Title: City Auditor’s Activity Report for 2nd Quarter of Fiscal Year 2017/18

Location: Citywide

Recommendation: Pass a Motion: 1) accepting the City Auditor’s Activity Report for the 2nd Quarter of Fiscal Year (FY)2017/18; and 2) forwarding to City Council for final approval.

Contact: Jorge Oseguera, City Auditor 808-7270, Office of the City Auditor

Presenter: None.

Attachments:
1-Description/Analysis
2-City Auditor’s Activity Report for 2nd quarter of FY2017/18
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 2nd quarter of FY2017/18.

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 FY2017/18 Office of the City Auditor Budget.

Local Business Enterprise (LBE): Not applicable.
Honorable Members of the Budget and Audit Committee:

Activity highlights for October through December 2017:

➢ The Office of the City Auditor issued an *Audit of the City’s Medical Marijuana Dispensaries*.

➢ The Office of the City Auditor issued an *Audit of Parks and Recreation’s Strategic Planning and Part-Time Employee Benefits Management*.

➢ The Office of the City Auditor issued a *Follow-Up Audit of the Golden1 Center Local Hiring and Business Involvement*.

➢ The Office of the City Auditor issued the Quarterly Activity Report for July through September 2017.

➢ The Office of the City Auditor issued the Whistleblower Hotline Activity Report for the April 2017 through September 2017 period.

➢ The Office of the City Auditor initiated a *Review of the City’s Parking Meters*.

➢ The Office of the City Auditor initiated an *Audit of the City’s Gender and Ethnic Diversity*.

➢ The Office of the City Auditor investigated a number of whistleblower allegations.
Status of the City Auditor’s FY 2017/18 Audit Plan as of December 2017

<table>
<thead>
<tr>
<th>Assignments Completed</th>
<th>Preliminary Survey</th>
<th>Risk Assessment</th>
<th>Audit Fieldwork</th>
<th>Report Writing</th>
<th>Audit Issuance Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>An Audit of the Utilities Inventory System</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Jul 2017</td>
</tr>
<tr>
<td>City Procurement of Small Contracts</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Sep 2017</td>
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<tr>
<td>An Audit of the City’s Medical Marijuana Dispensaries</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Oct 2017</td>
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<tr>
<td>An Audit of City’s Parks and Recreation Department</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Completed</td>
<td>Nov 2017</td>
</tr>
<tr>
<td>An Audit of the Entertainment and Sports Center Local Hiring and Business Involvement (Phase II)</td>
<td>NA</td>
<td>NA</td>
<td>Completed</td>
<td>Completed</td>
<td>Dec 2017</td>
</tr>
</tbody>
</table>

Assignments In Process

| 2017 Audit of Ethnic and Gender Diversity | NA | NA | Completed | Completed | Jan 2018 |
| An Audit of the Utilities Department Workplace Safety | Completed | Completed | In Progress | |
| Review of Parking Meters | Completed | NA | In Progress | |

Assignments Not Yet Started

| An Audit of the Police Department | Not Started | |
| An Audit of the Fire Department Emergency Medical Services (EMS) | Not Started | |
| An Audit of the City’s Retirees Benefits | Not Started | |
| An Audit of the Community Development Department, Building 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