

ATTACHMENT D
REVIEW OF PRIOR AUDIT RECOMMENDATIONS

REVIEW OF STATUS OF RECOMMENDATIONS FROM THE 1997 INTERNAL AUDIT REPORT OF THE PUBLIC WORKS DEPARTMENT		
No.	Internal Audit Recommendation	Status
1	The Chipper operation should be made more efficient or privatized. The Chipper cost analysis should be revised to include all costs and true productivity measures, then management should develop a plan for the in-house chipper service to be cost competitive with the contracted service. If this is not feasible, management should prepare and propose a plan to privatize the chipper operation.	The Department is working to improve the chipper operations. This report recommends various changes to the Chipper program to achieve greater performance efficiency.
2	Management should enhance productivity of the refuse collection operation.	Not included within scope of this study but is addressed in the recent Waste Management Study.
3	Management should consider options to improve the cost effectiveness of the recycling program.	Not included within scope of this study but is addressed in the recent Waste Management Study.
4	Noncompliant waste the ash landfill should be removed.	Not included within scope of this study but is addressed in the recent Waste Management Study.
5	Grants that would enable improved services should be obtained. All available grants that would enable Public Works to provide increases in existing services or provide additional services in a cost effective manner should be considered. Researching available grants will help ensure Metro does not miss an opportunity to get state or federal funding to start new programs that would benefit solid waste management.	The Department is becoming more aggressive in securing grants under the Intelligent Transportation System project. However, the Department does not currently have the capacity to monitor grant opportunities routinely. The MAXIMUS recommendations relating to policy management would enable the Department to be more aggressive.
6	Procedures surrounding drop off recycling sites management by civic organizations should be strengthened.	Not included within scope of this study but is addressed in the recent Waste Management Study.

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7	The use of outside contracted engineering should be minimized. The practice of contracting engineering services for projects that do not have secured funding should be eliminated, and outside engineering firms should be used on an exception basis when Public Works engineers cannot staff all projects. Additionally, corrections made by Public Works due to outside engineers' errors should result in a reduction of fees paid, and adequate support for all charges should be submitted with invoices and reviewed prior to payment. Tighter control over the use of outside engineers will help ensure related fees are necessary and cost effective.	This practice continues, and the MAXIMUS project team repeats this recommendation.
8	Engineering project tracking systems and overall communications need to be improved. The current project tracking system should be reviewed and improved to correct existing weaknesses. In addition to improving operating efficiency, effective project tracking will minimize Metro's exposure to potential liabilities and lost revenues related to undocumented or inadequate project monitoring.	The condition continues. The MAXIMUS project team provides detailed recommendations in this report to address this on-going issue.
9	Management should consider the feasibility of moving the testing required under the National Pollution Discharge Elimination System program to Water Services.	This was done during the course of this study. An outstanding question, however, is the handling of inspection activity that was not related to this function, which this report makes recommendations to address.
10	Inspection personnel should be more effectively utilized. The inspection operation should be reorganized to utilize personnel more efficiently. Inspectors should be cross-trained and assigned to specific projects or areas to eliminate unnecessary travel time and seasonal down time.	This condition still exists, and this report provides recommendations relating to these issues.
11	Permit fee charges should be reviewed periodically.	Part of this has been done, but the results have not been brought forward for Council consideration. The Department is not collecting all fees which it is currently authorized to collect, and this report provides recommendations relating to this.

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12	Annual street paving maintenance should be adequately funded. A funding plan to upgrade and consistently maintain streets should be developed and proposed. Adequate funding will stop the accelerating street deterioration and growing deferred maintenance cost.	This report provides detailed review of the current practices and recommends several changes to the Department's approach to street paving.
13	Management should consider canceling the current street sweeping contract. Public Works should refine the cost analysis of the street sweeping contract to include equipment replacement cost, and if the additional sweeping responsibilities can be performed at a substantially lower cost by Public Works, consideration should be given to canceling the contract.	The Department is currently providing street sweeping in the Central Business District and is contracting services for elsewhere.
14	Street and road maintenance and repair work priorities should be established and managed based on quantitative analysis. Street and road maintenance and repair work priorities should be based on quantitative analysis, and work orders should be processed based on established priorities. Priority status should only be given in emergency situations. Appropriately prioritizing work orders on a timely basis will help ensure that the infrastructure is properly maintained.	The Department needs to continue improvements in this area, and this report provides various recommendations.
15	The Traffic and Parking Commission should rely on information prepared by the traffic engineers. The Traffic and Parking Commission should ensure that any requests honored in opposition to traffic engineer recommendations do not negatively impact traffic in any way. This should help ensure a safe orderly traffic flow for the entire community.	A review of Commission minutes indicate that the Commission still periodically overrides traffic engineering recommendations. MAXIMUS project team observations indicate that the staff should be more specific and firm in providing information and recommendations to the Commission.
16	An effective plan to reduce the risk of abuse of disable parking permits should be developed.	This remains an issue primarily with the manner in which State law is written, interpreted, and managed.
17	Reports for outside requirements and for management's use should be based on accurate, reliable data. Management should review the reports that are currently generated to determine if they are reliable and necessary. This should ensure that the reports used for management decisions and for outside reporting are accurate and effective.	Reporting is still based largely on personal databases, and access to the City's financial system is limited. This report recommends broadening access to the financial management system so that end users can generate their own information and eliminate duplicate systems.

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18	Job duties should be realigned where similar duties are performed in more than one area. The department should realign duties where a duplication of effort could occur, including consideration of moving recycling public education to the Parks Department. This would help ensure maximum operational efficiency in those areas.	The problem continues. This reports provides several recommendations regarding the reassignment of work for job duty consistency and operational efficiency. Recycling education is being addressed as part of the overall implementation of the Solid Waste Plan.
19	Employees should be cross-trained and a transition plan for retiring employees should be developed. This transition plan should include not replacing certain employees whose responsibilities have lessened recently. Cross-training and transition planning should ensure a smooth transition of the responsibilities performed by retiring employees and minimal interruption to daily operations when employees are temporarily absent.	Transition does not appear to be an issue at this time; MAXIMUS provides recommendations relating to the assignment of administrative duties.
20	The Parking Division should be accounted for as an enterprise fund and the Equipment Division as an internal service fund.	The Parking Division continues to operate as a general fund unit. Other organizational changes in process will resolve this issue. The Equipment Division has been transferred as part of a Metro-wide central fleet operation.
21	All contracts should be monitored. Public Works should obtain copies of all contracts and other related information, and all contracts should be monitored for compliance. Invoices should be compared to contract terms prior to payment. Thorough contract monitoring will help ensure payments for services are not excessive and revenues due are collected.	Contract management continues to be an issue area, and this report provides extensive review of the issue and appropriate recommendations.
22	A collection plan for delinquent accounts receivable should be developed. The department should develop a collection plan and actively pursue the collection of past due accounts. The plan should include a provision to discontinue service to customers with delinquent accounts. Developing and implementing an effective collection plan would enable Public Works to minimize lost revenues.	This report provides recommendations for improving accounts receivable management.

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23	Controls over accounts receivable should be improved, and reconciliations should be performed on a regular basis. Finding an alternative to maintaining both a mainframe accounts receivable system and a manual listing should be prioritized. Address the above findings will reduce the risk of errors or losses going undetected and will reduce the cost of maintaining current systems.	This report provides recommendations for improving accounts receivable management.
24	Cash deposits should be made daily and proper receivable warrant documentation should be maintained. Also, all revenue and cash receipts should be monitored for compliance by Public Works administrative staff. This will reduce the risk of errors or losses.	This report provides recommendations for improving revenue and cash receipting processes.
25	Parts and materials inventory records should be computerized and properly maintained, and basis internal accounting controls over inventory should be implemented. Physical security should be improved to prevent entrance by unauthorized individuals. Enhanced controls over inventory will reduce the risk of undetected losses and help ensure inventory levels are appropriate.	The MAXIMUS project team review of the inventory system identified a continuing need to improve inventory control, and this report includes appropriate recommendations.
26	Public Works should request Public Property to develop a Metro-wide policy addressing employees leasing Metro property. This policy should put the responsibility of executing leases, collecting rent, and obtaining council approval with Public Property and should require an analysis of IRS implications for each lease involving an employee. Such a policy would reduce the risk of lost revenue and potential unrecorded taxable income.	The MAXIMUS review did not indicate that this was currently at issue.
27	Public Works should work with the Public Property Division to update the fixed asset master list.	The MAXIMUS review did not indicate that this was currently at issue; Metro is in the process of a citywide GASB 34 implementation project.
28	Standard petty cash procedures should be followed.	This has been implemented.