



## THE CITY OF SAN DIEGO

DATE: November 15, 2021  
TO: Honorable Members of the Audit Committee  
FROM: Andy Hanau, City Auditor  
SUBJECT: City Auditor Activity Report – October 2021

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This report provides information on the Office of the City Auditor's activities as of October 31, 2021. This includes any audit reports issued during the month of October, the status of current audit projects, and a list of planned audits that have not yet started.

The "Target Completion Date" provided for each audit project indicates our estimate of when the audit report will be issued. However, future circumstances may delay report issuance, such as delays in receiving data for review, numerous and extensive findings that require further evaluation, and additional discussions with management to demonstrate that our audit findings are valid and recommendations for improvement are necessary.

### Reports issued during October 2021:

**10/21/2021**

[City Auditor's Quarterly Fraud Hotline Report - Q1 Fiscal Year 2022](#)

**10/20/2021**

[Performance Audit of the City's General Fund User Fees](#)

[City's General Fund User Fees Audit Highlights](#)

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**Audits in Progress – Report Writing Stage**

| <b>Audit</b>   | <b>Audit Objective</b>   | <b>Target Completion Date</b>  | <b>Audit Hours Used</b> | <b>Budgeted Hours<sup>1</sup></b> |
|--|--|--------------------------------|-------------------------|-----------------------------------|
| <b>Parks &amp; Recreation – Program Equity</b>               | The objectives are to (1) Determine whether the Department effectively identifies recreation programming equity needs in each community, (2) Determine whether the Department meets identified programming needs equitably through funding and staffing allocations, and (3) Determine whether the Department provides residents with equitable access to recreation programs. | Issued<br>November<br>10, 2021 | 2,631                   | 1,900                             |
| <b>City's Fiscal Sustainability and Financial Condition</b>  | The objective for 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 over the 10-year period of FY 2011 to FY 2020.   | December<br>2021               | 203                     | 400                               |
| <b>Real Estate Assets Department – Leasing City Property</b> | The objectives are to (1) To evaluate whether READ's process for monitoring and transitioning expiring and holdover agreements to long term leases aligns with best practices, (2) To evaluate whether lease contracts contain best practice lease contract clauses.   | December<br>2021               | 1,606                   | 1,600                             |

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<sup>1</sup> For audits carried over from Fiscal Year (FY) 2021, "Budgeted Hours" reflects the actual hours used in FY 2021 plus the budgeted hours for FY 2022.

**Audits in Progress – Fieldwork Stage**

| <b>Audit</b>   | <b>Audit Objective</b>   | <b>Target Completion Date</b> | <b>Audit Hours Used</b> | <b>Budgeted Hours<sup>1</sup></b> |
|--|--|-------------------------------|-------------------------|-----------------------------------|
| <b>San Diego Police Department – Management of Body Worn Cameras</b> | The objectives are to (1) review SDPD’s policies and procedures regarding body camera footage and determine if they are aligned with best practices and local, state, and federal regulations; and (2) to determine whether internal controls are in place to ensure body camera footage is properly collected, maintained, and monitored by appropriate personnel and whether the appropriate audit trail is captured when information is accessed. | March 2022                    | 620                     | 2,000                             |
| <b>Risk Management – Workers’ Compensation</b>                       | The objectives of this audit are to (1) determine whether the City has adequate internal controls to mitigate the risk of waste, fraud, and abuse in workers’ compensation claims; (2) determine whether the City effectively mitigates workplace safety hazards and prevents injuries and illness; and (3) determine whether the City’s procedures for cost apportionment are in line with best practices.  | March 2022                    | 709                     | 2,000                             |

**Audits in Progress – Planning Stage**

| <b>Audit</b>  | <b>Audit Objective</b>   | <b>Target Completion Date</b> | <b>Audit Hours Used</b> | <b>Budgeted Hours</b> |
|---|--|-------------------------------|-------------------------|-----------------------|
| <b>IT Application Audit of the Fire Department's Emergency Response Management System</b> | The tentative objective for this audit is to test the effectiveness of the IT general controls and IT security controls of the Fire Department's Emergency Response Management System. | TBD                           | 89                      | 600                   |

**Other Audit Activity**

| <b>Audit</b>                                     | <b>Audit Objective</b>   | <b>Target Completion Date</b> | <b>Audit Hours Used</b> | <b>Budgeted Hours</b> |
|--|--|-------------------------------|-------------------------|-----------------------|
| <b>Follow-up on Audit Report Recommendations</b> | We report the implementation status on a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports.   | On-going                      | 465                     | 1,400                 |
| <b>Fraud, Waste, and Abuse Hotline</b>           | 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                      | 1,152                   | 2,960                 |

**FY 2022 Planned Audits Not Yet Started**

| <b>Planned Audits</b>   | <b>Estimated Audit Hours</b> |
|---|------------------------------|
| Annual Central Stores Inventory Audit FY22                        | 200                          |
| Annual Mission Bay Fund Audit FY 2021                             | 300                          |
| IT Performance Audit of Fire-Safety Department's Network Security | 1,000                        |
| Get It Done Application   | 1,800                        |
| San Diego Police Department - Vehicle Towing Process              | 1,800                        |
| Development Services Department - Code Enforcement                | 1,800                        |
| Homeless Strategies / Housing Commission                          | 2,200                        |
| Public Works: Engineering & Capital Projects                      | 2,400                        |

**Audit Reports Completed During FY 2022**

**07/22/2021**

[Performance Audit of the City's Major Building Acquisition Process](#)

**07/21/2021**

[Performance Audit of The City's Use of Cares Act Funding](#)

**09/16/2021**

[Agreed-Upon Procedures Report Related on Central Stores Physical Inventory - Fiscal Year 2021](#)

Respectfully submitted,



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Andy Hanau  
City Auditor

cc: Honorable Mayor Todd R. Gloria  
Honorable Members of the City Council  
Honorable City Attorney Mara Elliott  
Jay Goldstone, Chief Operating Officer  
Christiana Gauger, Chief Compliance Officer  
Jeff Kavar, Interim Independent Budget Analyst