



THE CITY OF SAN DIEGO

DATE: December 17, 2020
TO: Honorable Members of the Audit Committee
FROM: Andy Hanau, City Auditor
SUBJECT: City Auditor Activity Report – November 2020

This report provides information on the Office of the City Auditor's activities as of November 30, 2020. This includes any audit reports issued during the month of November, 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 during November 2020:

11/24/2020

[Performance Audit of the Purchasing and Contracting Department's Small Local Business Enterprise Program](#)

11/25/2020

[Performance Audit of Strategic Human Capital Management II: Employee Performance Management](#)

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Audits in Progress – Report Writing Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
IT Audit of Legacy Applications	The objective of this IT Audit is to assess the impact of the legacy applications to the City's IT security posture and assess additional impacts.	December 2020	1,204	994
Sustainability – Climate Action Plan	The objective of this audit is to determine whether internal controls can be strengthened to ensure successful implementation of the City's Climate Action Plan, including: (1) Whether some form of cost or benefit analyses for implementation measures is performed; (2) How annual Climate Action Plan monitoring reports are used to drive decision-making and tailor strategies going forward; and (3) Whether additional policies and procedures could improve oversight and coordination between City departments.	January 2021	2,405	1,943

¹ For audits carried over from Fiscal Year (FY) 2020, "Budgeted Hours" reflects the actual hours used in FY 2020 plus the Budgeted hours for FY 2021.

Audits in Progress – Fieldwork Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours¹
Public Utilities – EMTS – Industrial Wastewater Control Program	The objective for this audit is to determine if the Industrial Wastewater Control Program (IWCP) tracks, monitors, and reports inspection activities effectively and accurately.	February 2021	918	800

Audits in Progress – Planning Stage

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Audit of IT Service Delivery Effectiveness	The tentative objective for this audit is to review the strengths and weaknesses of the IT Departments service delivery from an internal customer’s perspective. Because the subject matter is broad, this is the first of a series of audits reviewing various aspects of IT service deliveries.	TBD	250	570
Office of the COO - Cares Act Funding	The tentative objective is to review the controls in place to ensure that all CARES Act Funding, retained for internal use and provided for external use, are properly managed, supported, and tracked to meet Federal requirements. This will include a review of the funds related to the Small Business Relief and Rental Assistance programs.	TBD	328	1,600

Audit	Audit Objective	Target Completion Date	Audit Hours Used	Budgeted Hours
Real Estate Assets – Asset Acquisition (Including 101 Ash St. Building)	The objective for this audit is to review the City’s acquisition and due diligence process for procuring new real estate assets, including the purchase of 101 Ash Street and potentially other major acquisitions.	TBD	165	1,800

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. October 14, 2020 –Issued our Recommendation Follow-Up Report for the period ending June 30, 2020.	On-going	310	720
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	1,575	2,960

FY 2021 Planned Audits Not Yet Started

Planned Audits	Estimated Audit Hours
Annual Central Stores Inventory Audit FY 2021	20
Annual Mission Bay Fund Audit FY 2020	300
San Diego Police Department – Data Reliability – Crime Data	400
IT Application Audit of the Fire Department’s Emergency Response Management System	600
Audit of the IT Procurement and Vendor Management Process	1,000
Public Utilities – Water System Operations – Lakes	1,000
Real Estate Assets Department – Leasing City Property	1,400
Department of Finance - User Fees	1,600
Parks & Recreation – Program Equity	1,600
Risk Management – Workers’ Compensation	1,600
Public Works - Engineering & Capital Projects - Department Charges	1,800
San Diego Police Department – Community Policing	2,000

Audit Reports Completed During FY 2021

07/15/2020

[Follow-Up Performance Audit of the Public Utilities Department’s Industrial Wastewater Control Program](#)

09/14/2020

[Agreed-Upon Procedures Related to the Central Stores Physical Inventory - Fiscal Year 2020](#)

09/22/2020

[Performance Audit of the Transportation and Stormwater Department’s Street Sweeping Section](#)

09/28/2020

[Performance Audit of San Diego Police Department's Data Analysis](#)

10/7/2020

[City Auditor's Quarterly Fraud Hotline Report - Q1 Fiscal Year 2021](#)

10/14/2020

[October 2020 - Audit Recommendation Follow-Up Report](#)

10/14/2020

[Request for Independent Legal Counsel for the Office of the City Auditor – Response to the City Attorney's Memo](#)

Respectfully submitted,



Andy Hanau
City Auditor

cc: Honorable Mayor Todd Gloria
Honorable Members of the City Council
Honorable City Attorney Mara Elliott
Jay Goldstone, Chief Operating Officer
Matthew Helm, Chief Compliance Officer
Andrea Tevlin, Independent Budget Analyst