

# Office of the City Auditor

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**I**ndependently assess and report on City operations  
and services

*City Service Area*

**Strategic Support**

*Core Service*

**Audit Services**

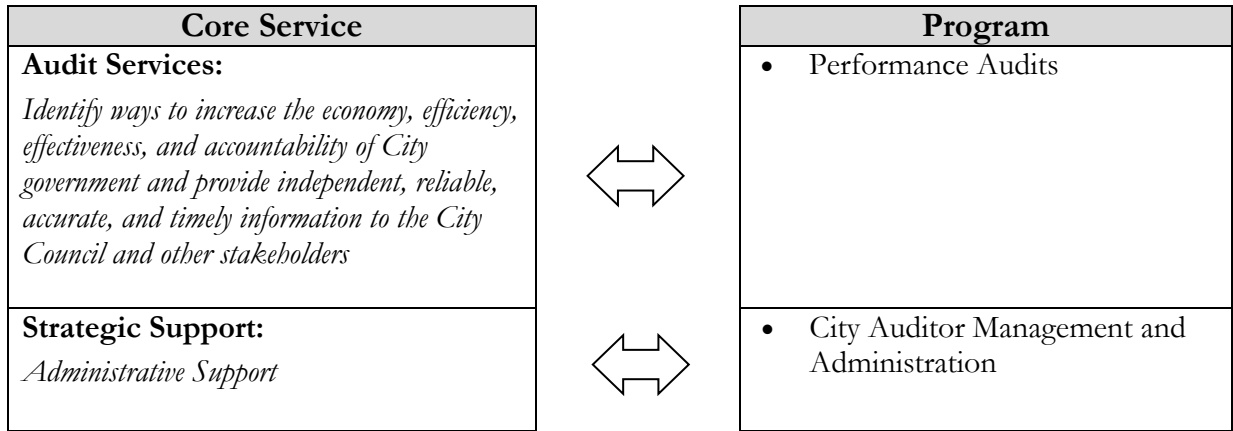
Identify ways to increase the economy, efficiency, effectiveness, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders

**Strategic Support:** Administrative Support

# Office of the City Auditor

## Service Delivery Framework

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# Office of the City Auditor

## Department Budget Summary

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### Expected 2017-2018 Service Delivery

- Conduct program performance audits identifying ways to increase the economy, efficiency, effectiveness, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders. The 2017-2018 Audit Workplan will be submitted to the Rules and Open Government Committee in August 2017 with continued focus on searching for revenues and cost-savings opportunities.
- Issue the Annual Report on City Services annually. This report details the cost, workload, and performance data for City services and is intended to improve government transparency and accountability and provide consolidated performance information to the public, allowing informed decision making by City officials, staff, and the public.
- Provide oversight of external auditors on the City of San José Annual Financial Audit and Single Audit; the Audits of Parks and Recreation Bond, Library Bond, Public Safety Bond, and Parcel Tax Funds; and the Semi-Annual Reviews for Compliance with the City's Investment Policy.

### 2017-2018 Key Budget Actions

N/A

### Operating Funds Managed

N/A

# Office of the City Auditor

## Department Budget Summary

	2015-2016 Actual 1	2016-2017 Adopted 2	2017-2018 Forecast 3	2017-2018 Proposed 4
<b>Dollars by Core Service</b>				
Audit Services	n/a	n/a	n/a	\$ 2,299,427
City Auditor Strategic Support	n/a	n/a	n/a	151,132
Strategic Support - Other Cost*	n/a	n/a	n/a	475,000
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 2,925,559</b>
<b>Dollars by Category</b>				
<b>Personal Services and Non-Personal/Equipment</b>				
Personal Services	\$ 2,067,169	\$ 2,404,183	\$ 2,381,406	\$ 2,381,406
Overtime	15	0	0	0
Subtotal Personal Services	\$ 2,067,184	\$ 2,404,183	\$ 2,381,406	\$ 2,381,406
Non-Personal/Equipment	65,040	69,153	69,153	69,153
<b>Total Personal Services &amp; Non-Personal/Equipment</b>	<b>\$ 2,132,224</b>	<b>\$ 2,473,336</b>	<b>\$ 2,450,559</b>	<b>\$ 2,450,559</b>
<b>Other Costs *</b>				
City Auditor Other Dept - City-Wide	n/a	n/a	n/a	\$ 475,000
<b>Total Other Costs</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 475,000</b>
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 2,925,559</b>
<b>Dollars by Fund</b>				
General Fund	n/a	n/a	n/a	\$ 2,816,559
Airport Maint & Oper	n/a	n/a	n/a	78,250
Sewer Svc & Use Charge	n/a	n/a	n/a	30,750
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 2,925,559</b>
<b>Authorized Positions by Core Service</b>				
Audit Services	n/a	n/a	n/a	14.00
Strategic Support	n/a	n/a	n/a	1.00
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>15.00</b>

\* Departmental Fund Balance, Transfers, and Reserves have been excluded from this display. This information can be found in the department Source and Use Statement elsewhere in this document.

# Office of the City Auditor

## Department Budget Summary

	2015-2016 Actual	2016-2017 Adopted	2017-2018 Forecast	2017-2018 Proposed	2017-2018 Proposed FTE
<b>Dollars by Program</b>					
<b>Audit Services</b>					
Performance Audits	n/a	n/a	n/a	\$ 2,299,427	14.00
<b>Sub-Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 2,299,427</b>	<b>14.00</b>
<b>Audit Strategic Support</b>					
City Auditor Management and Administration	n/a	n/a	n/a	\$ 151,132	1.00
<b>Sub-Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 151,132</b>	<b>1.00</b>
<b>Strategic Support - Other - Council Appointees</b>					
City Auditor Other Departmental - City-Wide	n/a	n/a	n/a	\$ 475,000	
<b>Sub-Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 475,000</b>	<b>0.00</b>
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>\$ 2,925,559</b>	<b>15.00</b>

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**Budget Reconciliation**

**Personal Services and Non-Personal/Equipment  
(2016-2017 Adopted to 2017-2018 Proposed)**




	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2016-2017):	0.00	2,473,336	2,473,336
<hr/> <b>Base Adjustments</b> <hr/>			
<b>Technical Adjustments to Costs of Ongoing Activities</b>			
• Salary/benefit changes		(22,777)	(22,777)
Technical Adjustments Subtotal:	0.00	(22,777)	(22,777)
2017-2018 Forecast Base Budget:	0.00	2,450,559	2,450,559
<hr/> <b>Budget Proposals Recommended</b> <hr/>			
NONE			
2017-2018 Proposed Budget Total:	0.00	2,450,559	2,450,559

# Office of the City Auditor

## Performance Summary

### Audit Services

#### Performance Measures

	2015-2016 Actual	2016-2017 Target	2016-2017 Estimated	2017-2018 Target
 % of audit recommendations implemented (cumulative over 10 years)	68%	80%	74%	80%
 Ratio identified monetary benefit to audit cost	\$2 to \$1	\$4 to \$1	\$1.28 to \$1	\$4 to \$1
 % of approved workplan completed or substantially completed during the fiscal year	63%	80%	64%	80%

#### Activity and Workload Highlights

	2015-2016 Actual	2016-2017 Forecast	2016-2017 Estimated	2017-2018 Forecast
# of audit reports issued	19	18	16	18
# of audit recommendations adopted	77	50	65	50
# of audit reports per auditor	1.6 to 1	1.5 to 1	1.4 to 1	1.5 to 1
Identified monetary benefits (i.e., revenue enhancements and cost savings) <sup>1</sup>	\$5,000,000	\$8,000,000	\$3,170,000	\$8,000,000

<sup>1</sup> The 2015-16 identified monetary benefits amount is an estimate based on revenue enhancements and potential cost savings identified in the audits of Police Overtime, the Apartment Rent Ordinance, Mobile Devices, Our City Forest, and the Office of Equality Assurance.

# Office of the City Auditor

## Departmental Position Detail

Position	2016-2017 Adopted	2017-2018 Proposed	Change
City Auditor	1.00	1.00	-
Executive Assistant to City Auditor	1.00	1.00	-
Program Performance Auditor I/II	8.00	8.00	-
Senior Program Performance Auditor	5.00	5.00	-
<b>Total Positions</b>	<b>15.00</b>	<b>15.00</b>	<b>0.00</b>