



Agenda Report

21-1158

Agenda Date: 9/16/2021

REPORT TO AUDIT COMMITTEE

SUBJECT

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

BACKGROUND

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 to periodically report to the Audit Committee on the internal audit activity's performance relative to the Audit Work Plan.

In accordance with the adopted Internal Audit Charter, the City Auditor 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 internal audit work and resulting reporting were placed on hold with the previous City Auditor transitioning to City operations as the Assistant Director of Finance. As the internal audit office is now staffed again, this report summarizes reports issued, other activities, assignments in process, and the status of the work plan during the period from January thru June 2021.

DISCUSSION

The role of the Audit Committee (Committee) is to provide oversight of the City's financial reporting processes, internal controls, and independent auditors. The City Auditor will present the audit status report as of June 30, 2021. Staff will provide an update of the audit projects within the existing work plan.

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

Costs associated with the preparation of this report are included in the City's FY 2021/22 Adopted Operating Budget.

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>> .

RECOMMENDATION

Accept the City Auditor's Office Semi-Annual Status Report as of June 30, 2021 recommend that the report be forwarded for note and file to the full Council at the September 28, 2021 Council and Authorities Concurrent meeting.

Reviewed and Approved by: David Noce, Audit Manager

ATTACHMENTS

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