



**City of San Diego**

**MEMORANDUM**

**DATE:** January 16, 2013

**TO:** Eduardo Luna, City Auditor

**FROM:** Mayor Bob Filner

Councilmember David Alvarez

**SUBJECT:** Audit of Managed Competition, Fleet Services

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The first planned performance audit of a city service that has completed the managed competition process is scheduled for Publishing Services. However, the Business Office has already conducted a review of Publishing Services, making a performance audit somewhat duplicative.

Given the limited audit resources available, we urge you to instead audit Fleet Services, which is the largest city service that has completed the managed competition process to date. As such, a performance audit of Fleet Services will yield greater potential savings and efficiencies than an audit on Publishing Services, which is a much smaller department and carries a smaller budgetary impact to the general fund.

Additionally, we are concerned that the managed competition award for Fleet Services has the potential to result in inadequate resources being dedicated to maintaining the city's fleet, possibly threatening public safety and the supposed savings from managed competition. If this is in fact the case, an audit of the Fleet Services managed competition is critical as we continue to provide adequate public safety services.

Thank you for your attention to this matter. Your timely response is greatly appreciated.

CC: Honorable Members of the Audit Committee