

**TO:** Public Safety, Finance and Strategic Support Committee  
**FROM:** Sharon W. Erickson, City Auditor  
**SUBJECT:** *Monthly Report of Activities for October 2013*  
**DATE:** November 12, 2013

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## RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for the month of October 2013.

## 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 2013-14 Work Plan during the month of October 2013.

### Reports Issued During the Month of October:

1. **Annual Review of Team San Jose (TSJ) Performance** – The purpose of our annual review was 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, 2013. The report was presented at the October 17, 2013 meeting of the Public Safety, Finance and Strategic Support Committee.

### Activities During the Month of October:

- Amy Hsiung joined the Office of the City Auditor as a Program Performance Auditor.
- Presented to the City Council on October 8, 2013, the *Semi-annual Recommendation Follow-Up Report On All Outstanding Audit Recommendations For the Six Months Ended June 30, 2013*.

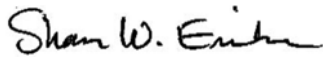
### Assignments in Process:

1. **Overhead Cost Allocation** – Review the calculation and allocation of indirect or overhead costs among various City funds.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** November 2013.
2. **Community Code Enforcement** – Assess the efficiency and effectiveness of operations and consequences of staffing reductions.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** November 2013.

- 3. Travel Expenditures** – Routine audit of employee travel expenditures for appropriateness and compliance with City policies and procedures.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** December 2013.
- 4. Library Hours and Staffing** – Assess the impact of budget reductions on Library hours and staffing, and identify opportunities to increase the efficiency and effectiveness of scheduling and staffing.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
- 5. Housing Loan Portfolio** – Evaluation of the housing loan portfolio, including the efficiency and effectiveness of loan repayment, compliance monitoring, and administration.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
- 6. Service Efforts and Accomplishments (SEA) Report** – Sixth 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 2013

Information on the status of the City Auditor's FY 2013-14 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 2013-14 Work Plan<sup>1</sup>  
as of October 2013**

	<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>					
Annual Review of Team San Jose Performance	N/A	N/A	Completed	Completed	October 2013
Recommendation Follow-Up For 6 Months Ended 6-30-13	N/A	N/A	Completed	Completed	September 2013
<b>Assignments In Process</b>					
Overhead Cost Allocation	Completed	Completed	Completed	In Process	November 2013
Community Code Enforcement	Completed	Completed	Completed	In Process	November 2013
Travel Expenditures	Completed	Completed	Completed	In Process	December 2013
External Financial Audits	N/A	N/A	Completed	In Process	
Semi-Annual Reviews of the City's Investment Program	N/A	N/A	Completed	In Process	
Annual Audits of Bond and Parcel Tax Measures	N/A	N/A	Completed	In Process	
Single Audit and Management Letter	N/A	N/A	Completed	In Process	
6 <sup>th</sup> Annual Service Efforts and Accomplishments	N/A	N/A	In Process		
Library Hours and Staffing	Completed	Completed	In Process		
Housing Loan Portfolio	Completed	Completed	In Process		
<b>Assignments Not Yet Started</b>					
Biennial Peer Review					
Children's Health Initiative					
Performance Measure Review					
Senior Advisory Council Funds					
Fund Balance and Reserve Policies					
Revenue Management					
Regional Wastewater Facility Maintenance					
Santa Clara County Cities Association					
Development Center Application and Permitting Process					
Public Works Facility Maintenance					
Customer Call Handling					
Procurement Card Usage					
Stormwater Management					

<sup>1</sup> The approved work plan is on the web at <http://www.sanjoseca.gov/DocumentCenter/View/20155>

<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.