



Office of the City Auditor  
Ann-Marie Hogan, City Auditor

## COUNCIL INFORMATION

April 17, 2001

TO: Honorable Mayor and  
Members of the City Council

FROM: Ann-Marie Hogan, City Auditor

### REPORT ON AUDIT ACTIVITIES FOR THIRD QUARTER OF FISCAL YEAR 2001

#### Audit Follow Up

On tonight's agenda, progress on implementing the recommendations of three audits will be reported by the City Manager: *Landscape Assessment District Fund Audit (12/94)*, *Clean Storm Water Assessment Audit (3/96)*, and *Review of the Manual Check Process (4/97)*. His report on *Audit of Public Works' Construction Contracts (3/96)* will appear on next week's agenda. The current year's Audit Plan prioritizes audit follow up, to ensure that agreed upon recommendations have been implemented. A final report on implementation of the Departmental Budget Monitoring Audit was issued by the City Manager last quarter.

Next quarter, in accordance with the annual audit plan, follow up testing will be conducted in selected operating departments to verify the successful implementation of recommended improvements in Citywide budget monitoring and payroll accounting in those departments. This project, as well as Business License Tax revenue generation, has been delayed because of several temporary position vacancies caused by promotion, retirement, and family leave.

#### Current Audits

Reports to Council this quarter included the annual *Safety Members' Pension Fund Financial Audit*, the *Peer Review of the City Auditor's Office*, and the *Assessment of Job Training/Job Placement Programs and Community Agency Contracts*. The *Civic Center Building Grant Audit* and the annual *Business License Audit Report* will be presented to Council in this quarter.

#### Next Year's Audit Plan

In April and May of each year, the City Auditor asks Council, the City Manager, Commissions, and other knowledgeable parties to consider audit topics that should be included in next year's audit plan. The auditors assess the resources available, the level of risk, and the potential for developing significant and practical recommendations with a strong likelihood of being implemented and making a difference. Then the audit plan is finalized and transmitted to Council in June, in accordance with Charter requirements.

The staff of the City Auditor's Office has been encouraged by an increased level of interest in audit work, and support for carrying out the audit recommendations, on the part of the City Manager and the City Council. We hope to engage in some interesting discussions with you, over the next month, about how we can work together to make the City more efficient, more effective, and more responsive to the public interest.

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Approved by:

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Ann-Marie Hogan, City Auditor  
Office of the City Auditor

Attachment: *Request for Audit* form