



THE CITY OF SAN DIEGO

DATE: October 22, 2018
TO: Honorable Members of the Audit Committee
FROM: Kyle Elser, Interim City Auditor
SUBJECT: City Auditor Activity Report – September 2018

This report provides information on the Office of the City Auditor's activities as of September 30, 2018. This includes any audit reports issued during the month of September, 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 prove and demonstrate that our audit findings are valid and recommendations for improvement are necessary.

Reports Issued September 2018:

September 27, 2018– Issued our Performance Audit of the Fleet Operations' Vehicle Acquisition Process. The report can be found on our website at:
https://www.sandiego.gov/sites/default/files/19-007_fleet.pdf

September 28, 2018– Issued our Hotline Report of Jury Duty Service Fraud. The report can be found on our website at:
https://www.sandiego.gov/sites/default/files/19-008_hotline_report_of_jury_duty_service_fraud_0.pdf

September 28, 2018– Issued our Hotline Report of a Mishandled Payroll Check. The report can be found on our website at:
https://www.sandiego.gov/sites/default/files/19-009_fraud_hotline_investigation_of_a_mishandled_payroll_check.pdf



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Audits in Progress – Report Writing Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours ¹
IT Audit of the Accela Software Implementation	This is a cursory audit of the Accela software implementation. The objective of this audit is to help ensure Accela is configured to mitigate the risks identified in prior audit recommendations and proper system implementation procedures are followed.	November 2018	539	504
Community Planning Group Audit	The objectives for this audit are to determine if Community Planning Groups have an effective control environment, are they in compliance with key elements of Council Policy 600-24 and Administrative Guidelines, and are they a contributing factor to permit approval delays.	November 2018	1,490	1,498
Transportation Storm Water – Transportation Engineering Ops Division and Streets Division – Curb Painting Process/Program	The objective for this audit is to evaluate the efficiency and effectiveness of the City’s Curb Painting process/program.	November 2018	680	790

¹ For audits carried over from Fiscal Year (FY) 2018, “Budgeted Hours” reflects the actual hours used in FY 2018 plus the Budgeted hours for FY 2019.

Audits in Progress – Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Security Audit of Cityhub and Supporting Infrastructure	The objective is to determine whether Cityhub data is adequately secured through the application and supporting infrastructure as a data repository for department sensitive information.	November 2018	501	582
Department of Finance - External Financial Reporting	The tentative objective for this audit is to assess the City's compliance regarding the State of California's compensation reporting requirements, and evaluate how the City uses this data internally.	December 2018	181	800

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Parks and Recreation - Joint Use Agreements	The tentative objective for this audit is to determine if the Joint Use Agreements are reasonable and effective.	January 2019	226	800
Transportation Storm Water - Tree Trimming Process	The tentative objective for this audit is to determine the efficiency and effectiveness of the tree trimming / removal process.	TBD	120	1,000
Public Utilities - Water Operations - Construction & Maintenance – AMI Implementation Project	The tentative objective for this audit is to determine the efficiency and effectiveness of the Advanced Metering Infrastructure (AMI) Implementation Project.	TBD	51	2,000

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours ¹
Neighborhood Services - Homelessness	The tentative objective for this audit is to determine if actions taken by the City are effective in reducing homelessness in a cost-efficient manner.	TBD	96	2,000
Public Utilities - Customer Support Service Division	The tentative objective for this audit is to determine the efficiency and effectiveness of the Customer Support Division call center – call wait times and customer service.	TBD	119	1,200

Other Audit Activity

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Follow-up on Audit Report Recommendations	We report the implementation status on a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports. Our most recent report was issued on March 29, 2018. Our next Follow-up report will be issued early November 2018.	On-going	229	800
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	576	3,100

FY 2019 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
IT Audit of Citywide Sensitive Data Encryption Standards and Data Classification	640
IT Audit of Disaster Recovery Preparedness	800
IT Audit of Network Perimeter Controls	820
Public Works - Engineering & Capital Projects - Department Charges	1,800
Development Services – Charges for Deposit Accounts	2,000
Risk Management / City Attorney - Liability Payouts	2,200
Strategic Human Capital Management	2,200
Annual Mission Bay Fund Audit FY18	420
Annual Central Stores Inventory Audit FY19	20

Respectfully submitted,



Kyle Elser
Interim City Auditor

cc: Honorable Mayor Kevin Faulconer
Honorable Members of the City Council
Kris Michell, Chief Operating Officer
Ron Villa, Acting Assistant Chief Operating Officer
Jessica Lawrence, Policy Advisor
Andrea Tevlin, Independent Budget Analyst
Mara Elliott, City Attorney