

TO: Rules and Open Government
Committee

SUBJECT: *Monthly Report of Activities for
May 2015*

FROM: Sharon W. Erickson,
City Auditor

DATE: June 10, 2015

RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for the month of May 2015.

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 May 2015.

Reports Issued During the Month Of May:

- 1. Parks, Recreation and Neighborhood Services Department Fee Activity Program** – We reviewed the calculation, collection, and cost recovery status of the department's General Fund Fee Activity Program. The report made 6 recommendations and was presented at the May 14, 2015 meeting of the Neighborhood Services and Education Committee and accepted at the June 2, 2015 meeting of the City Council.
- 2. Curbside Recycling** – We assessed the effectiveness of the single-family residential single-stream curbside recycling program, including compliance with contract requirements. The report made 6 recommendation and was presented at the June 1, 2015 meeting of the Transportation and Environment Committee. The audit is scheduled to be presented for acceptance at the June 16, 2015 meeting of the City Council.

Activities During the Month of May:

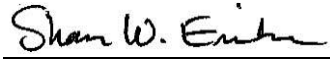
- City Auditor's Office staff members attended the annual Association of Local Government Auditors (ALGA) conference in San Diego, presenting seminar sessions on mapping, staffing analysis, and use of resident surveys.
- Pedro Hernandez-Bachen will be joining the office for the summer as part of the *Stanford in Government* Fellowship Program. He is a junior at Stanford pursuing an international relations degree. He will be assisting with our audit of the city's volunteer programs.

Assignments in Process:

- 3. Police Disability Retirement Scenarios** – Assess the impact on a sample of police officers of changes in the City’s disability retirement system.
Project Status: Report writing completed.
Anticipated Release Date: June 2015 (Public Safety, Finance and Strategic Support Committee).
- 4. Golf Course Fund** – Examine the causes of decline in net operating and maintenance income to the Golf Course Fund.
Project Status: Report writing in process.
Anticipated Release Date: August 2015 (Neighborhood Services and Education Committee).
- 5. Police Recruiting and Hiring** – Analyze the department’s recruiting, backgrounding, and hiring processes, and determine to what extent San Jose is subsidizing other jurisdictions with our academy.
Project Status: Fieldwork in process.
Anticipated Release Date: September 2015 (Public Safety, Finance and Strategic Support Committee).
- 6. Use and Coordination of Volunteers** – Various City departments offer volunteer opportunities. By choosing to volunteer, San José residents have the opportunity to strengthen the city, and connect with their families, their neighbors, and their communities through service. The purpose of this review is to evaluate the use and coordination of volunteers to augment City services.
Project Status: Preliminary Survey in process.
Anticipated Release Date: TBD.
- 7. Street Sweeping** – Curb miles swept has decreased by 34 percent over the last 10 years. Only 45 percent of residents rated street cleaning as good or excellent in the *2013 National Citizen Survey*.
Project Status: Preliminary Survey in process.
Anticipated Release Date: TBD.
- 8. South Bay Water Recycling** – South Bay Water Recycling is expected to generate \$4.6 million in revenue in FY 2014-15 by delivering 5 billion gallons of recycled water from the Treatment Plant to 775 customers (more than 75% of all recycled water used in Santa Clara County).
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 Plan¹
as of May 2015**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date ²
Assignments Completed					
Curbside Recycling	Completed	Completed	Completed	Completed	May 2015
PRNS Fee Activity Program	Completed	Completed	Completed	Completed	May 2015
Employee Hiring	Completed	Completed	Completed	Completed	April 2015
External Audit: Investment Compliance (6 mos. ended 12/31/14)	N/A	N/A	Completed	Completed	April 2015
Fund Balance and Reserves	Completed	Completed	Completed	Completed	March 2015
Recommendation Follow-Up For Six Months Ended 12/31/14	N/A	N/A	Completed	Completed	March 2015
Performance Measure Review	N/A	N/A	Completed	Completed	February 2015
Street Pavement Maintenance	Completed	Completed	Completed	Completed	February 2015
External Audit: Financial Statements	N/A	N/A	Completed	Completed	December 2014
External Audit: Bond and Parcel Tax Measures	N/A	N/A	Completed	Completed	December 2014
Accounts Receivable	Completed	Completed	Completed	Completed	December 2014
7 th Annual Service Efforts and Accomplishments	N/A	N/A	Completed	Completed	December 2014
Public Works Facility Maintenance	Completed	Completed	Completed	Completed	November 2014
2013-14 Annual Review of Team San Jose	N/A	N/A	Completed	Completed	October 2014
External Audit: Investment Compliance (6 mos. ended 6/30/14)	N/A	N/A	Completed	Completed	September 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
Customer Call Handling	Completed	Completed	Completed	Completed	August 2014
Assignments In Process					
Police Sworn Disability Retirement Scenarios	Completed	Completed	Completed	Completed	June 2015
Golf Course Fund	Completed	Completed	Completed	In Process	August 2015
Police Department Recruiting and Hiring	Completed	Completed	In Process		September 2015
Use and Coordination of Volunteers	In Process				
Street Sweeping	In Process				
South Bay Water Recycling	In Process				
Assignments Not Yet Started					
Structure for Conducting Personnel Investigations					
Cities Association of Santa Clara County					
Cardroom Tax Revenue and Contributions					
Police Department Resources Spent on VTA/County Properties					
Workers' Compensation Utilization Review Service Provider					

¹ The Auditor's Work Plan (approved by the Rules and Open Government Committee on August 13, 2014) is on the web at <http://www.sanjoseca.gov/DocumentCenter/View/33922>. In January 2015, the Rules and Open Government Committee added to the workplan: 1) Police Sworn Disability Retirement Scenarios, and 2) Structure For Conducting Personnel Investigations.

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.