




San Francisco Water Power Sewer


Services of the San Francisco Public Utilities Commission

525 Golden Gate Avenue, 4th Floor
San Francisco, CA 94102
T 415.554.3155
F 415.554.3161
TTY 415.554.3488

Date: November 12, 2019

To: Commissioner Ann Moller Caen, President
Commissioner Francesca Vietor, Vice President
Commissioner Anson B. Moran, Commissioner
Commissioner Sophie Maxwell, Commissioner
Commissioner Tim Paulson, Commissioner

Through: Eric Sandler, AGM Business Services & Chief Financial Officer 

From: Charles Perl, Deputy Chief Financial Officer 

Subject: **SFPUC Quarterly Audit and Performance Review Report,
1st Quarter, Fiscal Year 2019-2020**

For your reference, please find the attached *SFPUC Quarterly Audit and Performance Review Report*, as of the first quarter for Fiscal Year 2019-20.

The Executive Summary highlights significant activities from the past quarter. All audits and projects can be reviewed in the Dashboard summary. *Appendix I – Audit Detail of Current Fiscal Year* provides the status, scope and updates of all audits. *Appendix II – Aging Audit Recommendations Report* provides a summary of audits published prior to the current fiscal year and lists open and closed recommendations.

As of the first quarter of fiscal year 2019-20, there were 24 audits and projects in total: 4 completed; 12 in progress; and 8 upcoming in the next six months.

Completed audits and projects in the last quarter include:

- Annual Physical Inventory Counts for Millbrae and Sunol, Moccasin, Southeast Treatment Plan, City Distribution Division/AWSS, and Bryant/Treasure Island Warehouses.
- 2018 CleanPowerSF Power Source Disclosure

If you have any questions, ideas for enhancement to the quarterly report format or would like additional information, please contact me at (415) 487-5262 at your convenience.

cc: Harlan L. Kelly, Jr., General Manager
Michael Carlin, Deputy General Manager and Chief Operating Officer

att: SFPUC Quarterly Audit and Performance Review Report, 1st Quarter, FY 2019-20

London N. Breed
Mayor

Ann Moller Caen
President

Francesca Vietor
Vice President

Anson Moran
Commissioner

Sophie Maxwell
Commissioner

Tim Paulson
Commissioner

Harlan L. Kelly, Jr.
General Manager

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.



This page intentionally left blank

QUARTERLY AUDIT AND PERFORMANCE REVIEW REPORT



San Francisco
Water Power Sewer
Services of the San Francisco Public Utilities Commission

Audit and Compliance
Business Services
FY 2019-20, Quarter 1
Ending September 30, 2019

This page intentionally left blank

Audit and Performance Highlights:

All SFPUC

1. Annual Inventory Count, issued on 8/20/2019

Macias Gini & O'Connell LLP (MGO) performed inventory count services at five inventory locations for completeness and accuracy: Southeast Treatment Plant Warehouse (SEP), City Distribution Division (CDD) and Auxiliary Water Supply System (AWSS), Water Supply and Treatment (Millbrae), and Hetch Hetchy Water and Power (Moccasin) and Bryant Street and Treasure Island (Power Enterprise). MGO performed a 100% physical inventory count at Bryant Street and Treasure Island.

MGO made the following recommendations to the Enterprises:

- Be more cautious in performing the physical inventory counts to improve accuracy of the final balances within the Maximo Inventory System.
- Log inventory activity so that changes can be traced to system generated reports during physical inventory counts to determine whether fuels are accurate.
- Revise fuel inventory procedures to conduct the physical dip or reading of tanks to correlate to the date EJ Ward information interfaces with Maximo.

Power Enterprise

2. Power Source Disclosure for the Clean Energy Commission, issued on 9/4/2019

The California Public Utilities Commission (CPUC) Code and the California Public Resources Code requires all retail suppliers of electric energy provide an annual report summarizing the results of the Power Source Disclosure. To that end, the SFPUC's Audit and Compliance department completed the agreed-upon procedures and verified CleanPowerSF's SuperGreen compliance with the Power Source Disclosure Program for the calendar year ending 12/31/18, without exception.

Open Audits and Recommendations, Prior Fiscal Years

As of Q1, FY 2019-20, 98% (241 of 247) of audit recommendations were closed due to management's internal follow up. The open recommendations relate to 1 remaining open audit. *Refer to Appendix II for details.*

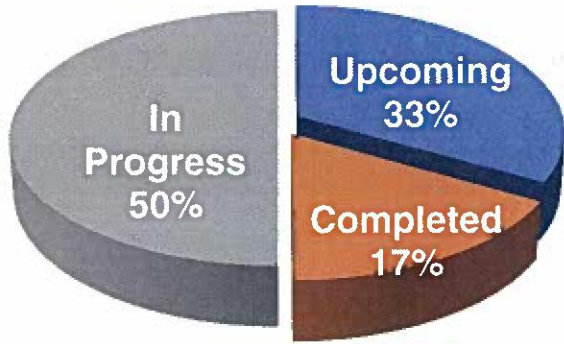


Figure 1: Portfolio by Audit Status, Q1

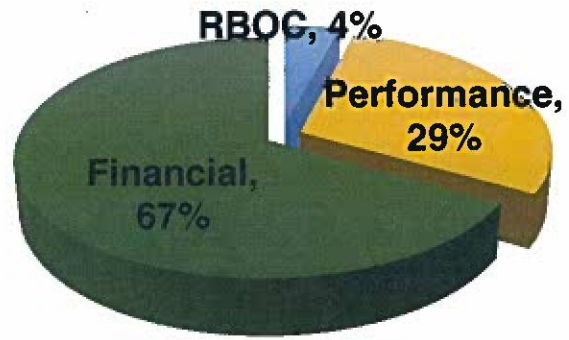


Figure 2: Portfolio by Audit Type, Q1

Projects Starting Next Quarter:

- SFPUC External Affairs Divisional Audit



Quarterly Audit & Performance Review Report Dashboard

FY 2019-20, Quarter 1, Ending September 30, 2019

| By status, as of September 30, 2019 | |
|-------------------------------------|-----------|
| Completed: | 4 |
| In Progress: | 12 |
| Upcoming: | 8 |
| Total: | 24 |

| # | Quarter Status | Audit Type | Enterprise / Bureau | Audit Name | Oversight Body |
|----|--------------------------|-------------|---|--|------------------------------|
| 1 | [Updated] Completed | Financial | Water | Annual Physical Inventory Count, FY 2018-19 | SFPUC, Finance |
| 2 | [Updated] Completed | Financial | Wastewater | | |
| 3 | [Updated] Completed | Financial | Hetch Hetchy Water & Power | | |
| 4 | [Updated] Completed | Financial | Power | 2018 CleanPowerSF Power Source Disclosure | California Energy Commission |
| 5 | In Progress | Financial | Water | Audited Financial Statements, FY 2018-19 | Controller |
| 6 | In Progress | Financial | Wastewater | | |
| 7 | In Progress | Financial | Hetch Hetchy Water & Power & CleanPowerSF | | |
| 8 | In Progress | Financial | Infrastructure | Crystal Springs Construction Contract Close-out Audit | CSA, Controller |
| 9 | In Progress | Financial | Business Services, Finance | Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2017-18 | BAWSCA |
| 10 | In Progress | Financial | Business Services, Finance | Sales and Use Tax Audit | CA Board of Equalization |
| 11 | In Progress | Financial | All SFPUC | Political Activity Fund Compliance Assessment, FY 2016-17 | CSA, Controller |
| 12 | In Progress | Performance | Business Services, ITS | Cybersecurity Maturity Assessment and Interconnection Security Agreement, FY 2018-19 | CSA, Controller |
| 13 | In Progress | Performance | Power | Pacific Gas and Electric Interconnection Cost Audit | CSA, Controller |
| 14 | [Updated] In Progress | Performance | Infrastructure/External Affairs | Workforce Development Programs Audit | Board of Supervisors |
| 15 | In Progress | Performance | Business Services, ITS | Confidential Report: Internal/External Network Penetration Test and Vulnerability Assessment | CSA, Controller |
| 16 | In Progress | Performance | Human Resource Services (HRS) | Lean Hiring Process Improvement | CSA, Controller |
| 17 | [Updated] Upcoming | Financial | Power | 2019 Center for Resource Solutions Green-e Verification Audit | SFPUC Audit & Compliance |
| 18 | Upcoming | Financial | Business Services, Finance | SFPUC Comprehensive Annual Financial Report, FY 2018-19 | SFPUC |
| 19 | Upcoming | Financial | Business Services, Finance | Popular Annual Financial Report, FY 2018-19 | SFPUC |
| 20 | Upcoming | Financial | Business Services, Finance | Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2018-19 | BAWSCA |

| # | Quarter Status | Audit Type | Enterprise / Bureau | Audit Name | Oversight Body |
|----|---------------------|----------------------------------|------------------------|--|-----------------|
| 21 | Updated Upcoming | Financial | All SFPUC | Political Activity Fund Compliance Assessment, FY 2017-18 | CSA, Controller |
| 22 | Upcoming | Revenue Bond Oversight Committee | RBOC | SFPUC Bond Expenditure Audit | RBOC |
| 23 | Upcoming | Performance | External Affairs | External Affairs Divisional Audit | CSA, Controller |
| 24 | Upcoming | Performance | Business Services, ITS | Cybersecurity Maturity Assessment and Interconnection Security Agreement, FY 2019-20 | CSA, Controller |

| | | |
|------|---------------------------|--|
| 1.* | Audit Name: | Annual Physical Inventory Count, FY 2018-19 |
| | Quarter Status: | [Updated] Completed |
| | Enterprise/Bureau: | Water, Wastewater, Power & HHWP |
| | Oversight Body: | SFPUC, Finance |
| | Purpose: | Third-party consultant: MGO, LLP. Annual count of inventory to ascertain completeness and accuracy. Mandatory full physical count inventory at least every three years, with random sampling in other years. |
| | Highlights: | Completion Date: August 20, 2019 |
| 4. | Audit Name: | 2018 CleanPowerSF Power Source Disclosure |
| | Quarter Status: | [Updated] Completed |
| | Enterprise/Bureau: | Power |
| | Oversight Body: | California Energy Commission |
| | Purpose: | To verify CleanPower's SuperGreen compliance with the Power Source Disclosure Program. |
| | Updates: | Completion Date: September 4, 2019 |
| 5.** | Audit Name: | Audited Financial Statements, FY 2018-19 |
| | Quarter Status: | [Updated] In Progress |
| | Enterprise/Bureau: | Water, Wastewater, Hetch Hetchy Water & Power & CleanPowerSF |
| | Oversight Body: | Controller |
| | Purpose: | Third-party consultant: KPMG LLP. Assure financial statements are accurate and do not contain material misstatements. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20 |
| 8. | Audit Name: | Crystal Springs Construction Contract Close-out Audit |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Infrastructure |
| | Oversight Body: | Center for Resource Solutions (CRS) / SFPUC Assurance & Internal Controls (AIC) Bureau |
| | Purpose: | Determine whether Infrastructure has adequately overseen compliance with Crystal Springs construction contracts' close-out procedures. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20 |
| 9. | Audit Name: | Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2017-18 |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Business Services, Finance |
| | Oversight Body: | Bay Area Water Supply and Conservation Agency (BAWSCA) |
| | Purpose: | Third-party consultant: KPMG LLP and Yano Accountancy. Assure the Statement of Changes in the Balancing Account is prepared in compliance with the Water Supply Agreement. |
| | Updates: | Anticipated Completion Date: Q1, FY 2019-20 |
| 10 | Audit Name: | Sales and Use Tax Audit |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Business Services, Finance |
| | Oversight Body: | California State Board of Equalization |
| | Purpose: | Review of the application of Sales & Use Tax for out-of-state transactions for the period from 2015 through 2018. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20 |

* Includes audits 2 and 3

** Includes audits 6 and 7

Audit Type:

Financial Concession/Lease Revenue Performance Revenue Bond Oversight Committee (RBOC)

| | | |
|-----|---------------------------|--|
| 11. | Audit Name: | Political Activity Fund Compliance Assessment, FY 2016-17 |
| | Quarter Status: | Updated In Progress |
| | Enterprise/Bureau: | All SFPUC |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Verify compliance with the Administrative Code, Section 12G, prohibiting use of City funds for vendor political activity citywide. The scope of the audit will include the following firms: Davis & Associates Communications, Inc., San Francisco Bay Area Planning and Urban Research Association (SPUR), and Community Initiatives. |
| | Updates: | Anticipated Completion Date: Q4, FY 2019-20 |
| 12. | Audit Name: | Cybersecurity Maturity Assessment and Interconnection Security Agreement, FY 2018-19 |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Business Services, ITS |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Mandated by the Committee on Information Technology's (COIT) Citywide Cybersecurity Policy as well as the San Francisco Charter, Appendix F, Section F1.110. The Cybersecurity Maturity Assessment and the Interconnection Security Agreement are based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework and allows for identification and prioritization opportunities for cyber risk management improvement. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20 |
| 13. | Audit Name: | PG&E Interconnection Cost Audit |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Power |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Third-party consultant: Sjoberg Evashenk Consulting, Inc. Determine if SFPUC correctly paid fees according to the terms of the interconnection agreement with PG&E. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20 |
| 14. | Audit Name: | PUC Workforce Development and Community Benefits Audit |
| | Quarter Status: | Updated In Progress |
| | Enterprise/Bureau: | Infrastructure/WEPS, External Affairs/Community Benefits and HRS |
| | Oversight Body: | Board of Supervisors, Budget and Legislative Analyst Office |
| | Purpose: | Review of Workforce Development and Community Benefits efforts |
| | Updates: | Anticipated Completion Date: Q3, FY19-20 |
| 15. | Audit Name: | Confidential Report: Internal/External Network Penetration Test and Vulnerability Assessment |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Business Services, ITS |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Controlled IT network penetration testing of PUC computing environments. |
| | Updates: | Anticipated Completion Date: Q2, FY 2019-20. Internal report completed in Q1, FY19-20. |
| 16. | Audit Name: | Lean Hiring Process Improvement (HRS) |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Human Resource Services |
| | Oversight Body: | CSA, Controller |
| | Purpose: | A Lean Improvement Program is underway; the SFPUC is evaluating internal processes and expects to reduce time-to-hire and create a more transparent, user-friendly process overall. |
| | Updates: | Phase I Anticipated Completion Date: Q1, FY 2019-20 Phase II Anticipated Completion Date: Q3, FY 2019-20 |
| 17. | Audit Name: | Reporting Year 2019, Center for Resource Solutions (CRS) Green-e Verification Audit |
| | Quarter Status: | Upcoming |
| | Enterprise/Bureau: | Power |
| | Oversight Body: | SFPUC Audit and Compliance |
| | Purpose: | Ensure that the renewable electricity or renewable energy certificates (RECs) purchased and sold by the certified provider were not sold to more than one customer and that only one party claimed use of renewable energy. |
| | Updates: | Verification Self-Audit Submit Date: Q4, FY 2018-19 Anticipated Completion Date: Q2, FY 2019-20 – publication by CRS. |

Audit Type:

Financial Concession/Lease Revenue Performance Revenue Bond Oversight Committee (RBOC)

| | | |
|-----|---------------------------|--|
| 18. | Audit Name: | SFPUC Comprehensive Annual Financial Report, FY 2018-19 |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | Business Services, Finance |
| | Oversight Body: | SFPUC |
| | Purpose: | Third-party consultant: KPMG LLP. Assure the comprehensive financial statements are accurate and do not contain material misstatements. |
| | Updates: | Anticipated Start Date: Q2, FY 2019-20 |
| 19. | Audit Name: | Popular Annual Financial Report, FY 2018-19 |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | Business Services, Finance |
| | Oversight Body: | SFPUC |
| | Purpose: | The PAFR highlights financial results and conveys how the SFPUC continues to deliver services that value diverse communities and a culture that practices sustainability. This includes investing in vital upgrades to the SFPUC's water and wastewater systems, expanding its clean energy portfolio, and working to address the City's climate action goals. |
| | Updates: | Anticipated Start Date: Q2, FY 2019-20 |
| 20. | Audit Name: | Wholesale Revenue Requirement: Statement of Changes in Balancing Account, FY 2018-19 |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | Business Services, Finance |
| | Oversight Body: | Bay Area Water Supply and Conservation Agency (BAWSCA) |
| | Purpose: | Third-party consultant: KPMG LLP and Yano Accountancy. Assure the Statement of Changes in the Balancing Account is prepared in compliance with the Water Supply Agreement. |
| | Updates: | Anticipated Start Date: Q2, FY 2019-20 |
| 21. | Audit Name: | Political Activity Fund Compliance Assessment, FY 2017-18 |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | All SFPUC |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Verify compliance with the Administrative Code, Section 12G, prohibiting use of City funds for vendor political activity citywide. The scope of the audit will include the following firms: Davis & Associates Communications, Inc., San Francisco Bay Area Planning and Urban Research Association (SPUR), and Community Initiatives. |
| | Updates: | Anticipated Completion Date: Q4, FY 2019-20 |
| 22. | Audit Name: | SFPUC Bond Expenditure Audit |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | All SFPUC |
| | Oversight Body: | Revenue Bond Oversight Committee (RBOC) |
| | Purpose: | Audit expenditures from a sample size of 20 bonds to assess compliance with applicable laws and rules. |
| | Updates: | Anticipated Start Date: Q1, FY 2019-20 |
| 23. | Audit Name: | External Affairs Divisional Audit |
| | Quarter Status: | [Updated] Upcoming |
| | Enterprise/Bureau: | External Affairs |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Review non-profit grant monitoring. |
| | Updates: | Anticipated Start Date: Q2, FY 2019-20 |
| 24. | Audit Name: | Cybersecurity Maturity Assessment and Interconnection Security Agreement, FY 2019-20 |
| | Quarter Status: | In Progress |
| | Enterprise/Bureau: | Business Services, ITS |
| | Oversight Body: | CSA, Controller |
| | Purpose: | Mandated by the Committee on Information Technology's (COIT) Citywide Cybersecurity Policy as well as the San Francisco Charter, Appendix F, Section F1.110. The Cybersecurity Maturity Assessment and the Interconnection Security Agreement are based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework and allows for identification and prioritization opportunities for cyber risk management improvement. |
| | Updates: | Anticipated Completion Date: Q4, FY 2019-20 |

Audit Type:

Financial
 Concession/Lease Revenue
 Performance
 Revenue Bond Oversight Committee (RBOC)

Audit Program Summary

| | Total | Open | Closed | % Complete |
|------------------------|-------|------|--------|------------|
| Audits | 17 | 1 | 16 | 94% |
| Recommendations | 247 | 6 | 241 | 98% |

Open Audits

| | Audit Title | Report Issued Date | Open Rec | Total Rec | Months Open | % Complete | Target Close Date** |
|-----------------------------|---|--------------------|----------|-----------|-------------|------------|---------------------|
| Real Estate Services | | | | | | | |
| 1 | SFPUC: Oliver De Silva, Inc., Complied With Its Sunol Valley Aggregate Quarry Lease for January 2015 Through June 2018 and a Few Improvements Can Strengthen the Lease Administration | 6/25/2019 | 6 | 6 | 3 | 0% | 12/31/2019 |
| | TOTAL* | | 6 | 6 | 3 | 0% | |

* As of July 1, 2015 in AuditShare.

** Date when last recommendation will close.

SFPUC, Open Audits

2% (6 of 247) of total recommendations, related to 1 open audits remain open.

- In Q1, SFPUC closed a total of 5 open recommendations related to the Class One Power Sales Audit. PUC recommended closing the recommendations from the over 4 year old audit due to the unique circumstances of MID/TID agreement expiring in December 2017 and MID/TID having no future plans to purchase power from the SFPUC.
- Audit and Compliance is working with Enterprises and Bureaus to close the remaining open 6 recommendations

Open Recommendations

| | Audit Title | Explanation | Target Close Date |
|---|--|--|-------------------|
| Royalties Lease, Administration Audit: Oliver De Silva, Inc. | | | |
| 1 | Credit or negotiate with ODS the resolution of the \$82,329 in royalty overpayment. | The SFPUC concurs and will allow ODS to credit their next monthly payment of royalties. | 12/2019 |
| 2 | Review the Lease with ODS by September 30, 2019 to ensure terms reflect current business practices and product offerings. | The SFPUC concurs that the current lease language does not address the sale of new products and the related royalty calculation. New lease language will be negotiated to provide ODS with the flexibility to offer new products and calculate royalties associated with them. | 12/2019 |
| 3 | Require ODS to notify SFPUC of new products sold on a regular basis, and work with ODS to develop reporting and calculating royalty procedures for new categories that may result. | The SFPUC concurs and will require ODS to notify SFPUC of new products sold and will work with ODS to develop reporting and royalty calculation procedures for new products consistent with the new lease language addressed in Recommendation #2 above. | 12/2019 |
| 4 | Review products sold annually by ODS to ensure product list reported reflects actual product sales. | The SFPUC concurs and will review products sold annually by ODS to ensure the product list reported reflects the actual product sales. | 12/2019 |
| 5 | Clarify the calculation for low sales data to ensure accurate reporting of revenues and submittal of royalty payments. | The SFPUC concurs. SFPUC and ODS will clarify the calculation for low sales data using an agreed upon proxy for the price of products with low sales data to ensure accurate reporting of revenues and submittal of royalty payments. | 12/2019 |
| 6 | Revise its annual review process to include a year-end true-up of low sales calculations, sale reversals, adjustments, or other anomalies. | The SFPUC concurs. SFPUC and ODS will develop a more meaningful year-end true-up of annual sales data. | 12/2019 |

Recently Closed Audits

| | Audit Title | Report issued | Closed Date | Open Rec | Total Rec | Months Open | % Complete |
|-----------------------------|--|---------------|-------------|----------|-----------|-------------|------------|
| Business Services | | | | | | | |
| 1 | CITYWIDE CONTRACT COMPLIANCE AUDIT: The Contract Compliance of Many Vendor Payments Cannot Be Verified and the City Should More Often Take Advantage of Cost Savings Such as Early Payment Discounts | 5/9/2016 | 5/31/2016 | 0 | 3 | 1 | 100% |
| 2 | SFPUC: The Department Needs to Improve Its Management and Monitoring of Telephone Assets and Costs | 2/26/2015 | 11/23/2015 | 0 | 23 | 9 | 100% |
| Infrastructure | | | | | | | |
| 3 | Citywide Cash Disbursements and Contract Compliance Audit | 4/20/2017 | 10/19/2017 | 0 | 2 | 6 | 100% |
| 4 | GSA: Fiscal Year 2012-13 Chapter 14B Audit – None of the Three Audited Contractors Fully Complied With Certain Provisions of the Local Business Enterprise Ordinance | 10/1/2014 | 11/19/2015 | 0 | 6 | 14 | 100% |
| 5 | SFPUC: The Department Inadequately Monitored Change Orders for the Sunol Valley Water Treatment Plant Improvement Project | 3/8/2016 | 8/9/2016 | 0 | 7 | 5 | 100% |
| 6 | SFPUC: The Job Order Contract Program Lacks Sufficient Oversight to Ensure Program Effectiveness | 12/26/2012 | 5/9/2016 | 0 | 19 | 41 | 100% |
| 7 | CITYWIDE CONSTRUCTION: The City Would Benefit From a More Proactive Approach to Construction Safety Management | 4/11/2017 | 7/19/2018 | 0 | 8 | 15 | 100% |
| 8 | SFPUC: Procedures Should Be Refined and Documentation Improved to Strengthen Preconstruction Practices for the Sewer System Improvement Program | 3/8/2018 | 7/1/2019 | 0 | 18 | 16 | 100% |
| Real Estate Services | | | | | | | |
| 9 | SFPUC: Audit of Administration of Fixed Rent Agreements with Revenues Exceeding \$100,000 | 8/10/2010 | 5/17/2017 | 0 | 23 | 67 | 100% |
| 10 | SFPUC: Audit of Crystal Springs Golf Partners, L.P. | 12/1/2010 | 12/14/2015 | 0 | 22 | 61 | 100% |
| Power Enterprise | | | | | | | |
| 11 | SFPUC: Power Enterprise Lacks Adequate Controls to Safeguard Its Inventory | 10/29/2012 | 7/13/2016 | 0 | 11 | 40 | 100% |
| 12 | SFPUC: Audit of Department Class One Power Sales to Modesto and Turlock Irrigation Districts in California | 2/17/2015 | 9/4/2019 | 0 | 11 | 55 | 100% |
| 13 | SFPUC: Most GoSolarSF Incentives Were Paid Correctly, but the Environment Code and Some Program Controls Should Be Improved | 1/18/2017 | 3/1/2018 | 0 | 14 | 14 | 100% |

| Wastewater Enterprise | | | | | | | |
|------------------------------|---|-----------|------------|----------|------------|----------|-------------|
| 14 | SFPUC: Wastewater Enterprise Could Improve its Inventory Management | 8/17/2010 | 3/17/2016 | 0 | 30 | 68 | 100% |
| 15 | SFPUC: The Wastewater Enterprise Should Better Manage and Monitor Work Flow, Premium Pay, Overtime, and Absenteeism | 6/8/2017 | 7/1/2019 | 0 | 31 | 25 | 100% |
| Water Enterprise | | | | | | | |
| 16 | SFPUC: Water Enterprise Should Continue To Improve Its Inventory Management | 4/12/2011 | 12/19/2017 | 0 | 13 | 81 | 100% |
| TOTAL* | | | | 0 | 241 | - | 100% |

This page intentionally left blank.



Executive Management

Harlan L. Kelly, Jr.

General Manager

Michael Carlin

Deputy General Manager and Chief Operating Officer

Juliet Ellis

Assistant General Manager, External Affairs

Barbara Hale

Assistant General Manager, Power Enterprise

Kathy How

Assistant General Manager, Infrastructure

Greg Norby

Assistant General Manager, Wastewater Enterprise

Steve Ritchie

Assistant General Manager, Water Enterprise

Eric Sandler

*Assistant General Manager, Business Services and
Chief Financial Officer*

Report Prepared by Audit and Compliance Division

Charles Perl, Deputy Chief Financial Officer

Christina M. Andersson, Manager

*Requests for additional information regarding this report can
be sent to:*

525 Golden Gate Avenue, 13th Floor

San Francisco, CA 94102



**San Francisco
Water Power Sewer**

Services of the San Francisco Public Utilities Commission

