

City Auditor's Office

ACTION CALENDAR

February 26, 2019

To: Honorable Mayor and Members of the City Council

From: Jenny Wong, City Auditor

Subject: City Auditor's Quarterly Summary Report on Audit Recommendations

INTRODUCTION

The City Auditor's Quarterly Summary highlights City management's action on audit recommendations and calls attention to the recommendations that remain open and require action.

CURRENT SITUATION AND ITS EFFECTS

The City Auditor's Office monitored management's progress on implementing audit recommendations and reported to Council on actions and risks of inaction.

BACKGROUND AND ENVIRONMENTAL SUSTAINABILITY

The City Auditor's Office provides independent oversight of City operations and is a catalyst for improving City government and holding it accountable in its use of public resources. We manage our documents electronically in support of sustainability.

POSSIBLE FUTURE ACTION AND FISCAL IMPACTS

Council directs the City Manager to fully address audit recommendations and report on progress made, generally every six months. Implementing recommendations will improve fiscal sustainability, environmental sustainability, and progress toward other Council and community goals.

CONTACT PERSON

Jenny Wong, City Auditor, City Auditor's Office, 510-981-6750

Attachment:

1: City Auditor's Quarterly Summary Report on Audit Recommendations, Q2, FY 2019



City Auditor's Quarterly Summary Report on Audit Recommendations

Quarter 2, Fiscal Year 2019 (October—December 2018)

Recommendation Updates Reviewed by the City Auditor

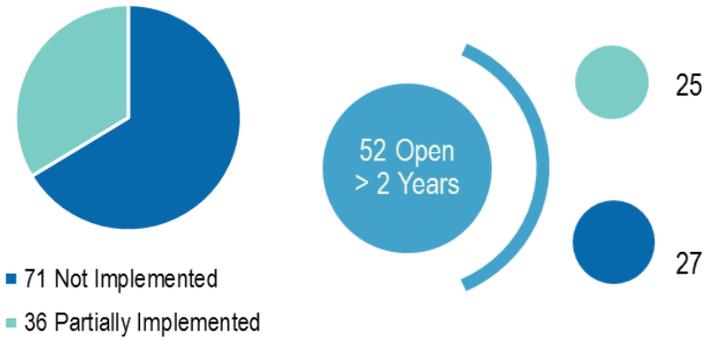
The Code Enforcement Unit (CEU) is the only auditee that submitted an audit update to our office during the second quarter. The unit has made substantial progress in addressing 10 of the 12 audit recommendations resulting in improved resource analysis, case management, and oversight.

For example, Council established standing Policy Committees as part of the legislative process to evaluate the resource impact and feasibility of any new policy or program, including ordinances. The CEU supervisor issued comprehensive procedures for staff including guidelines for assigning and prioritizing cases. The unit is recording various monthly statistics to capture performance metrics and trends in cases.

Additional actions are needed, however, to fully implement eight of the 12 recommendations.

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Recommendations Open



Full implementation is less likely for 25 partially implemented and 27 not implemented recommendations that are **over 2 years** old, resulting in lost opportunities for improvement and continued risk of fraud.

Open recommendations by department responsible for implementation



Audits with Recommendations Not Implemented

Audit	Issued	Recommendations	Lead Department
Leases Audit: Conflicting Directives Hinder Contract Oversight	6/2/2009	7	City Manager
Business License Taxes: Providing Better Guidance and Customer Service Will Increase Revenues	5/29/2012	5	Finance
Construction Permits: Monitor Performance and Fee Assessments to Ensure Excellent and Equitable Customer Service	3/25/2014	3	Planning and Development
\$52,000 Theft: More Can Be Expected Without Citywide Changes in Culture and Procedures	4/1/2014	3	Finance, City Manager
Underfunded Mandate: Resources, Strategic Plan, and Communication Needed to Continue Progress Toward the Year 2020 Zero Waste Goal	7/1/2014	11	Public Works
Audit Report: Most Contracts Executed Timely but Contract Project Managers Could Use Better Tools and Guidance	10/6/2015	1	Finance
Public Works Grant Follow Up	7/19/2016	14	City Manager
Examination of Department Directors Transition Procedures Follow Up Audit	7/19/16	3	City Manager
Unified Vision of Zero Waste Activities Will Help Align Service Levels with Billing and Ensure Customer Equity	9/20/2016	5	Public Works
City at Crossroads as Long-Standing Need for Structured Approach to Line of Business Experts Function Intersects with ERP Implementation	1/24/2017	5	Information Technology
Berkeley's Ethical Climate Rated Strong Overall and Management Working to Make it Better	3/14/2017	6	City Manager
Berkeley Fire Department Ambulance Billing Follow Up	3/28/2017	3	Fire
PRW On-Call Program: Ensure Equity by Developing Procedures for Charging for Services, and Improve Monitoring Practices and Communication	11/14/2017	14	Parks, Recreation, & Waterfront
Stronger Oversight Necessary to Ensure Continued Assistance for Severely Physically Disabled Persons	5/1/2018	16	Health, Housing, & Community Services
Code Enforcement Resources Significantly Constrained and Improvements Needed in Case Management and Oversight	6/26/2018	8	City Manager
Credit Card Use: Clearer Guidance Needed	6/26/2018	3	Finance

