

	(A)	(B)	(C)	(D)	(E)
	Total Findings	Open Findings (Not Yet Completed by City)	Completed Findings (Validated and Not yet Validated)	Validated Findings (By Moss Adams)	Reportable Findings (Newly validated since last summary)
Reports					
2011 Memorandum of Internal Control for CAFR (MOIC11)	38	11	27	15	1
2011 Single Audit (SA11)	5	1	4	3	0
2010 Single Audit (SA10)	8	1	7	5	0
2010 Report to Management (RMIC10)	3	2	1	0	0
Internal Audit	36	21	15	6	0
2002 Performance Audit - Administrative Directives (IA-AD)	1	1	0	0	0
2007 Internal Control Evaluation - Stockton Events Center (IA-SEC)	1	0	1	0	0
2008 Performance Audit - Library Fines and Fees (IA-LIB)	1	0	1	0	0
2010 Compliance Audit - Election Costs (IA-EC)	1	0	1	1	0
2010 Performance Audit - Fire Department Overtime Processing System (IA-FP)	2	1	1	1	0
2012 Compliance Audit-ARRA Update (IA-ARRA)	4	1	3	0	0
2012 Compliance Audit: Disbursements – Payment Authority (IA-PA)	10	8	2	1	0
2012 Compliance Audit: Disbursements – Purchase Cards (IA-PC)	5	4	1	1	0
2005 Performance Audit: City Clerk (IA-CC)	1	1	0	0	0
2012 Performance Audit: Police Property Room (IA-PP)	3	0	3	2	0
2012 Performance Audit: Fleet Utilization and Management (IA-FUM)	7	5	2	0	0
2011 City of Stockton's Gas Tax Audit (SCOGT11)	3	0	3	3	0
2011 City of Stockton's Administrative and Accounting Controls Review (SCOIC11)	8	3	5	3	0
2011 City of Stockton's Redevelopment Agency Asset Transfer Review (SCORA11)	2	0	2	2	0
2014 City of Stockton's Crime Statistics Report for the Department of Justice Program (SCOCS14)	1	0	1	0	0
2012-2013 San Joaquin County Grand Jury Report, Case No. 0112 (SCGJ-112)	22	7	15	6	0
2012-2013 San Joaquin County Grand Jury Report, Case No. 0312 (SCGJ-312)	2	1	1	1	0
2012-2013 San Joaquin County Grand Jury Report, Case No. 0912 (SCGJ-912)	4	0	4	4	0
2012-2013 San Joaquin County Grand Jury Report, Case No. 1112 (SCGJ-1112)	1	1	0	0	0
2012-2013 San Joaquin County Grand Jury Report, Law and Justice Report (SCGJ-LAW)	1	1	0	0	0
2013-2014 San Joaquin County Grand Jury Report, Stockton City Council and The Brown Act (SCGJ-BRN)	14	2	12	3	0
2013-2014 San Joaquin County Grand Jury Report, Case No. 1613 (SCGJ-1613)	2	0	2	0	0
2013 Internal Controls Review (Enterprise Risk Assessment) (MA-ICR)	70	41	29	6	0
2014 Internal Audit of Revenue and Cash Operations (MA-REV)	18	8	10	1	0
2014 Internal Audit of IT General Controls (MA-IT)	20	14	6	3	1
2014 Internal Audit of Payroll Operations (MA-PAY)	12	6	6	1	0
2014 Internal Audit of Accounts Payable and Procurement Internal Controls (MA-AP/PUR)	10	7	3	2	0
2015 Internal Audit of Monthly Close Process (MA-MON)	4	1	3	0	0
2015 Internal Audit of Grants Management (MA-GRANT)	3	2	1	0	0
2012 SAS 115 - Internal Controls Identified in an Audit (12 SAS115)	11	6	5	2	0
2012 Single Audit Report (SA12)	6	1	5	3	0
2013 SAS 115 - Internal Controls Identified in an Audit (13 SAS115)	9	5	4	1	0
2013 Single Audit Report (SA13)	3	1	2	2	0
2014 Single Audit Report (SA14)	2	2	0	0	0
2014 SAS 115 - Internal Controls Identified in an Audit (14SAS115)	6	6	0	0	0
2015 SAS 115 - Internal Controls Identified in an Audit (15SA115)	4	4	0	0	0
2015 Single Audit Report (SA15)	2	2	0	0	0
2016 Public Agency Review (16PAR)	1	1	0	0	0
2012 Independent Accountant's Report on RDA Dissolution - Agreed Upon Procedures Engagement (RDA-AUP)	5	0	5	4	0
Total	336	158	178	76	2

Legend:

Reports = report name
Reporting Entity = organization that prepared the report
Total Findings = number of findings in the report
Open Findings = number of findings not yet completed by City
Completed Findings = number of findings completed by City, both and not yet validated
Validated Findings = number of findings validated by Moss Adams as completed and adequately addresses the finding
Reportable Findings=number of findings validated since last summary report for Audit Committee report

Relationships between Columns

Total Findings: Column (A) = Column (B) + Column (C)
Open Findings: Column (B)
Completed Findings: Column (C) = Column (A) - (B)
Validated Findings: Column (D) (subset of (C) Completed Findings)
Reportable Findings: Column (E) (subset of (D) Validated Findings)

Item No.	Finding No.	Report Code	Report Date	Auditing Entity Code	Period Covered	Council Approval Date	Finding	Recommendation	Responsible Dept.	City's Remediation Plan (Course of Action & Expected Benefits)	Finding corrected? (Y, N, Partial)	City's Status Comments	Risk Category	Moss Adams Determination
49	2011-38	MOIC11	11/17/12	MAZE	07/1/10-06/30/11	12/11/12	IT Best Practices While the results of our work did not indicate material weaknesses or significant deficiencies as they relate to financial reporting and the financial system, we did note overall information technology areas which could be improved to conform to NIST guidelines.	Patch and Vulnerability Management- Computer or information systems are in a state of continuous change. Some changes to systems lead to vulnerabilities or weaknesses that potentially could be exploited by malicious attackers such as hackers. Our scans indicate the City's information systems have numerous vulnerabilities. The City should develop a method for finding and remediate such vulnerabilities before they can be exploited. Proactively managing vulnerabilities of systems will reduce or eliminate the potential for exploitation and involve considerably less time and effort than responding after exploitation has occurred. Payment Card Industry Compliance - The City is not in compliance with the Payment Card Industry Data Security Standard (PCI-DSS). Any organization that processes credit cards is required to comply with PCI-DSS, even if the processing is outsourced. General Information System Controls - We reviewed the compliance of the City's information systems with the National Institute of Standards and Technology (NIST) information security standards based on a moderate risk system. Although there is no required IT standard for local governments, NIST encourages state, local and tribal governments to consider the use of these guidelines, as appropriate. Our work indicates there are approximately 60 high impacts control areas, 10 moderate control areas and 10 low control areas which should be evaluated by staff and where appropriate inclusion into a cohesive IT plan.	ASD-IT	Implement recommendations identified as part of the Citywide Technology Strategic Plan: 1) Execute an annual network vulnerability scan and penetration test. 2) Remediate identified security issues from annual vulnerability scan. 3) Create a Citywide security policy. 4) Create a software license policy. 5) Perform routine desktop software audits. 6) Monitor email retention and manage disk capacity expansion. 7) Re-evaluate email retention policy. 8) Create a formal disaster recovery plan 9) Consider establishing an EOC at 400 E. Main. 10) Modify timing of desktop virus scan. 11) Staff Help Desk during patch management and virus scanning procedures. 12) Modify timing of desktop patch procedure.	Yes	1,2,8,3) Please see response to MA-13 "All IT policies are being reviewed and/or modified to conform to the new IT Security Policy book which addresses IT security across the City of Stockton. The IT Security Policy Manual is approximately 50% completed and was distributed to STOC on 4/30/15. Estimated completion date: 12/31/15". 4) As stated in Tracking Report, please consider this closed. 5) As stated in Tracking Report, consider this closed. 6 & 7) See response to MA-20 "On 5/19/15, Council approved IT staff recommendation to implement MS Office 365, including conversion of GroupWise email to MS Exchange/Outlook. Email backup and archiving will be addressed as part of the conversion. Expected implementation date: 11/30/15". 8) See response MA-09 "Continuity of Operations Plan (COP) and Continuity of Government (COG) plans need to be developed in sync with the Technology Recovery Plan (TRP) and will include hardware/software (source documents, code, libraries, and data) backup and recovery processes. Expected completion date: 9/30/2015". 9) The decision to establish an EOC at 400 E. Main is currently on hold. 10) Software solution (WebRoot) in place, consider this closed. 11) As stated in Tracking Report, consider this closed. 12) As stated in Tracking Report, consider this closed.	L	We validated this finding by reviewing evidence of the improvements made in IT practices. These improvements include patch and vulnerability management, performance of desktop software audits, and policy development. Moreover, since the issuance of this finding, the City has implemented an entirely new email system that aligns with industry standards and has improved email retention monitoring.
287	17	MA-IT	8/4/2014	MOSS	07/01/2013 - 3/31/2014	8/11/2014	Operations security controls for software patch management including implementation and support, have not been addressed or defined.	An effective patch management process should be documented and implemented. IT should prioritize patches based on system configuration and risk and ensure appropriate installations of patches are done on a timely basis. In addition, IT should conduct inventory of all systems, desktops, and servers as to the operating system in use.	ASD - Information Technology	Currently, all departments are on a schedule for updating patches on a weekly basis for both Windows 7 and Windows 8 computing devices. For Windows servers, the infrastructure team patches on a monthly basis. 1) With regards to the Windows XP operating system, IT will be preparing a project plan for approval by the end of 2014. 2 We anticipate Windows XP computers to be updated by June 2017. 3) IT is in the process of inventorying all systems, desktops, and servers as to the operating system in use. It is anticipated the inventory will be completed by end of year 2014.	Yes	Majority of City PC's have been upgraded to Windows 7, Inventory List, and Patch Management Policy are now complete. Jim Limbaugh	L	We reviewed the City's patch management schedule and protocol, as well as the inventory of all of its systems, desktops, and servers by operating system. Based on this review, we determined that a patch management system has been implemented and documented, thus implementing the recommendation, and that this finding can be considered closed.

LEGEND

	Entity Code	Report Code	Report Name	Entity Name
38	MAZE	MOIC11	2011 Memorandum of Internal Control for CAFR	MAZE and Associates
5	MAZE	SA11	2011 Single Audit	MAZE and Associates
8	MGO	SA10	2010 Single Audit	Macias Gini & O'Connell LLP
3	MGO	RMIC10	2010 Report to Management	Macias Gini & O'Connell LLP
1	City	IA-AD	2002 Performance Audit - Administrative Directives	City of Stockton Internal Audit
1	City	IA-SEC	2007 Internal Control Evaluation - Stockton Events Center	City of Stockton Internal Audit
1	City	IA-LIB	2008 Performance Audit - Library Fines and Fees	City of Stockton Internal Audit
1	City	IA-EC	2010 Compliance Audit - Election Costs	City of Stockton Internal Audit
2	City	IA-FP	2010 Performance Audit - Fire Department Overtime Processing System	City of Stockton Internal Audit
4	City	IA-ARRA	2012 Compliance Audit-ARRA Update	City of Stockton Internal Audit
10	City	IA-PA	2012 Compliance Audit: Disbursements – Payment Authority	City of Stockton Internal Audit
5	City	IA-PC	2012 Compliance Audit: Disbursements – Purchase Cards	City of Stockton Internal Audit
1	City	IA-CC	2005 Performance Audit: City Clerk	City of Stockton Internal Audit
3	City	IA-PP	2012 Performance Audit: Police Property Room	City of Stockton Internal Audit
7	City	IA-FUM	2012 Performance Audit: Fleet Utilization and Management	City of Stockton Internal Audit
3	SCO	SCOGT11	2011 City of Stockton's Gas Tax Audit	California State Controller's Office (SCO)
8	SCO	SCOIC11	2011 City of Stockton's Administrative and Accounting Controls Review	California State Controller's Office (SCO)
2	SCO	SCORA11	2011 City of Stockton's Redevelopment Agency Asset Transfer Review	California State Controller's Office (SCO)
1	SCO	SCOC514	2014 City of Stockton's Crime Statistics Report for the Department of Justice Program	California State Controller's Office (SCO)
22	GJ	SCGJ-112	2012-2013 San Joaquin County Grand Jury Report, Case No. 0112	San Joaquin County Grand Jury
2	GJ	SCGJ-312	2012-2013 San Joaquin County Grand Jury Report, Case No. 0312	San Joaquin County Grand Jury
4	GJ	SCGJ-912	2012-2013 San Joaquin County Grand Jury Report, Case No. 0912	San Joaquin County Grand Jury
1	GJ	SCGJ-1112	2012-2013 San Joaquin County Grand Jury Report, Case No. 1112	San Joaquin County Grand Jury
1	GJ	SCGJ-LAW	2012-2013 San Joaquin County Grand Jury Report, Law and Justice Report	San Joaquin County Grand Jury
14	GJ	SCGJ-BRN	2013-2014 San Joaquin County Grand Jury Report, Stockton City Council and The Brown Act	San Joaquin County Grand Jury
2	GJ	SCGJ-1613	2013-2014 San Joaquin County Grand Jury Report, Case No. 1613	San Joaquin County Grand Jury
70	MOSS	MA-ICR	2013 Internal Controls Review (Enterprise Risk Assessment)	Moss Adams
18	MOSS	MA-REV	2014 Internal Audit of Revenue and Cash Operations	Moss Adams
20	MOSS	MA-IT	2014 Internal Audit of IT General Controls	Moss Adams
12	MOSS	MA-PAY	2014 Internal Audit of Payroll Operations	Moss Adams
10	MOSS	MA-AP/PUR	2014 Internal Audit of Accounts Payable and Procurement Internal Controls	Moss Adams
4	MOSS	MA-MON	2015 Internal Audit of Monthly Close Process	Moss Adams
3	MOSS	MA-GRANT	2015 Internal Audit of Grants Management	Moss Adams
11	PUN	12 SAS115	2012 SAS 115 - Internal Controls Identified in an Audit	Pun & McGeady
6	PUN	SA12	2012 Single Audit Report	Pun & McGeady
9	PUN	13 SAS115	2013 SAS 115 - Internal Controls Identified in an Audit	Pun & McGeady
3	PUN	SA13	2013 Single Audit Report	Pun & McGeady
2	PUN	SA14	2014 Single Audit Report	Pun & McGeady
6	PUN	14SAS115	2014 SAS 115 - Internal Controls Identified in an Audit	Pun & McGeady
4	PUN	15SAS115	2015 SAS 115 - Internal Controls Identified in an Audit	Pun & McGeady
2	PUN	SA15	2015 Single Audit Report	Pun & McGeady
1	CP	16PAR	2016 Public Agency Review	CaIPERS
5	BA	RDA-AUP	2012 Independent Accountant's Report on RDA Dissolution - Agreed Upon Procedures Engagement	Brown Armstrong Accountancy Corporation

RISK CATEGORY

Code	Risk Factor
A	Processes
B	Capital Program
C	Operations/Service Delivery
D	Risk Management
E	Management
F	Organization and Staffing
G	Asset Management
H	Internal Controls
I	Funding and Economics
J	Human Resources
K	Governance
L	Technology
M	Compliance
N	Procurement
O	Accounting and Financial Reporting
P	Fraud
Q	Public Safety