



OFFICE OF THE  
CITY AUDITOR

**REPORT OF ACTIVITIES AND FINDINGS  
FOR THE PERIOD  
OCTOBER 16 THROUGH NOVEMBER 15, 2005**

**A REPORT TO THE SAN JOSE CITY COUNCIL**





*Office of the City Auditor*  
*Gerald A. Silva, City Auditor*

November 30, 2005

Honorable Members of the City Council  
200 East Santa Clara Street  
San Jose, CA 95113

In accordance with Charter Section 805(e), I am submitting a written report of the Office of the City Auditor's activities for the period of October 16 through November 15, 2005 and schedule of audit costs for October 2005.

The monthly report contains the following sections:

- Status of Assignments in Progress
- Other Activities
- Schedule of Audit Costs for October

If you need any additional information, please let me know.

Respectfully submitted,

Gerald A. Silva  
City Auditor

GS:bh  
Attachment

**Office of the City Auditor**  
**Status of Assignments in Progress as of November 15, 2005**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date*
<b>Assignments Completed</b>					
Environmental Services Department Laboratory	Completed	Completed	Completed	Completed	October 2005
The Fil-Am SODC, Inc.'s Cash Flow Analysis for the Operation of the Northside Community Center	N/A	N/A	Completed	Completed	October 2005, November 2005
Joint Memorandum with the Finance Department and Employee Services on Workers' Compensation Liability	N/A	N/A	Completed	Completed	October 2005
2005-06 Marked Patrol Sedan Budget Reduction	N/A	N/A	Completed	Completed	September 2005
Update on Northside Community Center Operations	N/A	N/A	Completed	Completed	September 2005
Quarterly Sales Tax Audit for Quarter Ended 6/30/05	N/A	N/A	On-going	Completed	September 2005
Police Patrol Vehicle Contingency	N/A	N/A	Completed	Completed	August 2005
Northside Community Center	Completed	Completed	Completed	Completed	June 2005
Allied Waste Expenditures	N/A	N/A	Completed	Completed	May 2005
Public Art Project Allocation Process	Completed	Completed	Completed	Completed	May 2005
City Fleet Special Purpose Vehicles	Completed	Completed	Completed	Completed	May 2005
Annual Financial Audit RFP	N/A	N/A	N/A	N/A	April 2005
Police Depart. Marked Patrol Vehicle Fleet Size	Completed	Completed	Completed	Completed	February 2005
<b>Assignments In Progress</b>					
Public Works Transportation Contract Cycle Times	Completed	Completed	Completed	In Progress	February 2006
San Jose Municipal Water System – Phase Two	Completed	Completed	In Progress	In Progress	February 2006
Grant Oversight	Completed	Completed	Completed	In Progress	January 2006
Workers' Compensation	Completed	Completed	Completed	Completed	December 2005
Traffic Calming	Completed	Completed	In Progress		
Review of Significant RFPs—Airport Integrated Systems RFP	N/A	N/A	In Progress		
Administration of the Investigation into the Grand Jury Report on Recycle Plus	N/A	N/A	In Progress		
Follow-up of Transport & Metered Equipment Audit Recommendations	N/A	N/A	In Progress		
TEAM San Jose	In Progress				
<b>Assignments Not Yet Started</b>					
Call Center Information and Referral Services					
Los Lagos Golf Course Operations and Finances					
Public Works Cost Estimation Process					
Vehicle Maintenance Procedures					
Specialized Vehicle Use					
A Comparison of the Real Estate Division & RDA Real Property Acquisition Process					
Purchase Card Utilization					
Risk Management					
Housing Rehabilitation					
Police Overtime					
Police & Fire Retirement Plan **					
Police Department Radio Channel Staffing **					
Information Technology**					
<b>On-going Assignments</b>					
Quarterly Sales Tax Audit					
Cardroom Audit Overview					
Audit Recommendation Follow-up Report					
Annual Financial Audit & Single Audit Overview					
Other Revenue Audits					
Petty Cash and Change Funds					
Information Systems Audits					
Fraud and Audit Hotline					

\* 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.

\*\* Deferred

**OTHER ACTIVITIES**

During October 16, 2005 through November 15, 2005, the City Auditor:

	Hours	Cost	%
Grand Oversight	405	\$75,590	19.2%
1. Held an entrance conference on our audit of T.E.A.M. San Jose.	10	1,107	1.1
2. Met with City Manager's Office Staff regarding retirement system issues.	30	1,860	8.5
3. Met with City Manager's Office staff and Mayor's Office staff regarding alternative service delivery methods.	140	11,612	6.7
4. Participated in conference calls regarding the National Association of Local Government Auditors' (NALGA) and the National Intergovernmental Audit Forum (NIAF) 2006 conventions, which will be held in San Jose in May 2006.	10	1,000	1.0
5. Sent City Auditor's Office staff to give a presentation to students in San Jose State University's <i>Operational Auditing</i> class.	51	5,059	2.5
6. Gave a presentation at the Institute of Internal Auditors' <i>All-Star Conference</i> in Las Vegas, Nevada.	50	4,950	2.3
7. Met with City Council Members regarding various audit assignments.	17	3,069	1.1
Recommendations Follow-Up	21	1,908	1.1
ESD Laboratory	22	1,525	1.0
Normal Investigator Selection	17	1,410	0.8
Revenue Audit	8	660	0.4
Performance-Based Budgeting	4	332	0.2
<b>Total</b>	<b>1743</b>	<b>\$774,731</b>	<b>100.0%</b>
<b>Total Cost Per FTE</b>		<b>\$174,731</b>	

<sup>1</sup> These may be slightly off because of rounding.

<sup>2</sup> Includes 150 extra hours.

<sup>3</sup> Includes 3 extra hours.

<sup>4</sup> Includes 4 extra hours.