





**Date:** December 8, 2020

**To:** Commissioner Sophie Maxwell, President  
 Commissioner Anson Moran, Vice President  
 Commissioner Tim Paulson  
 Commissioner Ed Harrington

**Through:** Harlan L. Kelly Jr., General Manager 

**From:** Eric Sandler, CFO and AGM Business Services 

**Subject:** SFPUC FY 2020-21 First Quarter Audit and Performance Review Report through September 30, 2020

This memorandum provides the SFPUC Quarterly Audit and Performance Review (QAPR) report, as of the first quarter for FY 2020-21 ending September 30, 2020. The quarterly report information has been consolidated into this streamlined memo format, and audit timelines have been extended due to city staff reassignments (both at the City Controller's Office and at the SFPUC) to COVID-19 emergency response. Attached is a summary reflecting the status of the FY 2020-21 audit plan.

**Report Summary:**

- 7 financial/performance audits completed/canceled during the quarter
- 1 open audit recommendation scheduled to be closed by December 2020
- FY 2020-21 audit plan consists of 25 audits (see attachment)

**Audits Completed/Canceled**

The following audit activity occurred during the first quarter:

- Three FY 2019-20 Physical Inventory Count Audits (Water, Wastewater, Hetch Hetchy Water & Power)
- 2019 Center for Resource Solutions Green-e Verification Audit (CleanPowerSF)
- Proposition 1E Grant Audit: Stormwater Flood Management (Wastewater)
- Workforce Development Programs Audit
- PG&E Interconnection Cost Audit was canceled by the City Services Auditor on September 18, 2020 due to PG&E non-responsiveness

**Audit Recommendation Status**

One audit recommendation remains open from the Crystal Springs/San Andreas Transmission System Upgrade Contract Audit. It is scheduled to be completed by December 2020.

If you have questions, please contact me at (415) 934-5707.

CC: Michael Carlin, Deputy General Manager, SFPUC

Attachment: Quarterly Audit & Performance Review Report

**OUR MISSION:** To provide our customers with high-quality, efficient and reliable water, power and sewer services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

**London N. Breed**  
 Mayor

**Sophie Maxwell**  
 President

**Anson Moran**  
 Vice President

**Tim Paulson**  
 Commissioner

**Ed Harrington**  
 Commissioner

**Harlan L. Kelly, Jr.**  
 General Manager





## Quarterly Audit & Performance Review Report FY 2020-21 Audit Plan, By Status As of September 30, 2020

By status, as of Sep 30, 2020	
Completed:	6
In Progress:	10
Canceled:	1
Upcoming:	8
Total:	25

#	Quarter Status	Audit Type	Enterprise / Bureau	Audit Name	Oversight Body
1	[Updated] Completed	Financial	Water	Annual Physical Inventory Count, FY 2019-20	SFPUC, Finance
2	[Updated] Completed	Financial	Wastewater		
3	[Updated] Completed	Financial	Hetch Hetchy Water & Power		
4	[Updated] Completed	Financial	Power	2019 Center for Resource Solutions Green-e Verification Audit	Center for Resource Solutions
5	[Updated] Completed	Financial	Infrastructure	Proposition 1E Grant Audit: Stormwater Flood Management	CA Department of Finance
6	[Updated] Completed	Performance	Infrastructure/External Affairs/HRS	Workforce Development Programs Audit	Board of Supervisors
7	[Updated] Canceled	Performance	Power	Pacific Gas and Electric Interconnection Cost Audit	CSA, Controller
8	In Progress	Financial	Water	Financial Statements Audit, FY 2019-20	Controller
9	In Progress	Financial	Wastewater		
10	In Progress	Financial	Hetch Hetchy Water & Power & CleanPowerSF		
11	In Progress	Financial	Business Services, Finance	Sales and Use Tax Audit	CA Board of Equalization
12	In Progress	Financial	Business Services, Finance	Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2018-19	BAWSCA
13	[Updated] In Progress	Performance	Wastewater	Sewer Repair and Maintenance Performance Audit	CCSF Board of Supervisors
14	[Updated] In Progress	Performance	Hetch Hetchy Water & Power	Reliability Standards Compliance Audit	WECC / NERC
15	In Progress	Performance	Power	Pacific Gas and Electric Franchise Fee Audit	CSA, Controller
16	[Updated] In Progress	Performance	Power	Energy Center San Francisco Franchise Fee Audit	CSA, Controller
17	[Updated] In Progress	Performance	Power	2019-20 CA Independent System Operator (CAISO), Scheduling Coordinators Self-Audit	CAISO
18	[Updated] In Progress	Performance	Business Services, ITS	FY 2020-21 Web Application Security Assessment	CSA, Controller
19	[Updated] Upcoming	Financial	Power	2020 Center for Resource Solutions Green-e Verification Audit	Center for Resource Solutions
20	Upcoming	Financial	Business Services, Finance	Comprehensive Annual Financial Report, FY 2019-20	SFPUC
21	Upcoming	Financial	Business Services, Finance	Popular Annual Financial Report, FY 2019-20	SFPUC
22	Upcoming	Financial	Business Services, Finance	Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2019-20	BAWSCA
23	Upcoming	Financial	All SFPUC	Political Activity Fund Compliance Assessment, FY 2017-18	CSA, Controller
24	Upcoming	Performance	External Affairs	External Affairs Divisional Audit	CSA, Controller
25	Upcoming	Revenue Bond Oversight Committee	RBOC	SFPUC Bond Expenditure Audit	RBOC