



May 4, 2016

Honorable Members of the Audit Committee:

Activity highlights for January through March 2016:

- Our office was awarded the Distinguished Knighton award for best performance audit in the small shop category by the Association of Local Government Auditors. Judges felt the audit was a thorough and well-documented examination of an issue that affects a broad swath of the public. (See Attachment 3)
- As required by Government Auditing Standards, our office underwent an independent external peer review. Based on the results of the review, the peer review team determined that the City Auditor's internal quality control system is suitably designed and operating effectively to provide reasonable assurance of compliance with Government Auditing Standards. (See Attachment 4)
- Issued an *Audit of the Entertainment and Sports Center Local Hiring and Business Involvement*.
- Issued the City Auditor's Recommendation Follow-up Report for the Six Month Period Ending December 31, 2015.
- Issued the City Auditor's Activity Report for the 2nd quarter of 2015/16.
- Reinitiated an *Audit of the City's Risk Management Division*.
- Made a presentation to the City's Management Academy on the role and work of the Office of the City Auditor.
- Reinitiated the City Auditor's Fellows program. As a result, Joe Flores is volunteering at our office and working towards completing an audit.
- The City Auditor's Office investigated a number of whistleblower allegations.

Status of the City Auditor's FY 2015/16 Audit Plan as of March 2016

	Preliminary Survey	Risk Assessment	Audit Fieldwork	Report Writing	Audit Issuance Date
Assignments Completed					
City Vendor List Audit	Completed	Completed	Completed	Completed	Dec 2015
SHRA	Completed	Completed	Completed	Completed	Oct 2015
Assessment of the City's Sexual Harassment Policy	Completed	Completed	Completed	Completed	Sep 2015
Entertainment and Sports Center Local Hiring and Business Involvement	Completed	Completed	Completed	Completed	Feb 2016
Assignments In Process					
Audit of the Risk Management Division	Completed	Completed	In Progress		
Utilities Department Payroll Audit	Completed	Completed	In Progress		
Fire Department's Use of Overtime	Completed	Completed	In Progress		
Assignments Not Yet Started					
City Procurement of Small Contracts	Not Started				
Police Department	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