program.	September 2015	635	1,400

Audits in Progress – Planning

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Public Utilities – Overhead Rate Review	The tentative objective of this audit is to review the accuracy and reasonableness of overhead rates charged by City departments for services provided to Public Utilities.	October 2015	208	1,010
Purchasing & Contracting Department – Selected Contract Review	This audit is a follow-up to the audit of Citywide Contract Oversight, issued in FY 2015. The tentative objective of this audit is to review selected City contracts to evaluate areas of potential risk and loss to the City.	TBD	119	1,500

Other Audit Activity

Audit	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 FY 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	613	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	218	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	1,507	1,450

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Respectfully submitted,

A handwritten signature in black ink that reads "Eduardo Luna". The signature is written in a cursive, flowing style.

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