



## Budget and Audit Committee Report

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Sacramento, CA 95814

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**File ID:** 2019-00035

March 5, 2019

**Consent Item 03**

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**Title:** City Auditor's Activity Report for the 2<sup>nd</sup> Quarter of Fiscal Year 2018/19

**Location:** Citywide

**Recommendation:** Pass a Motion: 1) accepting the City Auditor's Activity Report for the 2<sup>nd</sup> Quarter of Fiscal Year (FY) 2018/19; and 2) forwarding to City Council for final approval.

**Contact:** Jorge Oseguera, City Auditor, (916) 808-7270, Office of the City Auditor

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-City Auditor's Activity Report for the 2<sup>nd</sup> Quarter of Fiscal Year 2018/19

**Description/Analysis**

**Issue Detail:** According to the City Council Rules of Procedures, the Budget and Audit Committee shall receive, review, and forward to the council as appropriate, reports, recommendations, and updates from the City Auditor. This report documents the Auditor's Office activity for the 2<sup>nd</sup> Quarter of FY 2018/19.

**Policy Considerations:** The City Auditor's presentation of the Activity Report is consistent with the Mayor and City Council's intent to have an independent audit function for the City of Sacramento.

**Economic Impacts:** None.

**Environmental Considerations:** None.

**Sustainability:** None.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** This staff report provides the Budget and Audit Committee with information that may be used to meet its responsibility to provide oversight and supervision of the City Auditor.

**Financial Considerations:** The costs of the audits listed in the Activity Report were funded out of the FY 2018/19 Office of the City Auditor Budget.

**Local Business Enterprise (LBE):** Start Here



Report 2018/19-06

February 5, 2019

Honorable Members of the Budget and Audit Committee:

Activity highlights for October through December 2018:

- With the passing of Measure K in November, the Office of the City Auditor has been working through the administrative steps required to transition into a Charter Office. This includes modifying employee job specifications, consolidating budgets, and suggesting updated language for the Auditor's City Code.
- The Office of the City Auditor worked with Public Works staff to redesign the City Auditor's Office layout and better accommodate the absorption of the Independent Budget Analyst (IBA) staff.
- The Office of the City Auditor issued the Whistleblower Hotline Activity Report for the April 2018 to September 2018 period.
- The Office of the City Auditor issued the Semi-Annual Recommendation Follow-up Report for the January 2018 to June 2018 period.
- The Office of the City Auditor issued the Quarterly Activity Report for the July 2018 to September 2018 period.
- The Office of the City Auditor entered into a partnership agreement with Missionmark, Inc. to evaluate the potential for developing audit software that will streamline audit processes.
- The Office of the City Auditor developed policies for the Independent Budget Analyst (IBA) Division and incorporated them into existing department policies.
- The Office of the City Auditor website has been redesigned to highlight projects completed by the IBA Division and to make them available to the public.
- The Office of the City Auditor requested proposals through a competitive bidding process and selected a consultant to conduct the *Citywide Innovation and Efficiency Assessment*.
- Two employees, Nooria Kakar and Sean Arnold, accepted positions with other City Departments. The Office of the City Auditor hired two new entry-level employees: Joyce Chih

is a recent college graduate and Chevelle Jackson transferred from the City's Accounting Division.

- The Office of the City Auditor investigated a number of whistleblower allegations.

## Status of the City Auditor's FY 2018/19 Audit Plan as of December 2018

	Preliminary Survey	Risk Assessment	Audit Fieldwork	Report Writing	Audit Issuance Date
<b>Assignments In Progress</b>					
An Audit of On-Street Parking	Completed	Completed	Completed	In Progress	Feb 2019
An Audit of the City's Retirees Benefits	Completed	Completed	In Progress		
An Audit of City-Owned and Leased Property	Completed	Completed	In Progress		
An Audit of the Police Department Emergency Call Center	Completed	Completed	On Hold		
An Audit of the Utilities Department Fleet Management	Completed	Completed	In Progress		
<b>Assignments Not Yet Started</b>					
An Audit of the Fire Department Emergency Medical Services (EMS)	Not Started				
An Audit of Recycling and Solid Waste	Not Started				
An Audit of the Animal Care Services Division	Not Started				
An Audit of the Community Development Department, Code Enforcement Division	Not Started				

On behalf of the Auditor's Office, I would like to express my appreciation to the City staff for their cooperation and assistance during our reviews.

Respectfully submitted,

Jorge Oseguera