

**Semi-Annual Report on the Status of Outstanding Audit Recommendations for
October 2001**

Scope and Methodology

The primary focus of our review was to provide reasonable assurance that recommendations previously made by the City Auditor's Office and approved by the City Commission have been adequately implemented by management. Our review was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Generally, our procedures consisted of the following:

- The City Auditor provided the City Manager and the General Manager for Utilities with a detailed listing of recommendations outstanding within their departments (32 recommendations for General Government and six for Gainesville Regional Utilities) and requested written updates on the status of each recommendation.
- Upon receipt of written updates and supporting documentation, we conducted procedures necessary to verify the adequacy of corrective actions taken by management for each outstanding recommendation.

Background

In accordance with City Commission approved Resolution 970187, *City Auditor Responsibilities and Administrative Procedures*, the City Auditor is required to notify the appropriate Charter Officer of recommendations projected for implementation in the following six months. The responsible department managers prepare a written status report to the appropriate Charter Officer who then provides this information to the City Auditor. Upon notification of corrective actions for implementing the recommendations, the City Auditor verifies the adequacy of corrective actions and summarizes the results to the Audit and Finance Committee.

During the past several months, the City Auditor worked with the City Manager and General Manager for Utilities in preparing a status report on 38 outstanding audit recommendations. We have reviewed management's assertions on the implementation of outstanding recommendations and prepared our status report. The next semi-annual report on the status of outstanding audit recommendations is scheduled for April 2002.

Summary of Results

We began the current period with 38 outstanding recommendations from 14 prior audits. The results of our review indicate that management has adequately implemented 14 of the prior period 38 recommendations (37%). A departmental breakdown of implementation progress is as follows.

Department	Audit Title	Beginning Of Period	Implemented	Currently Outstanding
Community Development	Code Enforcement	3	1	2
Finance	Cox Cable and City Administrative Procedures	1	0	1
Finance/Human Resources	Review of Payroll System	2	1	1
GPD	Law Enforcement Contraband Forfeiture Trust Fund	1	0	1
GRU Finance	Review of GRU Overtime	6	6	0
Human Resources	Employee Compensation	5	0	5
Human Resources	FY 93-94 Classification Reviews and New Positions	1	0	1
Public Works/Finance	Solid Waste Program	2	1	1
Public Works	Stormwater Management Utility Fund Revenues	1	0	1
Public Works	Landfill Tipping Fees	1	1	0
Recreation and Parks	Ironwood Golf Course Revenues	1	0	1
Recreation and Parks	Nature Operations Division	2	0	2
Regional Transit System	Demand Responsive Transportation Issues	4	4	0
Risk Management	Worker's Compensation	8	0	8
TOTALS		38	14	24

We have included a detailed listing of these 14 implemented recommendations, by department and audit, as **Attachment A**. A detailed listing of the 24 recommendations still outstanding, either partially or completely, is included as **Attachment B**.

Highlighted Implemented Recommendations

Among recommendations confirmed as implemented during the six month period and resulting in direct, quantifiable financial benefit to the City of Gainesville are the following:

GRU Overtime

- The General Manager for Utilities is authorized to provide special compensation to managers and professionals when they are required to participate in disaster and/or emergency relief efforts which far exceed normal work expectations. In January 2000, GRU provided storm assistance to Georgia Power. In September 2000, GRU management determined the special compensation to be received by those professionals and managers who provided assistance and an invoice was issued to Georgia Power for the total costs of GRU's participation in the storm assistance effort. GRU received full reimbursement from Georgia Power totaling \$110,736.
- Excessive overtime earned by one timekeeper has been significantly reduced. In FY 1999, the employee earned \$9,980 in overtime wages averaging 16 hours of overtime per pay period. Aggressive management monitoring reduced the overtime earned in FY 2001 to \$497 resulting in an annual cost savings of almost \$10,000.

Examples of other recommendations implemented during the period resulting in less quantifiable but equally important improvements in the City's efficiency, effectiveness and accountability are listed below:

Demand Responsive Transportation Issues for RTS

RTS has made adequate progress in the delivery of ADA complementary paratransit services. The City Auditor's original August 1999 audit report cited 38 "finding points" for improvements in RTS operations, and the MTPO created a specialized ADA Task Force to monitor implementation of the audit recommendations. RTS continually made progress in implementing improvements to the paratransit system and by March 2001, twenty-nine (29) items were closed. The remaining nine issues were adequately implemented during this current period, and we recommend that the audit be closed. Notable RTS progress for complementary paratransit services include:

- The RTS Transit Services/ADA Coordinator takes proactive efforts in overseeing ADA paratransit services, implementing quality controls, developing an ADA paratransit rider survey and pursuing outreach efforts.
- RTS implemented a Quality Assurance Program (QAP) with specific performance measures for ensuring service delivery by ATC. However, future monitoring efforts by management and the RTS CAB are needed to ensure adequate service and ADA compliance.
- RTS distributed a revised *ADA Complementary Paratransit Passenger Guide* in May 2001.
- RTS received 23 of the projected 25 new fixed route buses. All new buses are ADA compliant, and the remaining two buses will be received in the near future.

- RTS retrofitted 14 main buses with wheelchair lifts in December 2000 at a total cost of \$245,000. The fixed route fleet is now 66% ADA compliant, up from 21% in 1999.
- RTS continues contracting with ATC-Intelitran (ATC), a national broker of paratransit services, to provide ADA complementary paratransit services.
- RTS provides ATC with four ADA compliant vans for complementary paratransit service.
- RTS plans to purchase five paratransit vehicles per year for five years through the FDOT Work Program beginning in FY 2003.
- RTS and ATC continue to provide enhanced door-to-door service, although ADA requires a minimum of curb-to-curb service.
- RTS and ATC continue to provide ADA service to all city residents, regardless of the ¾ mile fixed route corridor.
- RTS continues providing free fares to all ADA certified riders using the fixed route system.
- RTS continues efforts to inventory all bus stops for ADA accessibility. The project is expected to take approximately one year to complete.
- There are currently 1,250 ADA certified individuals, an increase of 981 riders since 1999.
- There are currently about 150 ADA rides per day, an increase of 123 daily rides since 1999.

We believe that the ADA Task Force was instrumental in providing implementation oversight during the past two years. The Task Force recently concluded that its mission is now complete and on November 8, 2001, will report to the MTPO that RTS sufficiently addressed the majority of the City Auditor's original audit findings and recommendations. Although the Task Force is generally satisfied, they will recommend that the following issues be specifically monitored by the RTS Citizens Advisory Board (RTS CAB) to ensure continued success in the delivery of ADA complementary paratransit services:

- Monthly monitoring of quality assurance reports;
- Overseeing progress on ADA access to bus stops;
- Monitoring periodic rider surveys;
- Monitoring efforts on improving driver performance for customer service ADA announcements, including driver training and awareness programs, observing driver performance, evaluating announcement compliance and obtaining feedback from riders;
- Monthly monitoring of ADA complaints; and
- Monitoring public education and outreach efforts.

We believe that RTS will continue to make progress, but agree that continued monitoring by the RTS CAB is needed to ensure future success.

Future Follow-up Reviews

The 24 recommendations still outstanding, along with new audit recommendations approved by the City Commission since the start of this follow-up process, will be submitted to the City Manager in order to determine the current status of remaining recommendations. We plan to report the results of that process to the City Commission through the Audit and Finance Committee in April 2002.

ATTACHMENT A

Implemented Audit Recommendations

October 2001

<u>Department</u>	<u>Audit Number</u>	<u>Audit Title</u>	<u>Finding Number</u>	<u>Recommendation</u>
Community Development	128	Code Enforcement	5	Landlord License Notices of Payment Due Have Not Been Sent to Landlords and Fees for Landlord License Permits Are Not Being Collected
GRU Finance	239	Review of GRU Overtime	1	Collection of Damage Claims Should Be Strengthened
			2	Gas Operations Should Maintain an Overtime Log
			3	Reimbursement Requests for Storm Assistance Should Be Processed Timely
			4	Overtime Documentation Controls Should be Strengthened
			5	Completion of Overtime Vouchers and Overtime Related to Payroll Duties
			6	Pole Attachment Write-Offs Should be Performed Timely
Human Resources	226	Review of Payroll System	5	Improvements in Payroll Bank Reconciliation Process
Public Works	188	Solid Waste Program	5	Municipal Waste Disposal Payments to WMI
	205	Landfill Tipping Fees	3	Allocation of Costs to Tipping Fees and Special Assessments
Regional Transit System	225	Demand Responsive Transportation Issues	1	RTS Service Vehicles Should Comply with ADA Accessibility Requirements
			4	Complaint Process and Independent Oversight and Monitoring Should Be Strengthened for ADA Transportation Issues
			5	RTS Compliance with ADA - Service Plan and Paratransit Service
			9	Rider Survey Results Should Be Reviewed by CTS and RTS Management

ATTACHMENT B

Outstanding Audit Recommendations

October 2001

<u>Department</u>	<u>Audit Number</u>	<u>Audit Title</u>	<u>Finding Number</u>	<u>Recommendation</u>
Community Development	128	Code Enforcement	8	Management Practices and Procedures that Provide Information to Management Regarding the Number of Inspections and Reinspections Performed During a Given Period of Time Should Be Strengthened in Some Areas
			11	Special Assessments Levied by the City Commission for Demolition and Lot Clearing Are Not Collected in a Timely Manner
Finance	188	Solid Waste Program	6	Franchise Fee Revenues
	190	Cox Cable and City Administrative Procedures	6	Service Address Boundaries Should Be Reviewed
GPD	067	Law Enforcement Contraband Forfeiture Trust Fund	3	Monies Seized Pursuant to the LECFTF Act Should Be Immediately Deposited into an Interest-Bearing Bank Account
Human Resources	149	Employee Compensation	11	Personnel Policies Should Be Revised to Address Severance or Other Similar Pay for Terminated Employees
			13	Pay Increases Related to Promotions
			14	Special Merit Increases for Management Employees
			15	Acting Out of Classification Policy
			18	Supplemental Forms of Compensation
	173	FY 93-94 Classification Reviews and New Positions	4	Classification Reviews of Human Resources Department Employees
	226	Review of Payroll System	2	Payroll Accuracy
Public Works	199	Stormwater Management Utility Fund Revenues	4	Analysis of Areas Exempted from Paying SMU Fees

<u>Department</u>	<u>Audit Number</u>	<u>Audit Title</u>	<u>Finding Number</u>	<u>Recommendation</u>
Recreation and Parks	196	Ironwood Golf Course Revenues	6	Golf Course Rates Should Be Reviewed and Approved
	227	Review of Nature Operations Division	1	Park Boundaries Should Be Completed and Encroachment Issues Resolved
			5	Staff Should Become Certified for Prescribed Burns
Risk Management	224	Worker's Compensation	2	Policies and Procedures Should Be Completed and Implemented
			3	General Government Should Develop a Rehabilitative Duty Policy
			4	Safety and Disability Management Team Should Be Established
			5	Reporting Provided by Third Party Administrator Should Be Imposed
			6	Management Performance Indicators Should Be Established
			7	Timeliness of Reporting Accidents Should Be Improved
			8	Workers' Compensation Costs Should Be Allocated and Charged to Departments
9	A Safety Component Should Be Included in the Management Performance Review			