



City Auditor's Office

INFORMATION CALENDAR
November 27, 2018

To: Honorable Mayor and Members of the City Council

From: Ann-Marie Hogan, City Auditor

Subject: City Auditor's Snapshot: Quarterly Summary Report on Audit Recommendations

INTRODUCTION

The City Auditor's Snapshot highlights City management's action on audit recommendations and the risks that impede progress toward achieving goals.

CURRENT SITUATION AND ITS EFFECTS

The City Auditor's Office monitored management's progress on implementing audit recommendations and reported to Council on actions and risks of inaction.

BACKGROUND AND ENVIRONMENTAL SUSTAINABILITY

The City Auditor's Office provides independent oversight of City operations and is a catalyst for improving City government and holding it accountable in its use of public resources. We manage our documents electronically in support of sustainability.

POSSIBLE FUTURE ACTION AND FISCAL IMPACTS

Council directs the City Manager to fully address audit recommendations and report back on progress made, generally every six months. Implementing recommendations will improve fiscal sustainability, environmental sustainability, and progress toward other Council and community goals.

CONTACT PERSON

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Attachment:

1: City Auditor's Snapshot: Progress Made and Challenges Ahead, Q1, FY 2019

CITY AUDITOR'S SNAPSHOT: PROGRESS MADE AND CHALLENGES AHEAD

Quarter 1, Fiscal Year 2019 (July 2018 – September 2018)

These Audits and 12 More Still Open

Underfunded Mandate: Resources, Strategic Plan, and Communication Needed to Continue Progress Toward the Year 2020 Zero Waste Goal¹

Unified Vision of Zero Waste Activities Will Help Align Service Levels with Billing and Ensure Customer Equity²

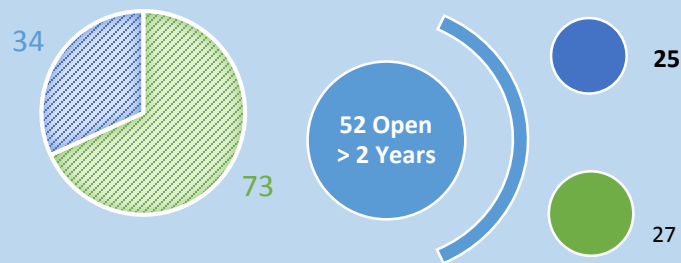
Construction Permits: Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service³

Leases Audit: Conflicting Directives Hinder Contract Oversight⁴

¹ <https://bit.ly/2xnixyp> ² <https://bit.ly/2xmUy1X>

³ <https://bit.ly/2hjgv8S> ⁴ <https://bit.ly/2O2LRPK>

107 Recommendations Not Implemented Issued June 2009 – June 2018



- Not Implemented
- Partially Implemented

Full implementation is less likely for **25** partially implemented and **27** not implemented recommendations that are **over 2 years** old, resulting in lost opportunities for improvement and continued risk of fraud.

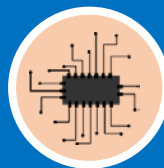
CONSISTENT AREAS OF RISK

OUR AUDITS INDICATE SYSTEMIC ISSUES THAT RESULT IN LOST OPPORTUNITIES AND RISK OF FRAUD.



Capacity restrictions threaten operations and strategic planning

Workload capacity continues to hinder staff's ability to take action on our recommendations. We continue to examine this threat in our dispatch and fire prevention inspection audits. We have already reported that the Code Enforcement Unit is unable to keep up with an expanding workload while its staffing levels remain the same.



Access risks leave systems vulnerable to fraud, misuse, and bad data

Access to software systems is commonly excessive, unknown, and unmonitored, leading to fraud and misuse risks and the use of bad data for program monitoring and performance measurement.



Unwritten and unclear expectations continue to threaten service delivery

A common theme in all our audits is a lack of clear, complete, written procedures. Well-written policies and procedures allow employees to clearly understand their roles and responsibilities.