



Multi-Project Affordable Housing Lottery Audit (Phase II) - Lottery Process

Express Audit Memo
December 24, 2019

2020-03

Background

Internal Audit completed an audit of the Multi-Project Affordable Housing Lottery process (Phase I) that included a review of the application process, eligibility evaluation process, the accuracy and completeness of the final application dispositions, and the final lottery number assignments for those applicants to be included within the lottery.

Objective/Scope/Methodology

Phase II of the lottery audit focused on the completeness of printed lottery ticket numbers entered into the lottery drawing, the transparency of the lottery drawing process, and the verification of the final winning lottery number lists. These components are critical to assure that the lottery drawing is performed in a fair manner. A Lottery Process **Checklist** was used to ensure that controls exist to address the risks identified.

KEY FACTS

#1

The completeness of the printed lottery ticket numbers were verified.

#2

Lottery ticket numbers were safeguarded.

#3

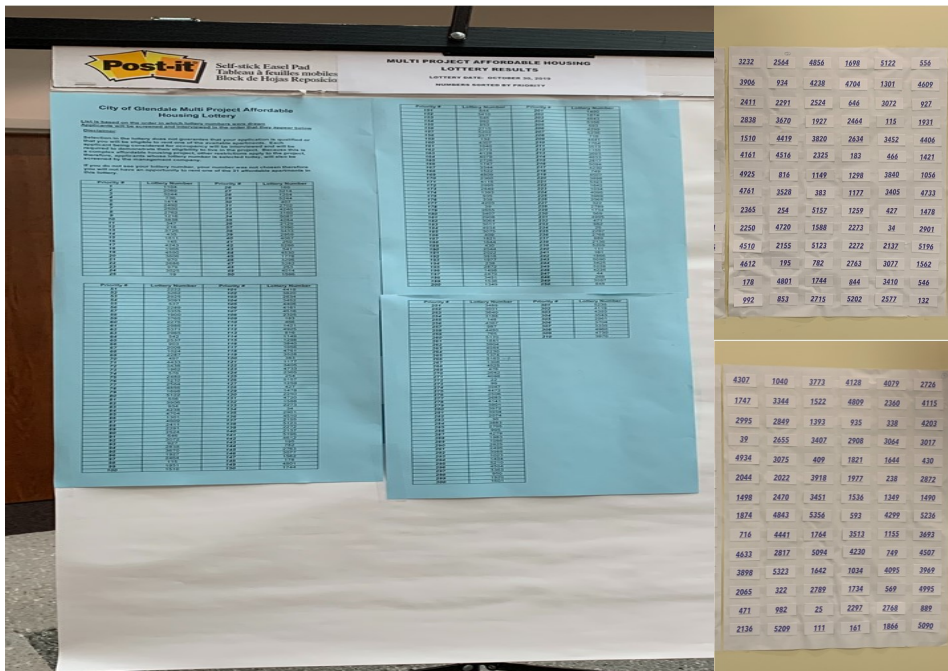
Lottery drawing was open to the public and televised on GTV6.

#4

Lottery tickets were displayed for public inspection in the drawn order.

#5

The posted winning lottery list was verified to the physical lottery tickets.



Review Results

The lottery ticket numbers printed and included within the lottery drawing were complete and the lottery numbers drawn were recorded, and the winning numbers were posted in an accurate and timely manner.

The completed checklist is attached.

Distribution List

CDD Director | City Manager | Assistant City Manager | Finance Director | City Council | Audit Committee

Multi-Project Affordable Housing Lottery Audit (Phase II) - Lottery Process Checklist

The following Multi-Project Affordable Housing Lottery processes were reviewed subsequent to the issuance of the Multi-Project Affordable Housing Lottery Audit on September 26, 2019 to ensure that controls have been put in place to address the potential risks identified.

A. Lottery Ticket Numbers			
Ref	Description	Yes	No
1.	All printed lottery ticket number cards were manually counted and verified.	✓	
2.	Lottery ticket number cards were properly safeguarded in a locked cabinet with limited access to authorized personnel only.	✓	

B. Lottery Drawing			
Ref	Description	Yes	No
1.	The lottery process was open to the public for on-site inspection.	✓	
2.	The lottery process was televised on GTV6.	✓	
3.	The lottery numbers drawn were available for public inspection.	✓	

C. Final Lottery Results			
Ref	Description	Yes	No
1.	The final winning lottery numbers were independently verified for accuracy.	✓	
2.	The final winning lottery numbers were posted on the City's website and outside of CDD Housing Division's office in a timely manner.	✓	