



## Memorandum

**TO:** Public Safety, Finance and Strategic Support Committee      **FROM:** Sharon W. Erickson, City Auditor  
**SUBJECT:** *Monthly Report of Activities for May 2012*      **DATE:** June 13, 2012

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### RECOMMENDATION

Approve the Auditor's Office Monthly Report of Activities for May 2012.

### 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 2011-12 Work Plan during the month of May 2012.

#### Audit Reports Issued During the Month of May:

1. **Review of Fire Department Performance Measures: Improving the Usefulness of Data** – This review assessed the accuracy and reporting of selected performance measures in the Fire Department. The review made three recommendations, and was accepted at the May 17, 2012 meeting of the Public Safety, Finance and Strategic Support Committee, and the subsequent June 5, 2012 City Council Meeting.

#### Other Activities During the Month of May:

- The City Auditor's Office received the Association of Government Accountants (AGA) *Gold Certificate of Achievement in Service Efforts and Accomplishments Reporting* for the Service Efforts and Accomplishments Report 2010-11.
- Spoke regarding the role and responsibility of the City Auditor's Office to the Neighborhoods Commission.

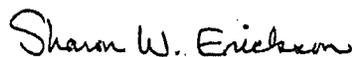
#### Assignments in Process:

1. **Environmental Services Department Funding and Staffing** – Staffing and management audit of ESD, with special focus on how ratepayer funds are used.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.

2. **Water Pollution Control Plant Rehabilitation** – Review of opportunities to reduce the cost of the project, expedite the project, and create savings for ratepayers.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
3. **Coordination of External Audit Work** – Identify other agencies' audits of City programs, the audit scopes, and any open audit recommendations.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
4. **Fire Department Disability Rates** – Evaluation of workplace injuries and assessment of timeliness of treatment and recovery (follow-up to previous disability retirement and workers' compensation audit reports).  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
5. **Impact of Staffing Reductions** – the impact of voluntary separations, layoffs, and bumping on the City's capacity to effectively manage its operations, including the loss of employees with special or technical competence.  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.
6. **Fire Prevention** – causes and impacts of reported low compliance with state inspection requirements (according to the Proposed 2011-12 Operating Budget, an estimated 36% of dwellings received a state-mandated inspection in 2010-11 compared to a target of 100%).  
**Project Status:** Fieldwork in process.  
**Anticipated Release Date:** TBD.

Information on the status of the City Auditor's FY 2011-12 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

Attachments: Announcement from ALGA,  
Status of the City Auditor's FY 2011-12 Work Plan

**Status of the City Auditor's FY 2011-12 Work Plan<sup>1</sup>  
as of May, 2012**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date <sup>2</sup>
<b>Assignments Completed</b>					
Fire Department Performance Measures	Completed	Completed	Completed	Completed	May 2012
Semi-annual Compliance Review of City's Investment Program	—	—	Completed	Completed	May 2012
Santa Clara County Cities Association	—	—	Completed	Completed	April 2012
Police Department Secondary Employment	Completed	Completed	Completed	Completed	March 2012
Recommendation Follow-up Report (December 31, 2011)	—	—	Completed	Completed	March 2012
City Open Purchase Orders for Office Supplies	Completed	Completed	Completed	Completed	January 2012
Team San Jose Convention and CVB Activities	—	—	Completed	Completed	January 2012
Information Technology General Controls	Completed	Completed	Completed	Completed	January 2012
Annual Service Efforts and Accomplishments	—	—	Completed	Completed	December 2011
External Audit and Single Audit	—	—	Completed	Completed	December 2011
Form 700 Filers	Completed	Completed	Completed	Completed	November 2011
Annual Audits of Bond and Parcel Tax Measure	—	—	Completed	Completed	November 2011
Semi-annual Compliance Review of City's Investment Program	—	—	Completed	Completed	November 2011
Airport Service Level Performance Measures	Completed	Completed	Completed	Completed	October 2011
Recommendation Follow-up Report (June 30, 2011)	—	—	Completed	Completed	October 2011
Traffic Citation Revenue	Completed	Completed	Completed	Completed	August 2011
Recovery Act Funding	Completed	Completed	Completed	Completed	August 2011
<b>Assignments In Process</b>					
Environmental Services Department Funding and Staffing	Completed	Completed	In Process		
Water Pollution Control Plan Rehabilitation	Completed	Completed	In Process		
Coordination of External Audit Work	Completed	Completed	In Process		
Fire Department Disability Rates	Completed	Completed	In Process		
Impact of Staffing Reductions	Completed	Completed	In Process		
Fire Prevention	In-Process				
<b>Assignments Not Yet Started</b>					
Deferred Compensation					
Overhead Reimbursements					
Consulting Agreements					
Housing Programs					
Cardroom Oversight					
Annual Financial Scan of CBOs					

<sup>1</sup> The approved work plan is on the web at [www.sanjoseca.gov/auditor/workplan.asp](http://www.sanjoseca.gov/auditor/workplan.asp)

<sup>2</sup> 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.

