

	(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	7	31	16	0
2011 Single Audit (SA11)	5	1	4	4	0
2010 Single Audit (SA10)	8	1	7	5	0
2010 Report to Management (RMIC10)	3	1	2	1	0
Internal Audit	36	14	22	8	2
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	5	5	2	1
2012 Compliance Audit: Disbursements – Purchase Cards (IA-PC)	5	0	5	2	1
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	4	1
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	6	16	9	1
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	1	13	4	1
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	36	34	15	0
2014 Internal Audit of Revenue and Cash Operations (MA-REV)	18	6	12	3	0
2014 Internal Audit of IT General Controls (MA-IT)	20	12	8	7	1
2014 Internal Audit of Payroll Operations (MA-PAY)	12	5	7	3	1
2014 Internal Audit of Accounts Payable and Procurement Internal Controls (MA-AP/PUR)	10	6	4	3	1
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
2017 Internal Controls Testing: Cash Handling (MA-CASH)	18	18	0	0	0
2017 Internal Controls Testing: Month End Close and Reconciliation Process (MA-MONIC)	13	13	0	0	0
2017 Internal Controls Testing: Grants Management and Administration (MA-17GRANT)	15	15	0	0	0
2017 Internal Controls Testing: Payroll and Timekeeping (MA-17PAY)	15	15	0	0	0
2017 Internal Controls Testing: Superion Access (MA-17IT)	4	2	2	2	2
2017 Internal Controls Testing: Purchasing and AP (MA-17PUR)	16	11	5	5	5
2012 SAS 115 - Internal Controls Identified in an Audit (12 SAS115)	11	2	9	5	2
2012 Single Audit Report (SA12)	6	1	5	3	0
2013 SAS 115 - Internal Controls Identified in an Audit (13 SAS115)	9	3	6	4	1
2013 Single Audit Report (SA13)	3	1	2	2	0
2014 Single Audit Report (SA14)	2	1	1	1	0
2014 SAS 115 - Internal Controls Identified in an Audit (14SAS115)	6	4	2	2	0
2015 SAS 115 - Internal Controls Identified in an Audit (15SAS115)	4	3	1	1	0
2015 Single Audit Report (SA15)	2	1	1	1	0
2016 SAS 114 - Report on Internal Control Related Matters Identified in the Audit (16SAS114)	4	4	0	0	0
2017 Single Audit (SA17)	6	6	0	0	0
2017 SAS 115 - Report on Internal Control Related Matters Identified in the Audit (17SAS115)	4	4	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	431	210	221	122	18

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	Finding	Recommendation	Responsible Dept(s)	City's Remediation Plan (Course of Action & Expected Benefits)	Finding corrected? (Y, N, Partial)	City's Status Comments	Risk Category	<MA Validated/Closed?>	Moss Adams Determination
4	2008-02	IA-PC	02/17/12	City	7/09-12/10	Some transaction logs not in compliance with City procedures.	<p>The Purchasing Division should periodically provide purchase card training, focusing on areas where errors are common. Cardholders and approvers who frequently submit noncompliant transaction logs should be held accountable, and refresher training made a requirement.</p> <p>Transaction logs submitted with incorrect account numbers, or after the deadline, should be flagged for communication to the departments, and monitored to ensure that the correction occurs.</p>	ASD	<p>1. Purchase card holders in non-compliance with transaction log requirements, will be referred to the primary and secondary approver for discipline. AP will track issues through to their resolution. After three instances of non-compliance, mandatory training will be required for both purchase card holder and approvers.</p> <p>2) If no log has been submitted, a default account number will be used by AP to record the payment due to the bank. In these instances, AP will create a log of late submissions and notify the P-Card Administrator, the card holder, the approvers, the department budget contact, and Accounting with the list of default card transactions that may require a FAOF to correct the account charge.</p> <p>3) The Administrative Directive on Purchasing Card Policy and also Purchase Card Procedures Manual will be revised to reflect the changes surrounding the mandatory training and the FAOF tracking.</p>	Yes	<p>1) & 2) Procedures and tracking logs were completed and are in place in 2011 and are submitted to the Departments monthly for review and approval. All cardholders completed training and received a new procedures manual upon the conversion of the P-Card program from Wells Fargo bank to American Express in Fall 2012. New cardholders receive the same training prior to issuance of the cards.</p> <p>AP has implemented non-compliance notifications. An audit program to review purchases on a periodic basis that are out of compliance with City Policy and Procedures has not been developed but will be included in the review of the work of the purchasing/procurement services firm.</p> <p>3) Administrative Directives and procedures manual are being reviewed by staff in the Accounting and Purchasing Division and will be subject to the review by the consultant as part of their scope of work. Modifications to the Administrative Directive will be presented to Executive Team for approval. The consultant has completed their scope of work. Additional time is needed to correct this finding. This will allow the City to review the purchasing/procurement firm's report and allow staff to follow through on the firm's recommendations. Per Donald Kwong, the procurement project, which will identify policy and procedures, is on schedule and the next status update meeting is set for the 14th of September, 2015. This meeting will determine the next step in the procurement project process. Jnc/9/2015</p>	N	Yes	Validated based on new P-card program and updated policy and procedure manual.
73	2011-5	SCOIC11	8/5/13	SCO	FY 2011	Inadequate City Council oversight over contracting.	Revise the current no-bid contract approval process to require approval by the City Council in a non-consent agenda.	ASD	<p>Disagree. Fuel Contract - The City has been following the current policy for fuel purchases and approved delegation of authority. The fuel contract is now rebid annually.</p> <p>Innoprise Contract - Based on the best information available to staff at the time, Innoprise was the only vendor with the expertise necessary to migrate the data from the HTE/Sungard software into a new system while continuing to maintain the old and new software.</p>	Yes		N	Yes	Validated based on review of prior fuel contract and provisions to ensure bids are forwarded to Council for approval.
83	2010-5	IA-PA	3/21/12	City	CY 2010	Annual fuel contract is bid and awarded at staff level without Council approval.	Seek City Council approval for future gasoline purchases, and request the City Council rescind the existing resolution.	ASD	<p>While management has followed City Council direction to conduct a formal competitive bid for fuel providers on a yearly basis and to award the contract to the best price vendor, they feel that through this resolution, Council has delegated this contract authority to staff. Management feels that through this resolution, Council has delegated this contract authority to staff. However, to avoid ambiguity, we recommend that this Charter interpretation be included, clarified, and confirmed in the Council Policy proposed in Finding 2010-01. In addition, an update of the existing fuel purchase authority resolution will be brought forward to City Council for their current consideration.</p> <p>1.Consistent with the Action Plan for finding 2010-01, staff will develop and submit a policy for City Council consideration that will provide City Council with an opportunity to document its interpretation of existing charter language and provide clear direction to staff with respect to purchasing limits. This clarity will facilitate compliance with the Charter and Council policy.</p> <p>2.An update of the existing fuel purchase authority resolution will be brought forward to City Council for their current consideration.</p>	Yes	<p>1) The City has established an Ad-Hoc Committee of the Council pursuant to Council Policy 100-4 and reporting to the Ad-Hoc Committee is a 15-member Citizen Charter Review Advisory Commission. This Commission is tasked with specific scope of work broken into logical blocks of related issues that may form a cohesive ballot measure. The first block includes ASD submitted Purchasing-related topics for revision and consideration. Purchasing limits was one of those topics submitted. ASD submitted on September 25, 2013 a staff report with recommended charter language for Public Contract and Supplies. This item was heard by the Commission and was carried over to the next scheduled meeting on October 30, 2013.</p> <p>2) Competitive bids were solicited by the City's Administrative Services Department to contract with a purchasing/procurement services firm that provides advanced supply-management analysis and review to organizations seeking improved efficiency. Work has started and will include an expenditure review of historical supplier expenditures and contracting activities including a review of the current procure-to pay policies, procedures, processes, systems and limits. A report of findings and assessment will be presented to include recommendations for changes to current practice, systems, and policies to modernize the purchasing function and improve operating efficiencies.</p> <p>The consultant has completed their scope of work. Additional time is needed to correct this finding. This will allow the City to review the purchasing/procurement firm's report and allow staff to follow through on the firm's recommendations.</p>	N	Yes	Validated based on review of prior fuel contract and provisions to ensure bids are forwarded to Council for approval.

Item No.	Finding No.	Report Code	Report Date	Auditing Entity Code	Period Covered	Finding	Recommendation	Responsible Dept(s)	City's Remediation Plan (Course of Action & Expected Benefits)	Finding corrected? (Y, N, Partial)	City's Status Comments	Risk Category	<MA Validated/Closed?>	Moss Adams Determination
111	3.2	SCGJ-112	05/24/13	SCGJ		The City Auditor did not manage the external audit process in an effective manner to determine if a full independent review of the accounting processes was being conducted.	Effective with the current external audit contract, the City require the audit firm to regularly rotate audit supervisors.	CM/City Council	The City disagrees with this recommendation. A certain level of continuity is valuable in the financial audit process. Excessive turnover can in turn cause things to be missed. In order to balance continuity with fresh perspectives in the current external financial audit, the City has requested the audit firm to provide strong partner and manager involvement. This involvement of multiple senior auditors in a collaborative approach both builds institutional knowledge and provides a variety of perspectives for approaching this critical audit. In addition, it is a common practice to rotate audit firms every five years as opposed to requiring audit firms to rotate their managers or supervisors during the term of a contract. To enhance and preserve independence, the City's process will be to rebid the audit contract at a minimum of every five years. This will eliminate the need for partner or audit engagement personnel rotation.	Yes	To ensure that external audits are managed effectively and to guarantee "best practices" of accounting processes are followed, the City has hired a Senior Accountant. The result of this position has resulted in the CAFR 2012 was produced within 5 months from start of external audit fieldwork on July 8, 2013 to issuance of CAFR 2012 on December 9, 2013.	E	Yes	Validated based on review external audit RFP and auditor independence requirements.
210	2012-02	12 SAS115	12/9/2013	PUN	7/1/2011 - 6/31/2012	The City has experienced significant delays in the preparation and issuance of the 2012 basic financial statements and its Single Audit required under OMB Circular A-133.	The City's Finance Department should develop standard operating procedures to facilitate monthly and year end close process and the preparation of its basic financial statements. Because the basic financial statements are the responsibility of the City, it is in its own best interest to closely monitor the accounting process to ensure that financial position and operating results are accurately and timely reported. The following steps could be used to avoid future delays: <ul style="list-style-type: none"> Assign qualified accounting personnel in handling complex transactions; Identify critical due dates and develop a listing of assignment, including department coordinated items, based on available resources to meet those due dates; Hold periodic meetings to monitor the progress of assignments and responsibilities; and Conduct management review of financial statements and audit schedules prior to presenting them to the auditors. 	ASD-Accounting	The City agrees with this finding. In September 2011, the prior Chief Financial Officer completed a written evaluation of the Administrative Services Department which was updated in the 2013 14 Budget to include the addition of one Financial Accounting Supervisor. The new management team brings increased expertise in technology, auditing and financial reporting. Additional finance personnel have been added in each division with expertise in those areas. Training is now being provided to existing personnel in areas of federal grants, accounting, accounting close, and documentation. The antiquated accounting system was also identified by the City in its Citywide Technology Strategic Plan for replacement. City staff worked to develop an immediate term, low-cost fix for the antiquated reporting tools available. For 2012, an Excel based model was developed that can now produce the draft CAFR statements in a substantially shorter period of time and eliminates the inaccuracies of the former manual process and outdated reporting feature of the software. We anticipate this tool will facilitate a significantly faster 2013 audit and future audits. In addition, a request for proposal for a requirements analysis for the accounting system will be brought forward to City Council for approval in early 2014. A new auditing firm is conducting audits of both fiscal year 2012 and 2013 without a break in order to get the City caught up on past due audits. We anticipate that the June 30, 2014 audit will be back on schedule and the City will return to normal timelines to complete a City audit (typical timeframe is six months from June to December). The firm is also assisting with getting the delinquent statutory filings to the State Controller's Office completed by December 31, 2013.	Yes	The Comprehensive Annual Financial Report (CAFR) and Schedule of Expenditures on Federal Awards (SEFA) were delivered timely in FY 2013-14. The Accounting unit have followed seven steps to a successful Year-End close process: Planning, cutting-off the transaction cycle, building the balance sheet, analyzing the funds, compiling the CAFR, audit and reporting to stakeholders. The result of the audit in FY 2013-14 are positive. There are no new audit findings that were identified during the test of internal control and internal balances. We are on schedule in delivering a CAFR this year, FY 2014-15.	O	Yes	Validated based on review of financial statements and single audit timeliness over the prior 5 years.
211	2012-03	12 SAS115	12/9/2013	PUN	7/1/2011 - 6/31/2012	By the City reporting deficits in the ISF Funds, other funds and particularly the General Fund, which is typically the majority of the ISF Fund activity, have understated the liabilities and fund Balance (deficit) by the amount of the current portion of the long-term liability.	The City should quantify the impact of reporting the associated liabilities in the General and Other Funds and either: 1. Discontinue the use of ISF Funds and provide the accounting allocation of costs to other funds and the General Fund in order to manage these activities. 2. Continue the use of ISF Funds with the strong monitoring by the City management on a monthly basis to ensure that the ISF Funds are allocating costs to the appropriate funds. 3. Conduct an evaluation to determine if contribution rates on an annual basis sufficient to achieve a balanced fund balance with sufficient reserves sufficient to pay off liabilities as they come due over time. 4. "If a government does not intend to recover the full cost of providing goods or services, the use of an ISF Fund would not be appropriate."	ASD-Accounting	The City is in agreement with this finding and recommendation. Rate studies should be conducted and reserve levels should be established sufficient to pay off the liabilities over the period of their run out. The City should establish contribution rates from the respective funds that incurred the claim to pay that claim over the run out period discounted using the City's pooled cash and investment yield. We agree that these formal computations and studies have not been done historically and the City will work with the City's actuary to develop these models. During the budget process for Fiscal Year 2014-15 staff will bring back recommended funding level options to City Council for consideration. The general fund uses the modified accrual basis of accounting and therefore only reports current liabilities. Thus it would only report the current portion of the long-term liabilities or those coming due within the next twelve months. The City does in fact report the short and long-term liabilities and deficits of these ISF Funds on a government-wide basis attributable to all governmental activities so that the reader may assess the impact to general operation. As of June 30, 2012, there are negative unrestricted net assets of \$123.9 million as a result of these outstanding liabilities.	Yes	Same as #299	O	Yes	Validated this finding based on a review of the 2017 CAFR showing that all ISFs except workers' compensation are in the black; the FY2017-18 budget message shows that ISF costs are evaluated.
258	3.3	SCGJ-BRN	5/19/2014	SCGJ		The City of Stockton has potential liability exposure from volunteers accessing and releasing confidential information obtained through City Hall computer access.	That the City Council adopt an ordinance prior to October 1, 2014, requiring all volunteers working for any City elected official to undergo training through the City's Human Resources Department and Information Technology Department on the City's directives related to computer access, e-mails and security and be required to sign an acknowledgement that they understand and will comply with the directives.	CM	The respondent agrees with this finding. The City has referred this matter to the City Auditor who is currently conducting a needs based assessment to assist the City in updating policies and streamlining procedures to ensure effectiveness and efficiency. Consideration will be made in this process for ensuring that sufficient policies and procedures are in place related to the role and access to information of volunteers.	Yes	The respondent agrees with this finding. The City has referred this matter to the City Auditor who is currently conducting a needs based assessment to assist the City in updating policies and streamlining procedures to ensure effectiveness and efficiency. Consideration will be made in this process for ensuring that sufficient policies and procedures are in place related to the role and access to information of volunteers.	K	Yes	Validated based on review of VISTAS application materials, use of background clearance, and signed Volunteer Confidentiality Agreement.

Item No.	Finding No.	Report Code	Report Date	Auditing Entity Code	Period Covered	Finding	Recommendation	Responsible Dept(s)	City's Remediation Plan (Course of Action & Expected Benefits)	Finding corrected? (Y, N, Partial)	City's Status Comments	Risk Category	<MA Validated/Closed?>	Moss Adams Determination
259	1	MA-PAY	4/4/2014	MOSS	11/01/2013 - 3/31/2014	Payroll staff is operating with limited resources and a lack of mid-level management.	The Administrative Services Department should finalize its recruitment of an experienced payroll services supervisor and ensure payroll staff is dedicated solely to payroll duties.	ASD - Payroll	The recruitment process for hiring a Financial Services Supervisor was postponed to allow for review of the job specifications and to perform a wage and salary study. ASD is working with HR to complete this task which involves several layers of review and final approval by the Civil Service Commission. Once approved the position will be re-advertised. Once filled, we feel it will provide for the added supervisory review and approval and create required segregation of duties.	Yes	The recruitment for Payroll Supervisor was completed. The incumbent will serve as a unit supervisor, under the direction of the Accounting Manager, will oversee payroll. In addition, payroll technicians have been added to the payroll unit for proper staffing. Edwin Gato, Acct. Mgr., 02/10/2015		Yes	Validated based on job description and verification of payroll supervisor hire.
284	14	MA-IT	8/4/2014	MOSS	07/01/2013 - 3/31/2014	Password security controls are weak and did not enforce password complexity requirements.	Users and processes should be appropriately identified and authenticated through logical access controls. Logical controls should be designed to restrict legitimate users to the specific systems, programs, and files that they need and prevent others, such as hackers, from entering the system.	IT	IT has implemented authentication using Active Directory which now has a 90 day password change policy. 1) The recommendation to enhance password set-ups and complexity to mitigate against password breaches will be implemented. Thus, Administrative Directive IT-09 will be revised to strengthen current security standards and will be submitted to the Executive Team for approval by September 2015.	Yes	Revisions to Administrative Directive IT-09 are still pending. Estimated completion date: 9/30/2016. Jim Limbaugh		Yes	Validated based on a review of account management procedures detailing password complexity requirements for key systems.
294	2013-02	13 SAS115	6/25/2014	PUN	07/01/2012 - 06/31/2013	The City has experienced significant delays in the preparation and issuance of the 2012 basic financial statements and its Single Audit required under OMB Circular A-133.	The City's Finance Department should develop standard operating procedures to facilitate monthly and year end close process and the preparation of its basic financial statements. Because the basic financial statements are the responsibility of the City, it is in its own best interest to closely monitor the accounting process to ensure that financial position and operating results are accurately and timely reported. The following steps could be used to avoid future delays: <ul style="list-style-type: none"> Assign qualified accounting personnel in handling complex transactions; Identify critical due dates and develop a listing of assignment, including department coordinated items, based on available resources to meet those due dates; Hold periodic meetings to monitor the progress of assignments and responsibilities; and Conduct management review of financial statements and audit schedules prior to presenting them to the auditors. 	ASD-Accounting	The City agrees with this finding. In September 2011, the prior Chief Financial Officer completed a written evaluation of the Administrative Services Department which was updated in the 2013 14 Budget to include the addition of one Financial Accounting Supervisor. The new management team brings increased expertise in technology, auditing and financial reporting. Additional finance personnel have been added in each division with expertise in those areas. Training is now being provided to existing personnel in areas of federal grants, accounting, accounting close, and documentation. The antiquated accounting system was also identified by the City in its Citywide Technology Strategic Plan for replacement. City staff worked to develop an immediate term, low-cost fix for the antiquated reporting tools available. For 2012, an Excel based model was developed that can now produce the draft CAFR statements in a substantially shorter period of time and eliminates the inaccuracies of the former manual process and outdated reporting feature of the software. We anticipate this tool will facilitate a significantly faster 2013 audit and future audits. In addition, a request for proposal for a requirements analysis for the accounting system will be brought forward to City Council for approval in early 2014. A new auditing firm is conducting audits of both fiscal year 2012 and 2013 without a break in order to get the City caught up on past due audits. We anticipate that the June 30, 2014 audit will be back on schedule and the City will return to normal timelines to complete a City audit (typical timeframe is six months from June to December). The firm is also assisting with getting the delinquent statutory filings to the State Controller's Office completed by December 31, 2013.	Yes	Same as Item #210	O	Yes	Validated based on review of financial statements and single audit timeliness over the prior 6 years.
313	9	MA-AP/PUR	8/4/2014	MOSS		The current P-card vendor's services and timing requirements are not conducive to strong internal controls or efficient City processes.	The Administrative Services Department should request proposals for a new P-card vendor that can better meet the City's needs in the areas of a longer payment cycle, automatic data upload of transaction data, and immediate automated alerts for those transactions out of compliance with City policy/individual authorized levels. In the meantime, the Accounts Payable Unit should continue to work to minimize the backlog of P-card transaction log reconciliation and review.	ASD - Purchasing	We are in the process of developing an RFP for banking services. We anticipate this could be released as early as Fall 2014. One of the service/products the City is soliciting in the RFP is the purchasing card (P-Card) program. In addition, the Purchasing Unit and ASD management has inquired into the State of California CalCard program to determine if this program will meet the needs of the City. Since the completion of the Accounts Payable and Procurement internal control review, the AP Unit and Accounting Division staff has been working on the backlog of credit card transaction postings, of which, significant progress has been made. The backlog of card transactions has been significantly reduced and staff is currently reconciling and reviewing transactions for the August 2014 credit card statement.	Yes	By October 2016, the new CalCard Program will be implemented citywide and the program allows for payment to the provider after submission and compliance review of the transaction logs.		Yes	Validated following implementation of CalCard program and a review of revised policies, procedures, and timelines.

Item No.	Finding No.	Report Code	Report Date	Auditing Entity Code	Period Covered	Finding	Recommendation	Responsible Dept(s)	City's Remediation Plan (Course of Action & Expected Benefits)	Finding corrected? (Y, N, Partial)	City's Status Comments	Risk Category	<MA Validated/Closed>	Moss Adams Determination
402	1	MA-17IT	10/5/2017	MOSS	1/1/17 - 3/31/17	The City does not have formally written policies or procedures related to provisioning, deprovisioning, and reviewing system user access.	Establish policies and procedures related to provisioning, deprovisioning, and reviewing system access.	IT		Yes			Yes	Validated based on a review of account management procedures requiring a biannual system audit and controls over the provisioning and deprovisioning of accounts.
404	3	MA-17IT	10/5/2017	MOSS	1/1/17 - 3/31/17	The City does not have a process to periodically (usually quarterly or annually) review Superion user access.	Implement a process to review Superion access at least annually.	IT		Yes			Yes	Validated based on a review of account management procedures, approval process for granting access, and regular communication with HR to revoke access according to staff assignments and employment status.
416	11	MA-17PUR	11/29/2017	MOSS	7/1/15 - 3/31/16	Not all monthly transaction logs were appropriately approved.	Re-emphasize the importance of appropriate approvers signing monthly transaction logs.		The monthly P-Card transaction logs are received by Accounts Payable and reviewed for completeness before payments are made. Department training on P-Cards includes the responsibilities of approver and secondary approver including review and signature on P-Card transaction logs in compliance with City policy and procedures.	Yes			Yes	Validated based on a review of revised P-card policies and procedures and tracking spreadsheet.
417	12	MA-17PUR	11/29/2017	MOSS	7/1/15 - 3/31/16	Some issues were identified relating to the timeliness of reconciled monthly transactions logs.	Improve timeliness of P-Card submissions and AP documentation.		Timeliness of reconciled monthly P-Card transaction logs is being addressed through monitoring and follow-up by ASD. In addition, the P-Card manual is being revised to add back progressive control measures and is expected to be finalized by March 2018. Department training includes enforcement of compliance measures.	Yes			Yes	Validated based on a review of revised P-card policies and procedures and tracking spreadsheet.
418	13	MA-17PUR	11/29/2017	MOSS	7/1/15 - 3/31/16	Some transactions and monthly spending exceeded established limits.	Work with the P-Card vendor to review spending limits.		The current P-Card provider has restrictions in place to adhere to spending limits on a per transaction and monthly basis.	Yes			Yes	Validated based on receipt of revised P-card policies and procedures and tracking spreadsheet that includes complete list of cardholders and spending limits.
420	15	MA-17PUR	11/29/2017	MOSS	7/1/15 - 3/31/16	Not all instances of non-compliance were tracked or enforced.	Implement a robust review process and effective enforcement program.		The P-Card manual is being revised to reinstate progressive control measures and is expected to be finalized by June 2018. Department training includes enforcement of compliance measures.	Yes			Yes	Validated based on review of revised P-card policies and procedures and tracking spreadsheet that includes complete list of cardholders and spending limits.
421	16	MA-17PUR	11/29/2017	MOSS	7/1/15 - 3/31/16	Approver reviews were not always effective in detecting instances of non-compliance.	Increase guidance to approvers and modify training.		ASD includes compliance with the P-Card manual in its training of P-Card users and approvers. The City will continue to assign cardholders to approvers who are responsible for the specific and related operations in accordance with organizational and fiscal authority.	Yes			Yes	Validated based on a review of revised P-card policies and procedures and training documents.