

**TO:** Public Safety, Finance and Strategic Support Committee  
**FROM:** Sharon W. Erickson, City Auditor  
**SUBJECT:** *Monthly Report of Activities for October 2012*  
**DATE:** November 6, 2012

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## RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for October 2012.

## SUMMARY OF RESULTS

Charter Section 8.05(e) requires the City Auditor to submit a monthly report to the City Council of our activities, findings, and recommendations. This report summarizes reports issued, other activities, assignments in process, and the status of the City Auditor's Fiscal Year 2012-13 Work Plan during the month of October 2012.

### Activities During the Month of October:

- Staff led an all-day training session as part of a reciprocal agreement with the County of Santa Clara to provide no-cost training to each other's respective employees.

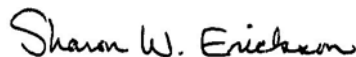
### Assignments in Process:

- 1. Impact of Staffing Reductions** – The impact of voluntary separations, layoffs, and bumping on the City's capacity to effectively manage its operations, including the loss of employees with special or technical competence.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** November 2012.
- 2. Fire Prevention** – Causes and impacts of reported low compliance with state inspection requirements.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
- 3. Consulting Agreements** (one in a series of audits reviewing large contracts to confirm that the city is getting the service that it is paying for and/or the revenues to which it is entitled) – Audit of the procurement, monitoring, and payment for consulting agreements.  
**Project Status:** Risk Assessment in process.  
**Anticipated Release Date:** TBD.

- 4. Deferred Compensation** – The City maintains deferred compensation plans for its employees. The assets of two plans are held in trust and administered by the Deferred Compensation Advisory Committee. As of June 30, 2011, net assets totaled \$668 million. This audit will focus on handling and crediting of employees' deferred compensation accounts.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
- 5. Office of Economic Development Performance Measures** (one in a series of on-going projects reviewing the accuracy and reporting of city performance measures) – Review and validation of performance measures for the year ended June 30, 2012.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD
- 6. Service Efforts and Accomplishments (SEA) Report** – Fifth annual report providing data about the cost, quality, quantity, and timeliness of City services. The purpose of SEA reporting is to strengthen public accountability and help improve government efficiency and effectiveness. It incorporates existing performance measurement data, showing five-year historical trends, a variety of comparisons to other cities, and the results of resident surveys.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** December 2012.

Information on the status of the City Auditor's FY 2012-13 Work Plan is attached. On behalf of the Auditor's Office, I would like to express my appreciation to City staff for their cooperation and assistance during our reviews.

Respectfully submitted,



Sharon W. Erickson  
City Auditor

SE:bh

Status of the City Auditor's FY 2012-13 Work Plan

**Status of the City Auditor's FY 2012-13 Work Plan<sup>1</sup>  
as of October, 2012**

	<b>Preliminary Survey</b>	<b>Risk Assessment</b>	<b>Audit Field Work</b>	<b>Report Writing</b>	<b>Projected Issuance Date<sup>2</sup></b>
<b>Assignments Completed</b>					
Fire Department Injuries (disability rates)	Completed	Completed	Completed	Completed	September 2012
Recommendation Follow-Up For 6 Months Ended June 30, 2012	N/A	N/A	Completed	Completed	September 2012
Environmental Services Department	Completed	Completed	Completed	Completed	August 2012
<b>Assignments In Process</b>					
Impact of Staffing Reductions	Completed	Completed	Completed	In Process	November 2012
Annual Audits of Bond and Parcel Tax Measure	—	—	Completed	In Process	December 2012
External Audit and Single Audit	—	—	Completed	In Process	December 2012
Semi-annual Compliance Reviews of City's Investment Program	—	—	In Process		
5 <sup>th</sup> Annual Service Efforts and Accomplishments	—	—	In Process		
Fire Prevention	Completed	Completed	In Process		
Deferred Compensation	Completed	Completed	In Process		
Office of Economic Development Performance Measures	Completed	Completed	In Process		
Consulting Agreements	Completed	In Process			
<b>Assignments Not Yet Started</b>					
Annual Review of Team San Jose Performance					
Airport Taxi Dispatch and Services Model					
Graffiti Abatement					
Housing Programs					
Santa Clara County Cities Association					
Water Pollution Control Plant Asset Management & Maintenance					
Library Hours and Staffing					
Community Code Enforcement					
Revenue Management					
Overhead Reimbursements					
Water Pollution Control Plant Master Agreements					
Overview of San Jose's Civil Service System					
Travel Expenditures					

<sup>1</sup> The approved work plan is on the web at [www.sanjoseca.gov/auditor/workplan.asp](http://www.sanjoseca.gov/auditor/workplan.asp)

<sup>2</sup> Projected Issuance Dates are usually six weeks after Report Writing is completed to accommodate exit conferences, draft report revisions and a three week allowance for the administration to prepare a written response. For the Assignments Completed, the date shown is the actual month of report issuance.