



Date: August 23, 2022
To: Commissioner Anson Moran, President
Commissioner Newsha Ajami, Vice President
Commissioner Sophie Maxwell
Commissioner Tim Paulson
Through: Dennis J. Herrera, General Manager
From: Irella Blackwood, Audit Bureau Director
Subject: FY 2021-22 Q4 Audit and Performance Review Report

This memorandum provides the San Francisco Public Utilities Commission (SFPUC) Quarterly Audit and Performance Review (QAPR) report, as of FY 2021-22 Q4.

I. Completed Audits

There were four completed audits since the last quarterly report:

- 1. CleanPowerSF Privacy Audit | April 29, 2022
Report is confidential.

Report Summary: Third-party auditor Turner, Warren, Hwang & Conrad AC (TWHC) reviewed and monitored CleanPowerSF’s compliance with data privacy and security commitments required by the California Public Utilities Commission Decision 12-08-045 Rule 9(d) Attachment B (Rule).

Audit Findings Summary: TWHC concluded that CleanPowerSF complied with the Rule set for the 2021 reporting year with no outstanding issues.

- 2. FY 2021-22 Cybersecurity Maturity Assessment | May 27, 2022
Report is confidential.

Report Summary: The City Services Auditor (CSA) assessed SFPUC’s cybersecurity maturity level based on the National Institute of Standards and Technology (NIST) cybersecurity framework. The assessment is mandated by the Committee on Information Technology (COIT) cybersecurity policy.

Audit Findings Summary: SFPUC scored a “2.4” out of a possible “4.0” where a higher score indicates higher maturity. SFPUC continues to improve its cybersecurity program and bolster its cyber infrastructure.

- 3. 2021 Green-e Energy Verification Audit | June 1, 2022
Report is confidential.

Report Summary: Third-party auditor Larkin & Associates, PLLC performed the audit procedures agreed upon by CleanPowerSF and the Center for Resource

London N. Breed
Mayor

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Resolutions (CRS) to verify compliance with annual reporting requirements of the CRS's Green-e Energy program.

Audit Findings Summary: The confidential report found no exceptions regarding the compliance of the Green-e Energy verification reporting requirements.

4. [FY 2020-21 Single Audit | June 3, 2022](#)

Report Link: <https://openbook.sfgov.org/webreports/details3.aspx?id=3105>

Report Summary: Third-party auditor Macias Gini & O'Connell LLP (MGO) audited the City and County of San Francisco's (City) compliance with the types of compliance requirements described in the OMB Compliance Supplement for FY 2020-21. SFPUC is included as a department of the City.

Audit Findings Summary: MGO concluded the City complied with the compliance requirements described in the OMB Compliance Supplement for FY 2020-21.

II. **Audit Recommendation Status**

9 audit recommendations remain open pertaining to the two audits: SFPUC Revenue Bond Programs Audit: Phase I and the Social Impact Partnership (SIP) Program Audit. SFPUC submitted updates for the SIP Program Audit to the City Services Auditor and will be updating the Revenue Bond Oversight Committee in the upcoming months on the SFPUC Revenue Bond Programs Audit. All recommendations are on target to be implemented by the end of the calendar year.

If you have questions, please contact me at iblackwood@sfwater.org.

cc: Ronald P. Flynn, Deputy General Manager
Nancy L. Hom, Co-Acting Chief Financial Officer and Deputy CFO

att: FY 2021-22 Audit Plan, By Status

Quarterly Audit & Performance Review Report FY 2021-22 Audit Plan, By Status As of June 30, 2022

Status	
Completed:	18
In Progress:	15
Upcoming:	7
Total:	40

#	Quarter Status	Audit Type	Enterprise / Bureau	Audit Name	Oversight Body
1	Completed	Financial	Water	Annual Physical Inventory Count, FY 2020-21	SFPUC, Finance
2	Completed	Financial	Wastewater		
3	Completed	Financial	Hetch Hetchy Water & Power		
4	Completed	Financial	Water	Audited Financial Statements, FY 2020-21	Controller
5	Completed	Financial	Wastewater		
6	Completed	Financial	Hetch Hetchy Water & Power & CleanPowerSF		
7	Completed	Financial	Power	Green-e Verification Audit, 2020	Center for Resource Solutions
8	[Updated] Completed	Financial	Power	Green-e Verification Audit, 2021	Center for Resource Solutions
9	Completed	Financial	Business Services, Finance	Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2019-20	BAWSCA
10	Completed	Financial	Business Services, Finance	Post Audit, CY 2020	Controller
11	Completed	Financial	Business Services, Finance	Sales and Use Tax Audit, 2018-20	CA Department of Tax & Fee Administration
12	Completed	Financial	Business Services, Finance	Annual Comprehensive Financial Report, FY 2020-21	SFPUC
13	Completed	Financial	Business Services, Finance	Popular Annual Financial Report, FY 2020-21	SFPUC
14	[Updated] Completed	Financial	Business Services, Finance	Single Audit (OMB Circular A-133), FY 2020-21	OMB
15	[Updated] In Progress	Financial	Water	Annual Physical Inventory Count, FY 2021-22	SFPUC, Finance
16	[Updated] In Progress	Financial	Wastewater		
17	[Updated] In Progress	Financial	Hetch Hetchy Water & Power		
18	[Updated] In Progress	Financial	Water	Audited Financial Statements, FY 2021-22	Controller
19	[Updated] In Progress	Financial	Wastewater		
20	[Updated] In Progress	Financial	Hetch Hetchy Water & Power & CleanPowerSF		
21	In Progress	Financial	Power	Franchise Fee Audit: Pacific Gas & Electric Company	Controller
22	In Progress	Financial	Power	Franchise Fee Audit: Energy Center SF LLC	Controller
23	In Progress	Financial	Business Services, Finance	Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2020-21	BAWSCA
24	In Progress	Financial	Business Services, Finance	Post Audit, CY 2021	Controller

#	Quarter Status	Audit Type	Enterprise / Bureau	Audit Name	Oversight Body
25	[Updated] Upcoming	Financial	Business Services, Finance	Annual Comprehensive Financial Report, FY 2021-22	SFPUC
26	[Updated] Upcoming	Financial	Business Services, Finance	Popular Annual Financial Report, FY 2021-22	SFPUC
27	[Updated] Upcoming	Financial	Business Services, Finance	Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2021-22	BAWSCA
28	[Updated] Completed	Performance	Business Services, ITS	CleanPowerSF Privacy Audit	CPUC
29	[Updated] Completed	Performance	Business Services, ITS	Cybersecurity Maturity Assessment, FY 2021-22	CSA, Controller
30	Completed	Performance	External Affairs	Public Integrity Assessment: Social Impact Partnership Program Audit	CSA, Controller
31	In Progress	Performance	Infrastructure	Public Integrity Assessment: SOLIS Procurement	CSA, Controller
32	In Progress	Performance	Infrastructure	SSIP CS-165 Program Management Contract Audit	CSA, Controller
33	[Updated] In Progress	Performance	Business Services, ITS	IT / OT Network Audit	CSA, Controller
34	[Updated] Upcoming	Performance	Hetch Hetchy Water & Power	Reliability Standards Compliance Audit	WECC / NERC
35	[Updated] Upcoming	Performance	Power	CA Independent System Operator (CAISO), Scheduling Coordinators Self-Audit, 2020-22	CAISO
36	[Updated] Upcoming	Performance	Business Services, ITS	Interconnection Security Agreement, FY 2022-23	CSA, Controller
37	[Updated] Upcoming	Performance	Business Services, ITS	Enterprise Risk Management: Cyber Risk Assessment	SFPUC
38	[Updated] In Progress	Concessions, Lease Revenue	Real Estate Services	Revenue Lease Audit: Crystal Springs Golf Partners LP	CSA, Controller
39	Completed	Revenue Bond Oversight Committee	RBOC	SFPUC Revenue Bond Programs Audit: Phase I	RBOC
40	In Progress	Revenue Bond Oversight Committee	RBOC	SFPUC Revenue Bond Programs Audit: Phase II	RBOC