



DATE: January 10, 2024
TO: Honorable Members of the Audit Committee
FROM: Andy Hanau, City Auditor
SUBJECT: City Auditor Activity Report – November and December 2023

This report provides information on the Office of the City Auditor’s activities as of November and December 2023. This includes any audit reports issued during the months of November and December, 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 issuances, 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.

Audit reports and other work products were issued in November 2023 and no audit reports or other work products were issued in December 2023.

11/14/2023

[Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2022](#)

- [Performance Audit of Mission Bay FY22 Highlights](#)

11/13/2023

[Agreed-Upon Procedures Report Related to the Central Stores Physical Inventory - Fiscal Year 2023](#)

Audits in Progress – Report Writing Stage

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|---|--|------------------------|------------------|----------------|
| IT Integrated Performance Audit of the San Diego Police Department – Body Camera Usage | The objective of the IT audit component of this audit is to evaluate the IT security of the City's Body Worn Camera Usage. The findings and recommendations will be published confidentially in accordance with Government Auditing Standard 6.63. | January 2024 | 966 | 300 |
| Street Maintenance Efficiency and Equity | The objective is to determine whether the Transportation Department adequately plans for street maintenance to ensure that repairs are efficient, effective, and equitable. | February 2024 | 2,484 | 1,600 |
| San Diego Housing Commission: Property Acquisition Process | The objectives are <i>Objective 1</i> : Determine whether SDHC has a property acquisition strategy that aligns with organizational goals. <i>Objective 2</i> : Determine whether SDHC has a funding strategy for property acquisitions based on best practices. <i>Objective 3</i> : Determine whether SDHC's policies and procedures for acquiring property incorporate industry best practices to increase affordable housing in the City. | February 2024 | 1,374 | 1,800 |
| San Diego Police Department - Overtime | The objectives are <i>Objective 1</i> : Determine if SDPD's overtime policies are in line with best practices. <i>Objective 2</i> : Determine if SDPD's overtime policies | March 2024 | 2,113 | 2,100 |

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|-------|--|------------------------|------------------|----------------|
| | are followed. <i>Objective 3:</i> Determine if SDPD's overtime costs are in line with comparable police agencies. <i>Objective 4:</i> Determine what factors contribute most to SDPD overtime costs and if there are opportunities to reduce overtime costs. | | | |

Audits in progress in the Fieldwork Stage

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|--|--|------------------------|------------------|----------------|
| High-Risk Re-Review: Topic 2 Potholes | The objective is to determine the extent to which the City is still implementing the identified (or similar) recommendations in OCA's 2013 Performance Audit of the Street Division's Pothole Repair Operations , specifically: <ul style="list-style-type: none"> • to determine the completeness and reliability of pothole operational data collected, analyzed, and publicly reported; and • to analyze the effectiveness, efficiency, and equity of Citywide pothole repair operations. | April 2024 | 571 | 1,000 |
| Facilities Maintenance | The objectives are Objective 1: Determine whether the City tracks and assesses the condition of City-owned, City-occupied facilities. Objective 2: Determine whether the City plans and conducts maintenance efficiently and | May 2024 | 593 | 1,800 |

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|--|--|------------------------|------------------|----------------|
| | effectively for City-owned, City-occupied facilities. Objective 3: Determine whether the City efficiently funded the maintenance needs of City-owned, City-occupied facilities from FY2016 through FY2023. | | | |
| Purchasing and Contracting: Contract Management | The objective is to determine if the process for administering contracts and the governance process for contract extensions or increases allows for effective management and oversight, specifically: <ul style="list-style-type: none"> • Does the City appropriately extend or increase the value of goods and services contracts in accordance with SDMC and best practices? | TBD | 790 | 1,600 |

Audits in Progress – Planning Stage

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|--|--|------------------------|------------------|----------------|
| Annual Mission Bay and San Diego Regional Parks Improvement | 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 collection, allocation, and use of | TBD | 1 | 310 |

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|---------------------------|--|------------------------|------------------|----------------|
| Funds Audit FY2023 | Mission Bay Funds comply with City Charter requirements. | | | |

Other Audit Activity

| Audit | Audit Objective | Target Completion Date | Audit Hours Used | Budgeted Hours |
|--|---|------------------------|------------------|----------------|
| Follow-up on Audit Report Recommendations | <p>We report the implementation status in a semi-annual follow-up report, and we periodically issue other recommendation follow-up reports.</p> <p>We issued our first report in September, and the next report will be issued in March 2024. We will update our interactive recommendation tracking dashboard to accompany the report.</p> | On-going | 427 | 750 |
| Fraud, Waste, and Abuse Hotline | <p>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.</p> | On-going | 1,644 | 2,960 |

Audit Reports and Other Work Products Completed During FY2024

11/14/2023

[Performance Audit of the Mission Bay and San Diego Regional Parks Improvement Funds, Fiscal Year 2022](#)

- [Performance Audit of Mission Bay FY22 Highlights](#)

11/13/2023

[Agreed-Upon Procedures Report Related to the Central Stores Physical Inventory - Fiscal Year 2023](#)

10/31/2023

[City Auditor's Quarterly Fraud Hotline Report – Q1 Fiscal Year 2024](#)

10/30/2023

[Re-Review of the 2016 Audit of the City's Programs Responsible for Improving Pedestrian Safety](#)

- [City's Programs Responsible for Improving Pedestrian Safety Highlights](#)

09/05/2023

[Fraud Hotline Report of Purchase Order Approvals](#)

07/18/2023

[Performance Audit of the City's Classified Employee Hiring Process](#)

- [City's Classified Employee Hiring Process Highlights](#)

07/17/2023

[Performance Audit of the City's Brush Management on City-Owned Land](#)

- [City's Brush Management on City-Owned Land Highlights](#)

07/11/2023

[City Auditor's Quarterly Fraud Hotline Report - Q4 Fiscal Year 2023](#)

FY2024 Planned Audits Not Yet Started

| Planned Audits | Estimated Audit Hours |
|--|------------------------------|
| Department of Finance and Government Affairs: Grants | 1,800 |
| General Services: Fleet Maintenance | 2,000 |
| Fire-Rescue: Overtime | 2,000 |
| Environmental Services: Trash, Recycling, and Organics Collection | 2,000 |
| Public Utilities and Strategic Capital Projects: Pure Water | 2,400 |
| IT Audits | 2,000 |
| Annual Central Stores Inventory Agreed-Upon Procedures Review FY2024 | 10 |

Respectfully submitted,



Andy Hanau
City Auditor

cc: Honorable Mayor Todd R. Gloria
Honorable Members of the City Council
Honorable City Attorney Mara Elliott
Eric K. Dargan, Chief Operating Officer
Christiana Gauger, Chief Compliance Officer
Charles Modica, Independent Budget Analyst