



Agenda Report

21-941

Agenda Date: 9/28/2021

REPORT TO COUNCIL

SUBJECT

Overview of the City Auditor's Office Semi-Annual Status Report as of June 30, 2021

COUNCIL PILLAR

Enhance Community Engagement and Transparency and Ensure Compliance with Measure J and Manage Levi's Stadium

BACKGROUND

On September 16, 2021, the Audit Committee took action to accept the City Auditor's Office Semi-Annual Status Report as of June 30, 2021 and referred the reports for note and file to the full Council at the September 28, 2021 Council and Authorities Concurrent meeting.

Per Section 900 of the City Charter, the City Auditor's duties and responsibilities include conducting in-depth financial and performance audits, overseeing the City's performance management system, auditing and approving all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, making reports to the City Council as to the regularity, legality and correctness of such claims, demands or charges. The City Auditor's Office conducts its work under the auditing standards prescribed by the Institute of Internal Auditors (IIA). The IIA International Standards for the Professional Practice of Internal Auditing (Standards) requires the City Auditor's office to periodically report to the City Council on the internal audit activity's performance relative to the Audit Work Plan.

DISCUSSION

In accordance with the adopted Internal Audit Charter, the City Auditor's office prepares an annual work plan and issues semi-annual reports to the City Council describing the status and progress towards completion of the work plan. The Semi-Annual Status Report (Attachment 1) summarizes reports issued, other activities, assignments in process, and the status of the work plan.

The Audit Manager and staff met with the City Council Audit Committee on September 16, 2021. Present were Committee members Watanabe, Jain, and Park. During the Committee meeting, the Auditor's office gave a presentation about the audit process and scope of work. The Audit Manager also provided a status update on the projects in the work plan and responded to Committee member questions. The Audit Committee accepted the Semi-Annual Status Report presented at the Committee meeting and recommended that the City Council note and file the reports at the September 28, 2021 Council meeting.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environment Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(a)(4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

The staff and the external auditor costs associated with the audit and financial reports production are included in the annual appropriations.

COORDINATION

This report has been coordinated with the City Manager’s Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Note and file the City Auditor’s Office Semi-Annual Status Report as of June 30, 2021 as recommended by the Council Audit Committee.

Reviewed and Approved by: David Noce, Audit Manager

ATTACHMENTS

1. Semi-Annual Status Report as of June 30, 2021