

TO: Rules and Open Government
Committee

FROM: Sharon W. Erickson,
City Auditor

SUBJECT: *Monthly Report of Activities for
August 2015*

DATE: September 10, 2015

RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for the month of August 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 2015-16 Work Plan during the month of August.

Activities During the Months of August:

- The Rules and Open Government Committee approved the City Auditor's FY 2015-16 Work Plan on August 19, 2015.
- The City Council accepted the Audit of Police Disability Retirement Scenarios on August 11, 2015.

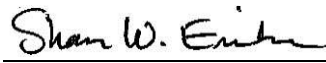
Assignments in Process:

1. **Golf Course Fund** – Examine the causes of decline in net operating income to the Golf Course Fund.
Project Status: Completed.
Anticipated Release Date: Report issued September 2, 2015. Scheduled to be heard at the Neighborhood Services and Education Committee (September 2015).
2. **Police Recruiting and Hiring** – Analyze the department's recruiting, backgrounding, and hiring processes. Identify barriers, bottlenecks, and resources needed, and determine to what extent San Jose is subsidizing other jurisdictions with our academy.
Project Status: Report writing in process.
Anticipated Release Date: September 2015 (Public Safety, Finance and Strategic Support Committee).

- 3. Semi-Annual Audit Recommendation Status as of June 30, 2015**
Project Status: Report writing in process.
Anticipated Release Date: September 2015 (City Council).
- 4. 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: Fieldwork in process.
Anticipated Release Date: TBD.
- 5. Structure for Conducting Personnel Investigations** – Review of the structure for conducting personnel investigations, as requested by the Rules Committee in January 2015.
Project Status: Fieldwork in process.
Anticipated Release Date: TBD.
- 6. 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: Fieldwork in process.
Anticipated Release Date: TBD.
- 7. Recycled Water** – 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: Fieldwork in process.
Anticipated Release Date: TBD.
- 8. Annual External Financial Audit and Single Audit as of June 30, 2015**
(contracted audit service)
Project Status: Fieldwork in process.
Anticipated Release Date: December 2015 (PSFSS).
- 9. Annual Audits of Voter-Approved Bond and Parcel Tax Measures as of 6/30/15** (contracted audit service)
Project Status: Fieldwork in process.
Anticipated Release Date: December 2015 (PSFSS).
- 10. Semi-Annual Compliance Review of the City’s Investment Program as of 6/30/15** (contracted audit service)
Project Status: Report writing in process.
Anticipated Release Date: November 2015 (PSFSS).

Information on the status of the City Auditor's FY 2015-16 Work Plan is attached. The City Auditor's FY 2015-16 Work Plan was approved by the Rules and Open Government Committee on August 19, 2015. 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

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**Status of the City Auditor's FY 2015-16 Work Plan¹
as of August 2015**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date²
Assignments Completed					
Golf Course Fund	Completed	Completed	Completed	Completed	September 2015
Assignments In Process					
Police Department Recruiting and Hiring	Completed	Completed	Completed	In-Process	September 2015
Semi-Annual Audit Recommendation Status as of 6/30/15	N/A	N/A	Completed	In Process	September 2015
Use and Coordination of Volunteers	Completed	Completed	In Process		
Structure for Conducting Personnel Investigations	Completed	Completed	In Process		
Street Sweeping	Completed	Completed	In Process		
Recycled Water	Completed	Completed	In Process		
Annual External Financial Audit and Single Audit	N/A	N/A	In Process		December 2015
Annual Audits of Voter-Approved Bond and Parcel Tax Measures	N/A	N/A	In Process		December 2015
Semi-Annual Compliance Review of Investments as of 6/30/15	N/A	N/A	Completed	In Process	November 2015
Assignments Not Yet Started					
Information Technology Deployment					
City Clerk's Office					
FY 2014-15 Service Efforts and Accomplishments Report					
Annual Review of Team San José					
Police Response for Animal-Related Calls					
Financial Condition Report					
Semi-Annual Audit Recommendation Status as of 12/31/15					
Semi-Annual Compliance Review of Investments as of 12/31/15					
Police Overtime					
Santa Clara County Cities Association					
Cardroom Tax Revenue and Contributions					
Airport Operations and Business Development					
Business Tax Revenue					
Employee Benefit Funds					
Encumbrance Balances					
Housing Department					
Mobile Devices					
Police Department Civilian Staffing					
Pensionable Earnings					
Sunshine Requirements					

¹ The Auditor's Work Plan (approved by the Rules and Open Government Committee on August 19, 2015) is on the web at <http://www.sanjoseca.gov/DocumentCenter/View/45609>. On August 19, 2015, the Committee added a performance audit of the Housing Department. On September 9, 2015, the Committee added performance audit of the City Clerk's Office.

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.