

City of Sacramento

Legislation Details (With Text)

File #: 2020-00950 **Version:** 1 **Name:**
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Title: City Auditor's FY 2020-21 Cannabis Work Plan (Two-Thirds Vote Required)
Sponsors:
Indexes:
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Attachments:

Date	Ver.	Action By	Action	Result
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Title:
City Auditor's FY 2020-21 Cannabis Work Plan (Two-Thirds Vote Required)

File ID: 2020-00950

Location: Citywide.

Recommendation:

Pass a Motion: 1) by two-thirds vote to temporarily suspend (Ch. 1, D.) Council Rules of Procedure Chapter 15, B. 1. to bypass the Budget and Audit Committee; and 2) approving the City Auditor's FY 2020-21 Cannabis Work Plan.

Contact: Jorge Oseguera, City Auditor, (916) 808-7270, Office of the City Auditor

Presenter: Jorge Oseguera, City Auditor, (916) 808-7270, Office of the City Auditor

Attachments:

- 1-Description/Analysis
- 2-Cannabis Work Plan

Description/Analysis

Issue Detail: City Code Section 2.18.030 requires that the City Auditor submit an Annual Workplan to the City Council for approval. As part of the City Auditor's Annual Workplan, a separate workplan for the Cannabis Compliance Auditor has been established. This report documents the Office of the City Auditor FY 2020-21 Cannabis Work Plan.

Policy Considerations: The City Auditor's presentation of the Cannabis Work Plan is consistent with the Mayor and City Council's intent to have independent, objective, and ongoing evaluations of the City's cannabis programs.

Economic Impacts: None.

Environmental Considerations: None.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: This staff report provides the City Council with an opportunity to approve the City Auditor's Cannabis Work Plan or to provide comments and feedback for modification of the audits for the Office of Cannabis Management.

Financial Considerations: The cost of the City Auditor's Cannabis Work Plan was funded out of the Office of the City Auditor Budget.

Local Business Enterprise (LBE): None.

Background: On January 14, 2020, the City Council adopted a resolution approving the establishment of a Cannabis Compliance Auditor in the Office of the City Auditor. The Cannabis Compliance Auditor will continuously monitor and report on areas of risk through frequent and proactive audits of the Office of Cannabis Management's administration and regulation of cannabis programs.

The scope and responsibilities of the Cannabis Compliance Auditor include:

- Conducting independent audits of the Office of Cannabis Management's administration and regulation of cannabis programs.
- Continuously monitoring and reporting on areas of risk through frequent and proactive audits.
- Providing recommendations to improve the economy, efficiency, and effectiveness of the City's cannabis programs.
- Evaluating compliance and enforcement of laws, regulations, and policies.
- Testing internal controls to verify processes are working as intended.
- Identifying and reporting on areas of risk.
- Analyzing actual versus projected outcomes.
- Performing cannabis-related whistleblower investigations.
- Responding to Council's requests for information and analysis of cannabis programs.
- Conducting research, studies, and benchmarking of cannabis-related issues.

To develop the FY 2020-21 cannabis work plan, the Cannabis Compliance Auditor performed a citywide cannabis risk assessment. The risk assessment included interviews with city staff, site visits to cannabis businesses, data analysis, and review of cannabis program documentation.