




MEMORANDUM

TO: Citizens General Obligation Bond Oversight Committee

FROM: Tonia Lediju, Director of City Audits
City Services Auditor Division 

DATE: January 15, 2014

SUBJECT: CSA Audits Activity Update

The following are highlights of the City Services Auditor Division (CSA) Audits Unit's activity during November 14, 2013, through January 15, 2014.

Date Issued	Report
12/26/2013	<i>Office of the Treasurer and Tax Collector: Agreed-Upon Procedures for the Year Ended June 30, 2013</i> The Office of the Treasurer and Tax Collector complied with the investment requirements in the California Government Code, sections 27130 through 27137, and with the City's investment policy for the audit period.
12/31/2013	<i>Office of the Assessor-Recorder: Audit of the Department's Social Security Number Truncation Program</i> The Office of the Assessor-Recorder correctly documents truncation program revenue and truncated Social Security numbers on official records recorded on and after January 1, 2009. However, the Recorder has not truncated Social Security numbers on all official records recorded from 1980 through 2008 and did not properly allocate expenses to the truncation program.
1/6/2014	<i>San Francisco Public Utilities Commission: Results of Follow-up of Audit of the Department's Leases With Hanson Aggregates Mid-Pacific, Inc.</i> CSA performed a field follow-up of the corrective actions the Real Estate Services Division of the San Francisco Public Utilities Commission (SFPUC) took in response to a 2010 CSA audit report. SFPUC has fully implemented all 11 of the recommendations selected for this field follow-up. The remaining open recommendations do not require further follow-up due to personnel, management, procedural, and technology shifts within SFPUC's Real Estate Section.

Date Issued	Report
1/8/2014	<p data-bbox="430 279 1403 373"><i>San Francisco Public Utilities Commission: The Department Complied With All Applicable Close-out Procedures in Its Contract for the Bay Division Pipelines Nos. 3 & 4 Crossover Facilities Project</i></p> <p data-bbox="430 411 1403 510">The San Francisco Public Utilities Commission complied with all applicable close-out procedures in its contract with Shimmick Construction Company, Inc., for the Bay Division Pipelines Nos. 3 & 4 Crossover Facilities project.</p>
1/9/2014	<p data-bbox="430 594 1386 657"><i>Recreation and Park Commission: The Beach Chalet, L.P., Owes the City \$53,208 for Paying Its Rent Late in 2009 Through 2011</i></p> <p data-bbox="430 695 1430 926">Beach Chalet owes the Recreation and Park Department (Rec & Park) \$53,208, consisting of \$53,175 in late payment fees and \$33 in interest charges for late rental payments. Rec & Park also needs to improve its management of the Beach Chalet lease, including reviewing how the cost of water usage is allocated between Beach Chalet and the City, determining the appropriateness of some janitorial supplies expenses, and ensuring that Beach Chalet submits its statements of gross sales on time.</p>
1/14/2014	<p data-bbox="430 1010 1430 1073"><i>Port Commission: Sabella & LaTorre Sea Foods Overpaid Rent by \$1,134 for 2010 Through 2012 and Needs to Improve Internal Controls</i></p> <p data-bbox="430 1110 1403 1270">Sabella & LaTorre Sea Foods (Sabella) overreported its gross revenues to the Port due to a lack of internal controls to ensure the accuracy of its gross receipts reporting, resulting in an overpayment of \$1,134 in rent. During the audit period Sabella reported \$15,267,957 in gross revenues and paid \$992,417 in rent due to the Port.</p>