

TO: Public Safety, Finance and Strategic Support Committee
FROM: Sharon W. Erickson, City Auditor
SUBJECT: *Monthly Report of Activities for October 2014*
DATE: November 13, 2014

RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for the month of October 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 2014-15 Work Plan during the month of October 2014.

Reports Issued During the Month of October:

1. **Annual Review of Team San Jose (TSJ) Performance** – Annual review to determine whether TSJ met its performance metrics for the fiscal year ended June 30, 2014. The report was accepted at the October 16, 2014 meeting of the Public Safety, Finance and Strategic Support (PSFSS) Committee and at the November 4, 2014 meeting of the City Council.

Activities During the Month of October:

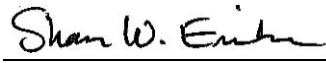
- Met with the Library and Early Education Commission to discuss the role of the commission in reviewing bond and parcel tax audits (audits to be presented in December).
- Avichai Yotam, who joined the City Auditor's Office in 2008, will be leaving the office to become the Administrative Officer for the Parks, Recreation and Neighborhood Services Department. We extend our congratulations as he moves into his new position.

Assignments in Process:

- 2. Public Works Facilities Maintenance** – Assessment of the process for prioritizing repair and improvement projects.
Project Status: Reporting writing in process.
Anticipated Release Date: November 2014.
- 3. Accounts Receivable** – One in a series of audits of City revenues, this audit focuses on the billing and collection of accounts receivable that originate in City departments.
Project Status: Report writing in process.
Anticipated Release Date: December 2014.
- 4. Service Efforts and Accomplishments (SEA) Report** – Seventh annual report providing data about the cost, quality, quantity, and timeliness of City services. The report includes ten-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 2014.
- 5. Fund Balance and Reserve Policies** – Review and assess the adequacy and appropriateness of ending fund balances and reserves compared to established targets and industry standards. Review the annual accounting to budgetary basis reconciliations of the City’s operating and capital funds to ensure budgetary fund balances are accounted for properly.
Project Status: Fieldwork in process.
Anticipated Release Date: TBD.
- 6. Employee Hiring** – Review the timeliness of the process for prioritizing, recruiting, and hiring new City employees.
Project Status: Fieldwork in process.
Anticipated Release Date: TBD.
- 7. Street Pavement Maintenance** – Assess the current condition and prioritization of street repair and preventative maintenance.
Project Status: Fieldwork in process.
Anticipated Release Date: TBD.
- 8. Parks, Recreation and Neighborhood Services Department Cost Recovery Fee Programs** – Review the calculation, collection, and cost recovery status of the department’s General Fund Fee Activity Program.
Project Status: Preliminary Survey in process.
Anticipated Release Date: TBD.

Information on the status of the City Auditor's FY 2014-15 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 2014-15 Work Plan

**Status of the City Auditor's FY 2014-15 Work Plan¹
as of October 2014**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date ²
Assignments Completed					
2013-14 Annual Review of Team San Jose	N/A	N/A	Completed	Completed	October 2014
Recommendation Follow-Up For 6 Months Ended 6-30-14	N/A	N/A	Completed	Completed	September 2014
Procurement Card Usage	Completed	Completed	Completed	Completed	September 2014
Development Center Application and Permitting Process	Completed	Completed	Completed	Completed	September 2014
Assignments In Process					
Public Works Facility Maintenance	Completed	Completed	Completed	In Process	November 2014
Accounts Receivable	Completed	Completed	Completed	In Process	December 2014
7 th Annual Service Efforts and Accomplishments	N/A	N/A	In Process		
Fund Balance and Reserve Policies	Completed	Completed	In Process		
Employee Hiring	Completed	Completed	In Process		
Street Pavement Maintenance	Completed	Completed	In Process		
PRNS Cost Recovery Fee Programs	In Process				
Assignments Not Yet Started					
Performance Measure Review					
Curbside Recycling					
Cardroom Tax Revenue and Contributions					
Workers' Compensation Utilization Review Service Provider					
Cities Association of Santa Clara County					
Police Department Recruiting and Hiring					
Police Department Resources Spent on VTA/County Properties					
South Bay Water Recycling					
Street Sweeping					
Use and Coordination of Volunteers					
Golf Course Fund					

¹ The approved work plan is on the web at <http://www.sanjoseca.gov/DocumentCenter/View/33922>

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.