

TO: Public Safety, Finance and Strategic Support Committee
FROM: Sharon W. Erickson, City Auditor
SUBJECT: *Monthly Report of Activities for December 2012*
DATE: January 16, 2013

RECOMMENDATION

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

Reports Issued During the Month of December:

- 1. Service Efforts and Accomplishments (SEA) Report** – We issued our 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. The report was presented at the January 15, 2013 meeting of the City Council.

Activities During the Month of December:

- Hosted a travelling delegation of auditors from the Liaoning Local Tax Bureau, Shenyang, China.
- Presented the Audit of the Parks and Recreation Bond Projects for the year ended June 30, 2012 to the Citizen Oversight Committee.

Assignments in Process:

- 1. Annual Review of Team San Jose Convention Center Performance** – The purpose of our annual convention center review is to determine whether Team San Jose met its performance metrics and other key requirements in the management agreement between the City and Team San Jose for the fiscal year ended June 30, 2012.

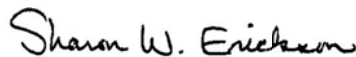
Project Status: Report writing in process.

Anticipated Release Date: January 2013.

- 2. 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. This audit focuses on handling and crediting of employees’ deferred compensation accounts.
Project Status: Report writing in process.
Anticipated Release Date: February 2013.
- 3. 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: Report writing in process.
Anticipated Release Date: February 2013.
- 4. Fire Prevention** – Causes and impacts of reported low compliance with state inspection requirements.
Project Status: Fieldwork in process.
Anticipated Release Date: TBD.
- 5. 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: Fieldwork in process.
Anticipated Release Date: TBD.
- 6. Graffiti Abatement** – Assess the efficiency and effectiveness of outsourced graffiti abatement services.
Project Status: Preliminary survey in process.
Anticipated Release Date: TBD.

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 Plan¹
as of December, 2012**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date²
Assignments Completed					
5 th Annual Service Efforts and Accomplishments	—	—	Completed	Completed	December 2012
Impact of Staffing Reductions	Completed	Completed	Completed	Completed	November 2012
External Financial Audits	—	—	Completed	Completed	November 2012
Annual Audits of Bond and Parcel Tax Measures	—	—	Completed	Completed	November 2012
Semi-annual Compliance Reviews of City's Investment Program	—	—	Completed	Completed	November 2012
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
Assignments In Process					
Annual Review of Team San Jose Performance	—	—	Completed	In Process	January 2013
Single Audit and Management Letter	—	—	Completed	In Process	January 2013
Deferred Compensation	Completed	Completed	Completed	In Process	February 2013
Office of Economic Development Performance Measures	Completed	Completed	Completed	In Process	February 2013
Fire Prevention	Completed	Completed	In Process		
Consulting Agreements	Completed	Completed	In Process		
Graffiti Abatement	In Process				
Assignments Not Yet Started					
Airport Taxi Dispatch and Services Model					
Housing Programs					
Santa Clara County Cities Association					
Water Pollution Control Plant Master Agreements					
Library Hours and Staffing					
Community Code Enforcement					
Revenue Management					
Overhead Reimbursements					
Water Pollution Control Plant Asset Management & Maintenance					
Overview of San Jose's Civil Service System					
Travel Expenditures					

¹ The approved work plan is on the web at www.sanjoseca.gov/auditor/workplan.asp

² 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.