

AUDIT COMMITTEE REPORT

Report: Internal Audit Activities for Period July 1 – December 31, 2018

MEETING DATE: 2/7/2019

SUBMITTED BY: Rebecca Haggerty, Chief Audit Officer

APPROVED BY: Rebecca Haggerty, Chief Audit Officer

The following is the Office of Audit Services report of Audits and Whistleblower Complaints activity for July 1 through December 31, 2018.

Audits

- Twenty-two revenue audits, contracts or concessionaires, have been started since July 1, 2018.
 - Eleven letters and one report have been issued. Total audit findings were \$343,713.
 - Eleven projects are in progress.
- Two operational audits are in progress.
 - Employee expenses.
 - Special review of airport contractor reports.

Whistleblower Complaints

The following summary information is presented for your review:

- One whistleblower report was received between July 1 and December 31, 2018; the investigation of that report is in progress. All reports received prior to July 1, 2018, have been closed
- No complaints of retaliation against whistleblowers have been received between July 1 and December 31, 2018.

Note:

Port Administrative Policy AP18 ("Whistleblower Protection Policy") and AP19 ("Whistleblower Hotline Policy") address whistleblower protection and whistleblower complaints, respectively, and along with Government Code Section 53087.6(e)(2), they provide for the confidentiality of the whistleblower complainant, the sources of information, and the investigative audit or report except under very limited circumstances. One such circumstance is the provision of the substantiated audit report to the appropriate appointing authority for disciplinary purposes. (Govt. Code Section 53087.6(e)(3)). Another exception is the provision of a written report indicating the final results of the investigation to the Executive Director, Port Attorney and President of the Board of Port Commissioners. (AP 19, Section III(B)(6).) Both APs require the Chief Audit Officer to provide the Executive Director and the Board with a quarterly summary of all complaints received, including the status of each complaint. (AP 18, Section III(F); AP 19, Section III(C)).