



Office of the City Manager

INFORMATION CALENDAR
July 23, 2019

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Scott Ferris, Director, Parks, Recreation, and Waterfront
 Subject: Audit Status Report – PRW On-Call Program

INTRODUCTION

On November 14, 2017, the City Auditor submitted to City Council its audit report, [Audit Report: Parks, Recreation, and Waterfront On-Call Program: Ensure Equity by Developing Procedures for Charging for Services, and Improve Monitoring Practices and Communication](#). The City Auditor found that Parks, Recreation, and Waterfront (PRW) on-call building maintenance program supports a City need by making urgent repairs to public facilities, but recommended improvements to program cost accounting and documenting written procedures to manage the program.¹ This information item is the first and final update to City Council on the implementation status of the City Auditor's recommendations.

CURRENT SITUATION AND ITS EFFECTS

Of the 15 recommendations for follow-up, 13 have been implemented and 2 will not be implemented as of June 7, 2019. Please see Attachment 1 detailing the audit recommendations and corrective actions taken.

BACKGROUND

PRW and Public Works (PW) building maintenance mechanics provide after-hours on-call services to respond to urgent public maintenance and repair needs. The purpose of this audit was to determine whether the after-hours labor costs for on-call maintenance services were recorded to the correct funding stream and charged to the departments that required the work; and to determine whether the City is monitoring whether the call center vendor (Direct Line) is appropriately triaging the calls.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects associated with the subject of this report.

¹ PRW On-Call Program Audit (11/14/17):
https://www.cityofberkeley.info/Clerk/City_Council/2017/11_Nov/Documents/2017-11-14_Item_11_Audit_Report_Parks,_Recreation,_and_Waterfront.aspx

POSSIBLE FUTURE ACTION

PRW will continue to monitor its practices to ensure the on-call program is appropriately and effectively managed, and document changes to practices when there are opportunities for improvement.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

The actions taken to address the City Auditor's Office audit recommendations have strengthened PRW's internal controls for safeguarding City resources but have minimal direct impact on the City of Berkeley's budget.

CONTACT PERSON

Christina Erickson, Deputy Director, Parks, Recreation, and Waterfront, 510-981-6703

Attachments:

1: Auditee Response Form: Audit Recommendations and Corrective Actions Detail

Auditee Response Form: Audit Recommendations and Corrective Actions Detail

Audit Title: PRW On-Call Program: Ensure Equity by Developing Procedures for Charging for Services, and Improve Monitoring Practices and Communication				
Findings and Recommendations	Lead Dept.	Agree, Partially Agree, or Do Not Agree and Corrective Action Plan	Expected or Actual Implementation Date	Status of Outstanding Audit Recommendations and Implementation Progress Summary
Finding 1: On call program not sufficiently designed to allocate costs appropriately				
1.1 Establish a system for charging on-call services provided by PRW mechanics to the appropriate account codes. This includes identifying the appropriate: <ul style="list-style-type: none"> ▫ Fund unrelated to PRW activities ▫ Department outside of PRW ▫ PRW fund: Parks or Marina Work with the City Manager’s Office as may be needed to develop the system, and to communicate the new practices to department directors citywide.	PRW	Agree. PRW will work with Public Works and the City Manager’s Office to develop new procedures for charging on-call services provided by PRW mechanics.	6/7/19	Implemented. PRW worked with Public Works to establish a new system for allocating on-call charges to the appropriate account code.
1.2 Restrict the mechanics use of compensatory time to only instances in which they can demonstrate that the work they performed on an after-hours	PRW	As this departs from the City’s past practice, PRW will recommend this policy change during the upcoming negotiations	n/a	Will Not Implement. PRW initially agreed with this recommendations, but determined that it is not feasible for a number of reasons.

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	call related to their default account code, i.e., normal work functions.		with the Building Maintenance Mechanics’ bargaining unit.		The choice between paid overtime and compensatory time off is a long standing compensation practice in the City. In addition, the staff volunteer to be on call during the year. Restricting the use of compensatory time off, PRW is at risk of not getting enough volunteers to cover on call shifts and resorting to mandatory on-call shifts. That will cause a more uneven distribution of time between PRW and PW as

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				well as to individual employees.	
1.3	In collaboration with the City Manager’s Office and Public Works, assess citywide standby needs and determine the best cost allocation for standby pay and whether compensatory time should be allowed for standby.	PRW	Agree. See corrective action plan for recommendations 1.1 and 1.2.	6/7/19	Implemented. PRW has updated standby cost allocations in its procedures. PRW determined that comp time for standby be allowed to continue.
1.4	Develop written procedures for existing and new practices: <ul style="list-style-type: none"> ▫ Charging funds and departments for on-call services unrelated to PRW activities (see recommendation 1.1) ▫ Identifying and using the appropriate account codes for PRW on-call services based on the work done, e.g., Parks vs. Marina 	PRW	Agree. PRW will document practices, as discussed in the corrective action plan for recommendation 1.1; and will develop procedures for new practices, pending the outcome of the corrective action plan for recommendation 1.2.	6/7/19	Implemented. PRW developed written procedures.

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<ul style="list-style-type: none"> ▫ Charging board ups to the Public Works Building Maintenance Fund and requiring that employees receive pay, not comp time, for that service ▫ Restricting the use of comp time to services applicable to employees' default account code (see recommendation 1.2) ▫ Accounting for standby hours depending on the outcome of recommendation 1.3 				
1.5 Apply the above recommendations to other on-call services, e.g., Forestry, as may be warranted.	PRW	Agree. See corrective action plans for recommendations 1.1 and 1.2.	6/7/19	Implemented PRW developed new procedures to comply with recommendation 1.4 for all affected PRW on-call services except Forestry. PRW evaluated the risks and need of the

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				Forestry division and recommendation 1.4 and determined it to be unnecessary. Forestry does not perform work outside of their division, even in emergency on-call situations.	
1.6	The City Manager’s Office should request that other departments, e.g., Public Works, apply the above recommendations as may be warranted for on-call services.	City Manager’s Office	Agree. See corrective action plans for recommendations 1.1 and 1.2.	6/7/19	Implemented. Public Works is reviewing PRW’s revised procedures and considering them for implementation.
Finding 2: Using risk indicators and providing better documentation will improve PRW’s monitoring practices					
2.1	Develop a system for monitoring on-call services based on risk indicators. Document system in written	PRW	Agree. PRW will develop and document a system for monitoring on-call services.	6/7/19	Implemented. PRW has established these monitoring procedures.

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<p>procedures. The system should include, but not be limited to:</p> <ul style="list-style-type: none"> ▫ Identifying possible high-risk patterns, e.g., one mechanic routinely responding to after-hours calls more than average; claiming more than the standard three hours more often than others; and/or signing up for standby more than others ▫ Identifying possible high-risk circumstances that warrant close monitoring, e.g., disgruntled employee ▫ Using the above patterns and indicators to determine if site inspections are warranted ▫ Using the above patterns and indicators to determine if placing follow-up calls to the person or 				

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	facility that requested the service are warranted <ul style="list-style-type: none"> ▫ Using site inspections and follow-up calls to ensure the work was needed and sufficient, and obtain feedback on customer satisfaction and quality of program ▫ Physically inspecting locations when the hours a mechanic reported are excessive as compared to the work done or considered reasonable 				
2.2	Develop written procedures for existing and needed practices: <ul style="list-style-type: none"> ▫ Obtaining and maintaining support for on-call services and stand-by, and comparing that against timecards ▫ Reviewing timecards to ensure the appropriate use of time codes and 	PRW	Agree. PRW will document these procedures.	6/7/19	Implemented. PRW has documented and implemented these written procedures.

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	<p>account codes, and that timecards agree with punch cards</p> <ul style="list-style-type: none"> ▫ Monitoring practices used to assess the reasonableness of employees' claimed time for on-call services and documenting that assessment with timecards ▫ Documenting standby schedule changes on the standby list 				
2.3	Apply the above recommendations to other on-call services, e.g., Forestry, as may be warranted.	PRW	Agree. PRW will apply these recommendations, as appropriate to other PRW on-call services.	6/7/19	Implemented. PRW has updated Forestry's standby and emergency on-call procedures accordingly.
2.4	The City Manager's Office should request that other departments, e.g., Public Works, apply the above recommendations as may be warranted for on-call services.	City Manager's Office	Agree. The City Manager's Office will ask that other departments review PRW procedures, and apply as appropriate.	6/7/19	Implemented. Public Works is reviewing PRW's revised procedures and

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					considering them for implementation.
Finding 3: Better communication with vendor and employees will improve on-call program					
3.1	Use information from the on-call services to inform Direct Line on how to better triage calls. Information includes feedback from mechanics and customers, and Direct Line’s message detail reports. Include this requirement in written procedures.	PRW	Agree. PRW will propose changes to the Direct Line script used to triage calls.	6/7/19	Implemented. PRW has provided updated guidance to Direct Line and updated written procedures to incorporate these practices on an ongoing basis.
3.2	Develop guidance describing the types of calls considered urgent and, therefore, requiring on-call services, to a reasonable extent. Require mechanics to use this guidance as a tool for informing the Building and Maintenance supervisor of possible needs to improve how Direct Line triages calls.	PRW	Agree. See corrective action plan for recommendation 3.1.	6/7/19	Implemented. PRW has provided updated guidance to Direct Line and updated written procedures to incorporate these practices internally on an ongoing basis.

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3.3 Run a pilot program so that at least one mechanic a day works a regular schedule that ends at 7:00 p.m. as part of a flex-scheduling program. Evaluate the program after a period of time, e.g., one year, to determine if it helped reduce service wait times, number of after-hours calls, and overtime costs; used mechanics' time more efficiently; and helped improve employee morale. If successful, implement the program permanently.	PRW	Do not agree. The savings from reduced on-call services would be offset by losses in efficiency from having one mechanic working alone, without supervision, and during peak program hours (when buildings are occupied).	n/a	Will Not Implement.
3.4 Apply the above recommendations to other on-call services, e.g., Forestry, as may be warranted.	PRW	Agree. PRW will apply the corrective action plan for recommendations in 3.1 and 3.2, as appropriate, to other PRW on-call services.	6/7/19	Implemented. PRW has updated Forestry's standby and emergency on-call procedures accordingly.

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3.5	The City Manager’s Office should request that other departments, e.g., Public Works, apply the above recommendations as may be warranted for on-call services.	City Manager’s Office	Agree. The City Manager’s Office will request that other departments review information shared with Direct Line to triage calls.	6/7/19	Implemented. Public Works is reviewing these recommendations and considering them for implementation.

