



Office of the City Auditor

INFORMATION CALENDAR

June 26, 2007

To: Honorable Mayor and  
Members of the City Council

From: Ann-Marie Hogan, City Auditor

Subject: Outstanding Audit Recommendations

INTRODUCTION

The purpose of this report is to inform Council of the status of audits whose recommendations are not yet implemented. The attached report includes all City Auditor recommendations whose implementation is the responsibility of the City Manager.

Our March 13, 2007 report to Council listed 19 open audits with 104 outstanding recommendations. As of June 26, 2007, there are 24 open audits with 138 outstanding recommendations. Three additional audits were completed recently. Two audits from 1995, Accounts Payable and Police Cash Receipts, have one outstanding recommendation each. Recent audit work disclosed that these recommendations and related findings, previously reported cleared, appear to be once again a concern.

CURRENT SITUATION AND ITS EFFECT

Most of our audit reports can be viewed on the City Auditor's website at:

<http://www.ci.berkeley.ca.us/auditor/currentaudits.htm>.

Implementation of the audit recommendations results in reduced risk, increased revenue, and improved internal controls over City assets and resources. Delays in implementation result in inefficiencies, lost or delayed revenue receipt, unacceptable levels of risk, and/or lack of transparent and clear reporting of fiscal/budgetary information.

BACKGROUND

In accordance with Government Audit Standards, we are responsible for following up on the outstanding recommendations previously made by the City Auditor's Office and agreed upon by the City Manager. Management is responsible for taking appropriate action to address issues identified in our audit reports. We maintain a database to keep track of our audit findings and recommendations. When departments report to Council the progress in implementing the recommendations, we update our database to reflect their current status.

CONTACT PERSON

Ann-Marie Hogan, City Auditor, 981-6750

Attachment

1: Status Report on Open Audit as of May 31, 2007

**Status Report on Open Audits**  
**Number of Outstanding Recommendations**  
**As of May 31, 2007**

<b>Audit Title</b>	<b>Date of Audit Report</b>	<b>Scheduled Council Report</b>	<b>Partially Implemented (I)</b>	<b>Not Implemented (II)</b>	<b>Total Outstanding Recommendations (I)+(II)</b>	<b>Total Recommendations</b>
<b>Fire Department Audit - Ambulance Billing</b>	12-Jun-2007	30-Sep-2008	1	18	19	23
<b>Fire Department Audit - Lost Time and Overtime</b>	22-May-2007	18-Dec-2007	3	1	4	6
<b>Follow-Up Audit of Public Works Construction Contracts</b>	27-Feb-2007	26-Sep-2007	0	20	20	23
<b>Seniors and Disabled Home Rehabilitation Loan Program</b>	23-May-2006	18-Sep-2007	3	17	20	23
<b>Audit of the Association of Sports Field Users</b>	23-May-2006	17-Jul-2007	3	5	8	13
<b>Follow-up Cash Receipts / Cash Handling Audit</b>	16-May-2006	22-May-2007	0	2	2	7
<b>Limited Tuolumne Camp Staff Review</b>	07-Mar-2006	26-Jun-2007	3	1	4	5
<b>Purchase Order Audit - Select Public Works Divisions At the Corporation Yard</b>	15-Mar-2005	04-Dec-2007	2	1	3	23
<b>Parcel Based Special Taxes, Fees, and Assessments Audit</b>	15-Mar-2005	17-Jul-2007	4	5	9	22
<b>Citywide Contract Compliance Audit</b>	18-May-2004	04-Dec-2007	1	3	4	18
<b>FUND\$ Change Management Audit</b>	04-May-2004	18-Dec-2007	10	2	12	23
<b>Accounts Payable Audit</b>	16-Dec-2003	30-Apr-2008	2	0	2	16
<b>Information Systems General Controls Audit</b>	16-Sep-2003	18-Dec-2007	2	1	3	27

Audit Title	Date of Audit Report	Scheduled Council Report	Partially Implemented (I)	Not Implemented (II)	Total Outstanding Recommendations (I)+(II)	Total Recommendations
Customer Service Cash Receipts / Cash Handling Audit	08-Apr-2003	31-May-2008	4	1	5	23
Cash Receipts/Cash Handling Audit - Treasury	17-Sep-2002	22-May-2007	0	1	1	19
Cash Receipts/Cash Handling Audit - Parks, Recreation & Waterfront	17-Sep-2002	31-Dec-2007	1	1	2	20
Police Staffing Audit	30-Apr-2002	31-May-2008	2	3	5	11
Business License Tax Audit Report For Year Ending June 30, 1999	11-Apr-2000	22-May-2007	1	0	1	7
Departmental Budget Monitoring Audit	23-Nov-1999	24-Apr-2007	5	1	6	15
Safety Members Pension Fund Audit for The Year Ended June 30, 1998	20-Apr-1999	24-Apr-2007	0	5	5	8
Public Works Grants Audit	16-Sep-1997	30-Apr-2008	0	1	1	8
Review of the Residential Rental Inspection Program	11-Mar-1997	18-Sep-2007	0	0	0	23
Accounts Payable Audit (Dated September 26, 1995)	26-Sep-1995	None	0	1	1	8
Berkeley Police Department Cash Receipts Audit	12-Sep-1995	None	0	1	1	17
<b>TOTAL</b>			<b>47</b>	<b>91</b>	<b>138</b>	<b>388</b>

24 Audits

