Office of the Controller
City Services Auditor

Fiscal Year 2016-17
Annual Work Plan

The City Services Auditor (CSA) seeks to improve public service delivery and promote efficient, effective, and accountable government.

1. The Audits Unit's engagements range from large performance audits of operational effectiveness to audits of contract compliance, cybersecurity, and construction.

2. The City Performance Unit provides financial and operational analysis, program evaluation, and other technical assistance.

3. The Whistleblower Program receives and investigates allegations of misuse of city funds, improper activities by city employees, and wasteful and inefficient government practices.

CSA has broad authority to assess the efficiency and effectiveness of city departments, contractors, programs, and functions and make recommendations.

OUR WORK

94% of audit recommendations are implemented within two years of issuance

In fiscal year 2016-17 CSA's budget is **$17.9 million**

CSA is staffed with approximately **60 full-time equivalent positions**

Throughout the fiscal year CSA publishes its audit reports, performance reports, and technical assistance project summaries on the Controller's website. The public is invited to subscribe to CSA's reports, search the database of reports, and use publicly available financial and performance data on the CSA website. CSA strives to provide excellent audit, analytical, and technical assistance services to city departments, leadership, and citizens.

2015-16 ACCOMPLISHMENTS

Audits received the prestigious 2015 Knighton Distinguished Audit Award for its audit of the City's procurement practices. The award is given in recognition of the best performance audit reports based on potential impacts, persuasiveness, and feasibility of recommendations to make government programs more effective and efficient, including clarity and overall innovation.

City Performance was awarded the Certificate of Excellence by the International City/County Management Association's (ICMA) Center for Performance Analytics for 2015 and 2016. The award recognizes local governments for demonstrating excellence in analysis, public transparency, training, and support to staff and decision makers. San Francisco joins 33 other jurisdictions in receiving this award.
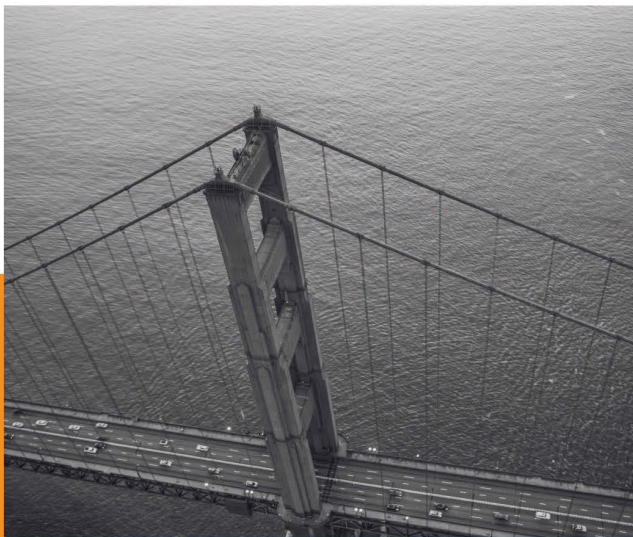
The Director of City Audits received the 2016 David M. Walker Award for Excellence in Government Performance and Accountability. Although an individual award, it is a reflection of the unit's work evaluating city programs and contractors and making impactful and innovative recommendations to improve core city business processes and departmental operations.

City Performance evaluated the San Francisco Navigation Center's first year of operation. The Navigation Center provides temporary housing to homeless San Franciscans while case managers connect them to public benefits, services, and supportive housing. Our analysis informed the design of an information management system and will help the new, integrated Department of Homelessness and Supportive Housing set criteria for supportive housing.

2015-16 ACCOMPLISHMENTS

As a result of audit recommendations and project work related to the citywide construction contractor performance evaluation, the Board of Supervisors and the Mayor approved the City's best value legislation in June 2016. This new legislation amends the Administrative Code to allow authorized departments to perform public works contracts through a best value process that selects contractors using a combination of price and qualifications, including safety record, past performance, experience, and other factors.

In March 2016 City Performance launched the new Performance Scorecards website, the City's first interactive tool for the public and policy makers to view timely results, outcomes, and information on core city services and other citywide indicators. Each scorecard compares actual performance to targets or projections with colored indicators to easily monitor progress. Each measure allows an interactive drill-down with additional detail.

City Performance worked with the Human Services Agency (HSA) to develop an interactive disaster planning staffing model to ensure HSA's quick and effective response in the event of a major disaster. The model estimates the people HSA will need and who they will have available to continue day-to-day operations based on varying disaster scenarios and decisions.

The Whistleblower Program continues to be recognized as a model fraud hotline program by developing an on-demand outreach video, hosting four webinars on best practices for jurisdictions across the United States and Canada, and issuing fraud bulletins on red flags associated with bid rigging, payroll schemes, and inventory theft. In FY 2015-16, the program received 325 complaints, the majority of which were investigated, resulting in 103 corrective or preventive actions.

OUR PLANS

The City Services Auditor Division developed this Annual Work Plan by considering audits, projects, and other city responsibilities mandated by the City and County of San Francisco Charter and municipal codes, the results of a high-level risk assessment, and input from city management, leadership, and stakeholders.

Public Health and Human Services

To provide support to the Department of Public Health (DPH) as it manages the recent opening of the newly rebuilt San Francisco General Hospital (SFGH), transitions San Francisco's public health network to a managed care delivery model (as indicated by the Affordable Care Act), and continues to grow and modernize its systems, CSA will:

• Continue work with DPH to create data dashboards with metrics such as patient wait time, appointment scheduling, and clinic treatment outcomes and will work with experts to help DPH best manage its service delivery, cost control, and revenue model to succeed in the managed care environment.

• Assist with moving to a new electronic health records system as the next development effort to improve service in SFGH and the City's clinics.

• Conduct a divisional performance audit of the Environmental Health Section.

To help clients stabilize their income, nutrition, and health care resources and to increase state and federal funding to the City, CSA will work with the Human Services Agency (HSA) to analyze and reduce turnover rates in public benefit programs such as CalWORKs, Medi-Cal, CalFresh, and County Adult Assistance. CSA will also continue to lead a city work group on common solutions to sharing public benefit program and client information while maintaining rights and privacy protections. This work is at the forefront of health, human services, and education agencies' desire to both design better programs and better serve clients with coordinated case management and services.

Transportation and Streets Infrastructure

To improve government responsiveness and efficiency, CSA will provide various auditing and consulting services related to transportation in the City, including:

• Conducting a performance audit of the Municipal Transportation Agency's (MTA) information technology functions and Capital Programs and Construction Division.

• Auditing the projects funded by the 2014 Transportation Bond in the last quarter of the fiscal year.

• Moving the City's collision reporting from antiquated paper and manual entry database methods into the City's Crime Data Warehouse. This change will allow better analysis and enable sharing of data among the Police, Municipal Transportation Agency and Department of Public Health. The city needs accurate, timely and geo-coded information about collisions for multiple safety, enforcement and education efforts in support of Vision Zero goals.

• Completing projects begun in fiscal year 2016 with MTA to analyze and improve its management of customer service requests and complaints. MTA receives complaints through 311 and a variety of other channels, and routes them to individual units, yards, and other work sites. The Agency seeks to improve the speed and consistency of its response to customers and its ability to act on the complaints correctly and in a timely manner. MTA uses complaints and requests to determine where training and/or discipline and information are needed.

OUR PLANS

Infrastructure, Capital, and Facilities

To promote fiscal sustainability, government efficiency, and interdepartmental collaboration, CSA provides audit, oversight, and technical assistance services related to the City's capital improvement programs, facilities, and bond expenditures. This includes:

• Auditing the various general obligation bond programs, including the 2012 Clean and Safe Neighborhood Parks Bond, 2014 Earthquake Safety and Emergency Response Bond, 2015 Affordable Housing Bond, and San Francisco General Hospital Rebuild Bond (a close-out audit).

• With the Department of Public Works and the City's capital planning entities, implement the ability to use performance results in evaluating construction contractors. This follows on a successful effort in fiscal year 2014-15 to update Chapter 6 of the City's Administrative Code, which governs construction contracting, and new legislation in fiscal year 2015-16 allowing the City to use best-value criteria in selecting construction bids.

• Assessing the efficiency and effectiveness of citywide facilities maintenance practices and oversight.

• Leading and facilitating a work group to create a consolidated City Permit Center. The City seeks to make the process for individuals seeking permits of all types seamless, fast, and efficient by locating the personnel who grant planning, building inspection, business operations, fire, health and other permits at one site, with common intake, service counters, cashiering and other facilities.

• Working with the Recreation and Park Department to move our Charter-mandated evaluations of park conditions to a mobile platform, resulting in increased efficiency from the on-line entry and error reduction that will be designed into the system. The mobile platform will also allow Recreation and Park to automate day-to-day facilities maintenance and work-order completion.

Public Safety

Since 2015 City Performance has facilitated a working group with the Department of Emergency Management, Fire Department, Mayor's Office, and private ambulance providers to develop common performance metrics on emergency medical response. Together these city agencies now maintain a public website and dashboard showing a variety of metrics for response time and ambulance transport. In 2017 the group will analyze ambulance performance—turnaround time and diversion hours—at hospitals.

Two of the City's jail facilities are located on upper floors of the seismically deficient Hall of Justice, which must be replaced in a relatively near-term time frame. The City is engaged with community organizations and citizens now in a work group to plan for the permanent closure of those jails by developing alternative programs, facilities, and/or treatment and community options. CSA is providing analytical support and employing a facilitator for the work group and will assist with the report out to the city leadership and stakeholders before the end of 2016 on what the City's path forward in this area should be.

Public Utilities Commission

To enhance government efficiency and responsiveness, CSA will continue to work with SFPUC to provide audit and technical services, including:

• Auditing the Sewer System Improvement Program, one of the largest infrastructure projects underway in the City over the next 20 years.

• Auditing SFPUC's Water Enterprise, which is the second of the division-level audits conducted by CSA.

OUR PLANS
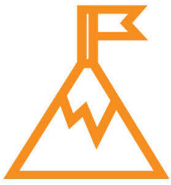
Performance Program

In fiscal year 2016, to better inform the public and policymakers on government performance, the Citywide Performance Measurement program rolled out a new website with comprehensive and interactive city service performance and quality data—the Performance Scorecards. The eight scorecards are Public Safety, Public Health, Livability, Safety Net, Transportation, Environment, Economy, and Finance. In 2017 CSA will build on the success of this tool, such as increasing the use of infographics in performance reporting. The information researched and produced by our performance team is used citywide in reports, the Mayor's Budget Book, and other professional and public settings for citizens, leadership, and the public policy community to understand and measure San Francisco's public service delivery.

To better understand how San Francisco compares to other jurisdictions, CSA is surveying other jurisdictions on a set of key performance metrics and will issue a citywide benchmarking report that looks at how San Francisco performs in policy areas such as transportation, livability, and public safety, among others.

CSA has created and run a Data Academy in the last two years where city workers can improve their skills in a variety of software, analytical methods, and data tools. We want to enable all city departments and individuals to make more decisions with data and design improvements to their service area and the City's businesses. We have trained hundreds of analysts in Excel for analytics, Tableau for data visualization and graphics, "R" open source statistical analysis, and other methods. In fiscal year 2017 we are developing and rolling out a process improvement training program that is designed to allow staff at every level of an organization to analyze, process map, measure, and improve their own work. Based on LEAN principles, these tools have been used successfully in the City of Denver, shared with our staff, and are being adapted for San Francisco city government.
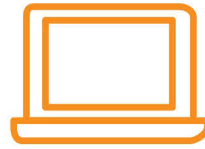
Technology

To promote efficient operations of the City's information technology structure, CSA continues to assist departments in minimizing security breaches and risks to city systems and applications and helping to develop solutions to the City's information technology (IT) needs, CSA will:

• Continue to conduct thorough network vulnerability and penetration tests.

• Build a cybersecurity and information technology audit team within the Department of Technology, responsible for ensuring that the City's IT governance and infrastructure conform to industry standards.

Also, the City's legacy property tax administration system under the Assessor is due to be replaced and upgraded beginning in this fiscal year. The project has been assisted by CSA's work and it will continue in 2017 with further mapping and analysis of the thousands of transactions and processes that underlie this critical area of public service. Design and process improvements will help the City sort high-value and time-critical events and transactions to the top, improve tax administration and revenue collection, and provide better service to taxpayers.

OUR PLANS

Procurement and Contract Oversight

To improve government efficiency and responsiveness and promote affordability, CSA will continue its work on the City's contracting and procurement efforts, including:
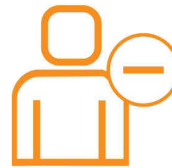
• Conducting contract compliance audits.

• Building a strategic sourcing team within the Office of Contract Administration responsible for implementing changes recommended in an audit of the City's procurement function to promote responsible and efficient purchasing of goods and services.

Whistleblower Program

To promote government efficiency, responsiveness, and interdepartmental collaboration, CSA will continue to provide:

• A best-in-class Whistleblower Program that effectively resolves complaints to support government efficiencies.

• Hotline webinars that promote innovative operational leading practices.

• Fraud prevention resources that educate complainants on identifying issues that impact the fiscal health of their department and the City.

Emergency Preparedness

To ensure that the City can continue financial operations when a disaster occurs, CSA will:

• Develop trainings and a citywide manual on cost recovery practices that comply with Federal Emergency Management Agency regulations.

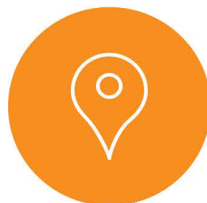• Audit virtual resilience and technology.

Follow-up Audit Efforts

To ensure continuous improvements in city operations and mitigate the risk of fraud, abuse, and error, CSA will follow up on audit recommendations every six months after issuance to monitor the status of auditees' corrective actions.

GET IN TOUCH WITH US

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MAJOR PLANNED PROJECTS & AUDITS

Listed below is a variety of the audits and projects that are planned for fiscal year 2016-17. CSA's complete work plan includes many additional smaller initiatives and continuous programs. Additional detail is available on request.

DEPARTMENT	PROJECT OR AUDIT TITLE
Airport	Design and Construction Audit
Assessor-Recorder	Assessor Process Mapping & Analysis - Business Personal Property Audits
Citywide/Multiple	Employee Benefit Rates Audit
Citywide/Multiple	Bond Program Preconstruction Phase Audits
Citywide/Multiple	City Survey 2017
Citywide/Multiple	Citywide Benchmarking Annual Report
Citywide/Multiple	Citywide Contract Compliance/Disbursement Audit Program FY17
Citywide/Multiple	Citywide Emergency Cost Recovery Planning/Training FY17
Citywide/Multiple	Citywide Facilities Maintenance Procedures
Citywide/Multiple	Citywide Fleet Management Performance Audit
Citywide/Multiple	Citywide Management Employment Practices Program
Citywide/Multiple	Citywide Nonprofit Audit Program FY17 (1 of 2)
Citywide/Multiple	Citywide Nonprofit Monitoring and Capacity Building Program
Citywide/Multiple	Cross-Department Data Sharing Phase II
Citywide/Multiple	Data Academy Data Use and Decision Making Materials and Training
Citywide/Multiple	Financial System Project Assistance
Citywide/Multiple	IT Procurement Review
Citywide/Multiple	IT Security Group
Citywide/Multiple	IT/Cybersecurity Dashboard
Citywide/Multiple	Jail Alternatives Planning Support
Citywide/Multiple	One-Stop Permitting Center
Citywide/Multiple	Payroll Audit Program - FY17
Citywide/Multiple	P-Card Audit
Citywide/Multiple	Performance Program
Citywide/Multiple	Process Improvement Program
Citywide/Multiple	Strategic Sourcing Staff Augmentation
Citywide/Multiple	Vision Zero Action Strategy Implementation: Enforcement
Citywide/Multiple	Whistleblower Program
Emergency Management	EMS Response Time Workgroup
Emergency Management	Special Events Permitting Process Improvement
Fine Arts	Fine Arts Museum Payment Audit
General Services Agency	311 Customer Service Center Audit
Homelessness & Supportive Housing	Department of Homelessness and Supportive Housing Transition Assistance
Housing Authority	San Francisco Housing Authority Assistance FY17
Human Services Agency	Benefits Turnover Rate Analysis
Human Services Agency	SF BenefitsNet Time and Motion Study
Library	Library Open Hours Assessment
Mayor's Office	Mayor's Office of Housing's Inclusionary Affordable Housing Program Eligibility Audit
Municipal Transportation	Cable Car Cash Audit
Municipal Transportation	Customer Service Review for Non-Muni Complaints
Municipal Transportation	Muni Customer Service Implementation
Municipal Transportation	MTA Information Technology Functions Audit
Municipal Transportation	Title VI Language Assistance and Public Participation Plans
Planning	Planning Department Office of Short-Term Rentals Audit
Police	Crime Data Warehouse Collision Reporting
Public Health	Environmental Health Section Audit
Public Health	Managed Care Strategy and Contracting
Public Health	Network Metrics Development & Implementation
Public Utilities	Divisional Performance Audit (Water Enterprise)
Public Works	Street and Sidewalk Inspections
Recreation and Park	Park Standards Evaluations, Database & Reporting
Sheriff	Sheriff's Department IT Unit Management Audit