

**TO:** Public Safety, Finance and Strategic Support Committee  
**FROM:** Sharon W. Erickson, City Auditor  
**SUBJECT:** *Monthly Report of Activities for February 2014*  
**DATE:** March 12, 2014

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## RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for the month of February 2014.

## 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 February 2014.

### Reports Issued During the Month of February:

1. **Children's Health Initiative** – Per the June Budget message, determine whether the City funds spent since 2001 on administrative expense and outreach efforts were spent on political outreach or in support of organizations or individuals who are engaged in any activities other than providing health insurance to children. The report made one recommendation and was presented at the February 20, 2014 meeting of the Public Safety, Finance and Strategic Support Committee.

### Activities During the Month of February:

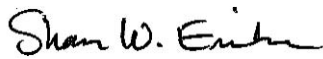
- Testified at a second Public Employee Relations Board (PERB) hearing regarding the City Auditor's 2010 *Pension Sustainability* report.
- Presented the 2013 *Taxicab Service and Regulation* audit to the Airport Commission.
- Presented the *Service Efforts and Accomplishments Report 2012-13* to the Neighborhoods Commission.
- Held a joint meeting of City Auditor's Office and Budget Office staff to discuss the City Auditor's Office data verification and analysis that takes place during preparation of the Annual Service Efforts and Accomplishments Report.
- Staff member Jazmin LeBlanc participated in a peer review for King County, WA.

**Assignments in Process:**

- 1. 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:** Report writing in process.  
**Anticipated Release Date:** March 2014.
- 2. Senior Advisory Council Funds** – An audit was requested due to discrepancies discovered at the Southside Community Center.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** March 2014 for April Senior Citizens Commission and April Public Safety, Finance and Strategic Support (PSFSS) Committee.
- 3. Housing Loan Portfolio** – Evaluation of the housing loan portfolio, including the efficiency and effectiveness of loan repayment, compliance monitoring, and administration.  
**Project Status:** Report writing in process.  
**Anticipated Release Date:** May 2014.
- 4. Revenue Management** – One in a series of audits of City revenues, this audit will focus on the billing and collection of accounts receivable that originate in City departments.  
**Project Status:** Preliminary Survey in process.  
**Anticipated Release Date:** TBD.
- 5. Development Center Application and Permitting Process and Wait Times** – Assess the efficiency and effectiveness of the application and permitting processes and wait times.  
**Project Status:** Risk Assessment in process.  
**Anticipated Release Date:** TBD.
- 6. Customer Call Handling** - Assess the efficiency and effectiveness of customer call handling including the Customer Contact Center and 311.  
**Project Status:** Risk Assessment in process.  
**Anticipated Release Date:** TBD.

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 February 2014**

	<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>					
Children's Health Initiative	Completed	Completed	Completed	Completed	February 2014
Employee Travel Expenditures	Completed	Completed	Completed	Completed	December 2013
Annual Audits of Bond and Parcel Tax Measures	N/A	N/A	Completed	Completed	December 2013
6 <sup>th</sup> Annual Service Efforts and Accomplishments	N/A	N/A	Completed	Completed	December 2013
Single Audit and Management Letter	N/A	N/A	Completed	Completed	December 2013
Biennial Peer Review	N/A	N/A	Completed	Completed	November 2013
Overhead Cost Allocation	Completed	Completed	Completed	Completed	November 2013
External Financial Audits	N/A	N/A	Completed	Completed	November 2013
Semi-Annual Review of City's Investment Program as of 6/30/13	N/A	N/A	Completed	Completed	November 2013
Community Code Enforcement	Completed	Completed	Completed	Completed	November 2013
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>					
Library Hours and Staffing	Completed	Completed	Completed	In Process	March 2014
Senior Advisory Council Funds	Completed	Completed	Completed	In Process	March 2014
Housing Loan Portfolio	Completed	Completed	Completed	In Process	May 2014
Development Center Application and Permitting Process	Completed	In Process			
Customer Call Handling	Completed	In Process			
Revenue Management	In Process				
<b>Assignments Not Yet Started</b>					
Public Works Facility Maintenance					
Fund Balance and Reserve Policies					
Santa Clara County Cities Association					
Procurement Card Usage					
Stormwater Management					
Regional Wastewater Facility Maintenance					
Performance Measure Review					

<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.