



Office of the City Auditor

INFORMATION CALENDAR

June 12, 2007

To: Honorable Mayor and Members of the City Council
 From: Ann-Marie Hogan, City Auditor
 Subject: Amendment to Fiscal Year 2007 Audit Plan: Police Asset Forfeiture Account

INTRODUCTION

On June 20, 2006, the Audit Plan for the current fiscal year was presented to Council. As required by the City Charter, the Council is notified when the City Auditor finds it necessary to modify the annual audit plan. Our audit plan for 2007 emphasized public safety: planned reports in the Fire Department, Health and Human Services, and Police, including a review of internal controls over the Police evidence room, which was requested by the Chief of Police.

CURRENT SITUATION AND EFFECTS

The Police Chief, as well as the Police Review Commission's Evidence Theft Subcommittee, have requested an audit of the Asset Forfeiture Fund disbursements and withdrawals. Fieldwork for a limited review of the Asset Forfeiture Fund checking account was initiated in May 2007. Our report will be presented to Council after summer recess, in the first quarter of the next fiscal year. Our planned audits of Fire personal protective equipment, Fire internal controls over controlled substances, and Health and Human Services' Medi-Cal will be issued next fiscal year. The Police Department evidence room audit will be a follow-up audit of implementation of recommendations by the recent Peace Officer Standards and Training (POST) study of narcotics handling procedures and property and evidence room management.

FINANCIAL IMPLICATION

Anticipated recommendations resulting from the Police Asset Forfeiture Account audit are expected to reduce risk, rather than to directly impact revenue, and are not likely to be expensive to implement.

POSSIBLE FUTURE ACTION

The 2008 audit plan will be provided to Council on June 28, as required by the City Charter. Council members, as well as staff and the general public, are encouraged to contact the auditors with requests for audits and other informational reports.

CONTACT PERSON

Ann-Marie Hogan, City Auditor, 981-6750

