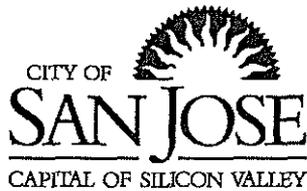




OFFICE OF THE  
CITY AUDITOR

**REPORT OF ACTIVITIES FOR THE PERIOD  
FEBRUARY 16 THROUGH MARCH 15, 2007**

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



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

March 27, 2007

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 February 16 through March 15, 2007 and schedule of audit costs for February 2007.

The monthly report contains the following sections:

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

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 March 15, 2007**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date*
<b>Assignments Completed</b>					
City Auditor Review of the Consolidated Storage & File Server Solution for City Hall	N/A	N/A	Completed	Completed	December 2006
American Musical Theatre of San Jose	N/A	N/A	Completed	Completed	October 2006
San Jose Repertory Theatre	N/A	N/A	Completed	Completed	October 2006
TEAM San Jose	Completed	Completed	Completed	In Progress	October 2006
Purchase Card Utilization	Completed	Completed	Completed	Completed	September 2006
City Auditor Review of Recycle Plus RFP Protest	N/A	N/A	Completed	Completed	August 2006
Review of Significant RFPs—Recycle Plus RFP	N/A	N/A	Completed	Completed	August 2006
Quarterly Sales Tax Audit for Quarter Ended 3/31/06	N/A	N/A	On-going	Completed	July 2006
<b>Assignments In Progress</b>					
Mexican Heritage Plaza	N/A	N/A	Completed	Completed	March 2007
Public Works Transportation Contract Cycle Times	Completed	Completed	Completed	Completed	April 2007
Traffic Calming	Completed	Completed	Completed	Completed	April 2007
Arena Management	Completed	Completed	Completed	In Progress	April 2007
Consolidated Water Utility Fund	Completed	Completed	Completed	In Progress	April 2007
Northside RFP	N/A	N/A	Completed	N/A	N/A
Los Lagos Golf Course Operations and Finances	Completed	Completed	Completed	In Progress	
Redevelopment DDAs	Completed	N/A	In Progress		
Santa Clara County Cities Association	Completed	N/A	In Progress		
City Debt & Investment Program	Completed	In Progress			
Workers' Compensation	In Progress				
<b>Assignments Not Yet Started</b>					
Housing Rehabilitation					
Public Works Cost Estimation Process					
Vehicle Maintenance Procedures					
Specialized Vehicle Use					
Risk Management					
Police Overtime					
Information Technology**					
CBO Financial Reporting and Accountability					
Decentralized Cash Handling Processes					
Convention and Visitors Bureau					
<b>On-going Assignments</b>					
Quarterly Sales Tax Audit					
Review of significant RFPs					
Cardroom Audit Overview					
Redevelopment DDAs					
Audit Recommendation Follow-up Report					
Other Revenue Audits					
Procurement Card Transactions					
<b>Annual Assignments</b>					
Annual Financial Audit & Single Audit Overview					
Allied Waste Contract Expenditures					
TEAM San Jose (2005-06)					
Workers' Compensation Program Claims Liability					

\* 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 February 16, 2007 through March 15, 2007, the City Auditor:

1. Issued a preliminary draft of *An Audit of the Traffic Calming Program*.
2. Issued a preliminary draft of *A Review of the Mexican Heritage Corporation's Ability To Operate and Maintain the Mexican Heritage Plaza*.
3. Met with Director of Team San Jose.
4. Staff made a presentation to visiting students of auditing from China.
5. Met with the Santa Clara County Grand Jury.
6. Met with City Manager's Office staff regarding our audit of the Mexican Heritage Plaza.
7. Met with City Attorney staff regarding Resources for Families and Communities.
8. Met with the Director of Finance regarding our audit of Debt Administration.
9. Attended the Mayor's State of the City breakfast.
10. Staff had a pre-installation meeting regarding TeamMate audit software.
11. Met with City Council Members regarding various audit assignments.

**OFFICE OF THE CITY AUDITOR  
SCHEDULE OF AUDIT COSTS  
FOR THE MONTH OF FEBRUARY 2007**

Audit Assignment	Audit Hours	Audit Costs	% <sup>1</sup>
Mexican Heritage Plaza	452	\$46,790	20.4%
City Debt and Investment Administration	384	39,751	17.4
Traffic Calming	261	27,018	11.8
RDA DDA – Park Townsend	198	20,496	8.9
Contract Cycle Times	185	19,151	8.4
Training	123	12,733	5.6
Holiday	107	11,076	4.8
Consolidated Water Utility Fund	107	11,076	4.8
Vacation, Sick, and Other Leaves	93	9,627	4.2
Camera Cinemas	73	7,557	3.3
Administrative	47	4,865	2.1
Revenue Audits	42	4,348	1.9
TEAM San Jose	37	3,830	1.7
On-Going Purchase Card Audits <sup>2</sup>	93	3,430	1.5
Performance-Based Budgeting	26	2,691	1.2
Assistance to SJPD on Bay 101	16	1,656	0.7
Santa Clara County Cities Association	10	1,035	0.5
Sales and Business License Taxes <sup>3</sup>	56	839	0.4
Arena Fees	5	518	0.2
RDA DDA – 101 San Fernando St.	4	414	0.2
<b>Totals</b>	<b>2,193</b>	<b>\$228,901</b>	<b>100.0%</b>
<b>Total Cost Per FMS</b>		<b>\$228,901</b>	

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

<sup>2</sup> Includes 70 intern hours.

<sup>3</sup> All hours are intern hours.