

QUARTERLY ACTIVITY REPORT

Fourth Quarter of Fiscal Year 2024/25



Introduction

The Quarterly Activity Report highlights the activities of the Office of the City Auditor for the fourth quarter of fiscal year (FY) 2024/25. This report also identifies the status of the City Auditor's *Fiscal Year 2024/25 Work Plan* projects.

Reports Issued During the Fourth Quarter of FY 2024/25

The Office of the City Auditor issued several reports during the fourth quarter of FY 2024/25.



***Audit of the
Sacramento Ethics
Commission***



***Performance
Audit of City of
Sacramento's
Animal Care
Services Division***



***Office of the City
Auditor's 2025-26
Work Plan***



***Audit of Sacramento
Police Department's
Military Equipment
Use Policy and
Inventory Practices***



***City's Homeless
Response: Updated
Audit Scope
Proposal***



***Audit of the
City's Homeless
Response: City
Motel Program***



***City Auditor's
Semi-Annual
Recommendation
Follow-Up Report:
July - December
2024***

Other Highlights

The following highlights other activities of the Office of the City Auditor for this reporting period.



Staff Vacancies

The Office continued to have staff vacancies due to turnover and promotions. During this reporting period, the Office initiated the recruitment process for two vacant Principal Fiscal Policy Analyst positions.



Passed Peer Review

During the week of March 31, the Office participated in a peer review conducted by the Association of Local Government Auditors that found the Office’s internal quality control system is well-designed and operating effectively, providing reasonable assurance of compliance with Government Auditing Standards for audit work completed between January 2022 and December 2024.



DEI Efforts

The Office's Racial and Gender Equity Action Plan (RGEAP) Team continued to work towards the Citywide coordinated strategic work plan focused on workforce equity.



Association of Local Government Auditors Conference

Several employees of the Office attended the Association of Local Government Auditors' Annual Conference to further develop their knowledge base and skills.



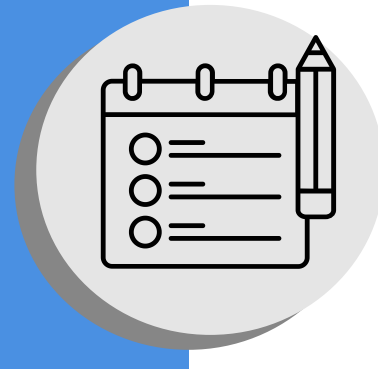
Whistleblower Hotline

The Office received and processed a number of whistleblower allegations.



Projects Initiated

The Office initiated the *Review of the Department of Utilities' Storm Drainage Fund* and *The Audit of the City's Homeless Response: Evaluation of Costs and Outcomes of Homeless Shelter Types*.



Fiscal Year 2025/26 Work Plan Approved

The Office's *Fiscal Year 2025/26 Work Plan* was presented to and approved by the City Council.

FY 2024/25 Work Plan Assignments In-Progress

The following highlights the status of the *Fiscal Year 2024/25 Work Plan* assignments in-progress.



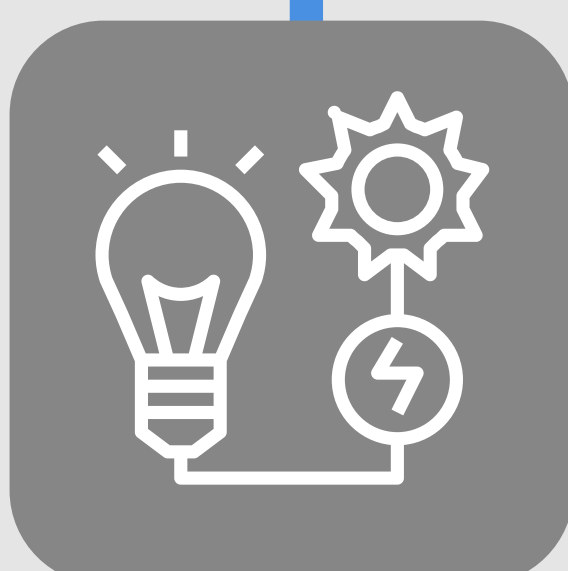
Audit of Fire Department Emergency Medical Services

The audit is currently in the Report Writing phase. During the last quarter, we have made progress drafting the report, updating analysis, and meeting with key stakeholders to understand opportunities to collaborate in deployment of emergency medical services throughout the City.



Audit of the City's Homeless Response: Evaluation of Costs and Outcomes of Homeless Shelter Types

This audit was initiated during this reporting period after the City Council approved the project scope. The audit will examine the City's homeless shelter system by assessing costs, effectiveness, accessibility for diverse populations, and practices associated with positive housing outcomes, with the goal of providing recommendations to enhance efficiency and impact. The review will focus on shelter programs operated or funded by the City.



Audit of the Department of Utilities' Energy Use

This audit is currently in the Risk Assessment phase of the audit. This audit will evaluate the Department of Utilities' energy and fleet initiatives by reviewing costs, compliance, vendor performance, and contractual obligations related to power purchase agreements, the SMUD SolarShares Program, and zero-emission vehicle requirements, with the goal of identifying risks and opportunities to improve efficiency and reliability.



Audit of the Transient Occupancy Tax

This audit is currently in the Fieldwork phase. The audit's testing plan has been updated to reflect changes to departmental procedures and to confirm alignment with audit objectives and criteria. Progress has been slower than planned due to limited staff availability.



Audit of the Sacramento Police Department's Property and Evidence Division

Our office re-initiated the performance audit of the Sacramento Police Department's Property and Evidence Division to evaluate current practices against industry standards and identify opportunities for improvement. Over the past quarter, we conducted interviews with SPD personnel, reviewed best practices, and analyzed information gathered through facility walk-throughs and departmental data.

FY 2024/25 Work Plan Assignments In-Progress (Continued)



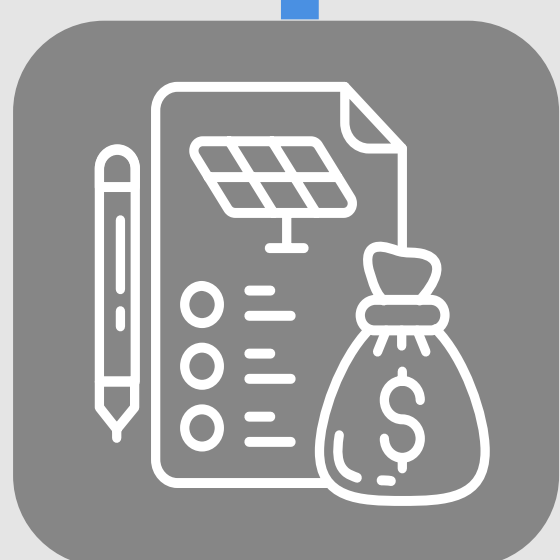
Review of the Department of Utilities' Storm Drainage Fund

This project was initiated during this reporting period and will analyze the fiscal sustainability of the Storm Drainage Fund, including the new Storm Drainage Property Fee, and forecast future revenues based on various scenarios, including potential rate increases.



Audit of the City's Complaint Investigation and Resolution Practices

This audit has been placed on a temporary hold due to department resource constraints. The audit will be re-initiated when sufficient department resources are available.



Potential Cost Savings and Revenue Recovery Audit Services – Utility Cost Recovery Audit

This project was initiated during the previous quarter and will explore entering into contingency contracts with a vendor to conduct third-party audits to potentially identify cost savings and/or other audits to recover potential past taxes or any other monies or revenue owed to the City that were not properly attributed to the City or were not properly paid/collected and to determine potential future taxes and other monies owed to the City not previously counted. Due to staff turnover, this project was temporarily put on hold during this reporting period.