



CITY COUNCIL AGENDA REPORT

MEETING DATE: SEPTEMBER 3, 2013

ITEM NUMBER: CC-8

SUBJECT: ANNUAL PERFORMANCE AUDIT WORK PLAN

DATE: AUGUST 7, 2013

FROM: CHIEF EXECUTIVE OFFICE

PRESENTATION BY: RICK FRANCIS, ASSISTANT CHIEF EXECUTIVE OFFICER

FOR FURTHER INFORMATION CONTACT: MARGARET CHANG (714) 754-5618

RECOMMENDATION:

Staff recommends that the City Council receive and file the Annual Performance Audit Work Plan and provide direction to staff regarding additional audits for Fiscal Year 2013-2014.

BACKGROUND:

On April 17, 2012, the City Council authorized staff to move forward with a detailed implementation plan regarding performance auditing services. Per Council direction, staff will return to the City Council annually for approval of the Performance Audit Work Plan.

SUMMARY:

There is one (1) performance audit underway, two (2) pending Request for Proposals (RFPs), and one (1) waiting for direction from the Finance Committee.

Current Performance Audit/Organizational Assessments underway include:

- A Performance Audit of the city-owned Costa Mesa Country Club.

Upcoming Performance Audit/Organizational Assessments include:

- An Organizational Assessment of the Senior Center finances, operations, customer satisfaction, and overall leadership;
- A Performance Audit of the Hank Lloyd Tennis Center;
- Airport area property tax audit.

Miscellaneous:

- An assessment of business licensing procedures:
The Finance Committee was tasked to determine the need for an audit of business licensing procedures. On July 30, 2013, the Finance Committee decided to hold off on taking this item to Council and will bring this item back in

six (6) months since the new business licensing software was just implemented. This will give staff time to utilize the new software and provide for a more valuable audit.

ALTERNATIVES CONSIDERED:

The City Council can choose not to provide any performance audit items for consideration.

FISCAL REVIEW:

Funding for this program will come from contingency funds with a budget of \$100,000 for FY 2013-2014.

LEGAL REVIEW:

No legal review is necessary.

CONCLUSION:

Staff recommends that the City Council receive and file the Performance Audit Work Plan and provide direction regarding any other items for FY 2013-2014.

MARGARET CHANG
Management Analyst

RICK FRANCIS
Assistant Chief Executive Officer

TAMMY LETOURNEAU
Interim Finance Director