



Office of the City Auditor

*Committed to increasing government efficiency, effectiveness,
accountability and transparency.*

CITYWIDE ANNUAL FOLLOW-UP REPORT 2016 Report#: 2016-05



Issue Date: March 8, 2016

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City of Richmond
City Auditor

March 8, 2016

The Honorable Members of City Council
City of Richmond, Virginia

Subject: Annual Follow-Up Progress Report

The City Auditor's Office has completed the Annual Follow-Up Review for recommendations with implementation dates on or before September 30, 2015 which included a total of 261 recommendations (160 City and 101 RPS). City management implemented 40% of their recommendations and RPS implemented 20% of their recommendations.

Audits identify operational and controls deficiencies. These deficiencies once identified need to be addressed appropriately. If the recommendations are not implemented, the known deficiencies will continue to cause operational challenges. In addition, control deficiencies if not addressed could be exploited and may compromise accountability over City resources. The Chief Administrative Officer and RPS Superintendent need to ensure that appropriate and timely corrective actions are taken to implement the outstanding audit recommendations.

The Audit Committee has indicated a desire for the City Auditor to prioritize the outstanding recommendations. As a result, the Auditor's Office in agreement with the CAO and RPS Superintendent has identified the following outstanding recommendations as having the highest potential impact on current and future City and RPS operations. Auditors used the below four risk areas to identify high impact recommendations.

- Financial (budgetary)
- Delivery of Citizen Services
- Public Relations
- Internal Controls

City High Priority Recommendations

DCAO Portfolio	Audit #	Rec #	Recommendation	Risk	City Action Plan
CAO	2011-01	13	Work with the City's Real Estate Division to relocate the P&E unit to a more appropriate facility.	Delivery of Citizen Services and Public Relations	At the direction of the CAO, members of the Police Executive Team visited a warehouse site location in south Richmond for a potential location for the Property & Evidence facility. Don Summers, Chief Capital Project Manager is reaching out to the owner of the warehouse property to confirm that the property is available for purchase. In addition, RPD and Real Estate Services staff met with the developer of the Hillside Court RPS facility and the adjacent building is available. The developer will submit an estimate of cost on February 22nd for a turnkey package to buy and outfit the building to RPD specifications. Staff will continue to work with RPD to finalize costs.
CAO	2011-02	10	The RPD should implement additional differential response techniques including the use of internet reporting for non-emergency, low-priority calls for service.	Financial (budgetary)	A meeting is scheduled for March 8, 2016 with DEC, Police and DIT to plan and develop an internet based solution for non-emergency and low-priority calls for service. After the meeting a project plan will be developed.
Human Services	2010-04	15	Periodically compare the electronic payroll files against the ID badge files to ensure that all City employees have been issued ID badges and that all badges issued to terminated employees have been collected and deactivated.	Internal Controls	A Termination Report is generated weekly from RAPIDS that list all employees who have separated during the last 30 days. That report is cross-referenced to the P2000 employee identification card data base to determine if any employee listed on the separation report has an active identification card in the P2000 system. If so, the card is deactivated immediately. Further, HR Liaisons have been reminded of the requirement to terminate all access and retrieve all city equipment (including employee ID cards) once an employee has notified them of their departure date. Regarding new employees, all departments liaisons have been notified to require all new employees to get their identification card on the first day of entering onboard. A weekly New Hire report generated from RAPIDS shows all employees that have onboarded. That data is then cross-referenced to information in the P2000 system that allows for confirming that cards have been issued. With these measures we are able to determine who should and should not have ID badges. In November, HR provided a list to all departments that included the names of employees listed as separated and still reflected as active in the identification card data base. Those files were scrubbed and all cards belonging to employees on the separation list were deactivated.
Human Services	2011-07	6	Implement a standardized; daily timesheet for all employees that supports all work hours for employees including hours spent on administrative time, leave, assigned tasks, travel and other activities.	Financial (budgetary) and Delivery of Citizen Services	Subsequent to this audit, the City implemented RAPIDS, which captures work hours for employees including hours spent on administrative time, leave, assigned tasks, travel, and other activities. Main Trac will capture time related to detailed other activities as performed by Parks Department staff. Main Trac training is underway with an anticipated full implementation in Fall 2016.

DCAO Portfolio	Audit #	Rec #	Recommendation	Risk	City Action Plan
Human Services	2011-07	14	Analyze the cost effectiveness of winter projects	Financial (budgetary) and Delivery of Citizen Services	Subsequent to this audit, the City implemented RAPIDS, which captures work hours for employees including hours spent on administrative time, leave, assigned tasks, travel, and other activities. Main Trac will capture time related to detailed other activities as performed by Parks Department staff. Main Trac training is underway with an anticipated full implementation in Fall 2016.
Human Services	2011-12	1	Create a list of all major assets and perform formal, periodic risk assessments to help determine what CIP are necessary.	Financial (budgetary), Delivery of Citizen Services, & Internal Controls	Annually, staff review the results of the major asset inspections and discuss the prioritization of needs for the upcoming budget process. Upon approval of the Director, the CIP program is developed. Additionally, the purchase of a commercial software package for a public park inventory has been approved by DIT and will be in operation by the Fall 2016.
Operations	2012-04	1	Develop a strategy to improve the overall structural integrity and the surface quality of the roads for good ride quality.	Delivery of Citizen Services and Public Relations	A representative from MicroPaver will be coming to Richmond, VA on March 3 and March 4, 2016 in order to assist staff with the download of this data from FUGRO into Micropaver. Therefore, DPW will have the PCI Rating for the City of Richmond on March 11, 2016. Once this FUGRO data is uploaded into Micropaver, which is a program developed by the Army Corps. Of Engineers, DPW will then analyze PCI (Pavement Condition Index) for the City and various roads, different paving options, road surface life cycles, etc. to better prioritize/manage paving projects.
Operations	2012-04	2	In accordance with the above strategy, establish guidelines for maintenance, rehabilitation and reconstruction activities based on road conditions to extend the life of the roads.	Delivery of Citizen Services and Public Relations	Once the FUGRO data is finalized, it will be uploaded into Micropaver, which is a program developed by the Army Corps. Of Engineers. This program is also endorsed by APWA (DPW's accrediting body) and will enable DPW to analyze PCI (Pavement Condition Index), different paving options, road surface life cycles, etc. to better prioritize/manage paving projects.
Operations	2012-04	3	Compile an inventory of the total number of lane miles (including turning, center, and parking lanes) and pavement surface area for which DPW is responsible for maintaining.	Delivery of Citizen Services and Public Relations	FUGRO Roadware is the company that has the data which was collected from the street assessment of the City of Richmond for DPW and VDOT. The majority of the data has been submitted; however, FUGRO has indicated that the remaining data will be available to the City by February 26, 2016. This data will then be loaded into MicroPaver, the City's Pavement Maintenance Management System, which will generate the City's overall PCI (Pavement Condition Index) Rating. A representative from MicroPaver will be coming to Richmond on March 3 and March 4, 2016 in order to assist staff with the download of this data from FUGRO into Micropaver. Therefore, DPW will have the PCI Rating for the City on March 11, 2016. Staff will utilize this information to develop cost estimates and to assist with prioritizing projects within the City's paving plan.

DCAO Portfolio	Audit #	Rec #	Recommendation	Risk	City Action Plan
Operations	2012-04	5	Develop estimates of total funding needed to address road improvement issues using: a. accurate measurements; b. reliable assessments of the road conditions; and c. appropriate cost per unit for maintenance, rehabilitation and reconstruction activities.	Financial (budgetary) and Delivery of Citizen Services	DPW has developed guidelines for maintenance, rehabilitation and reconstruction through the following SOPs for Paving: o Coordination with Transportation Planning SOP o Paving Project Selection Procedure SOP o Street Asset Management Procedures SOP o Paving Checklist & Procedures SOP FUGRO is just part of the overall strategy as is only done every 3 years (goal), the primary components guiding the process are, lane miles paved, funding, prior surface treatments, SOPs, pre-bid and post-post paving verification measurements. - To extend road life, DPW utilizes its SOPs, Paving Project Selection Procedure and Paving Checklist & Procedures to help determine appropriate surface treatment to roads, i.e. mill and overlay, slurry seal, etc. - GIS, PCI (Pavement Condition Index) and MicroPaver are also used. - FUGRO analysis of roads 2014 (results pending), initial road studies done in 2005 and in 2010 - Roadway SOP for Pothole Repair - Right of Way Excavation and Restoration Manual
Operations	2015-09	5	DPW Director needs to require a structured contract administration process that requires the Contract Administrator to address all contract administration function issues, such as maintaining an accurate and complete inventory of contracts, renewals, change orders, etc. in a timely manner.	Financial (budgetary), Delivery of Citizen Services, & Internal Controls	DPW lost its Contractor Administrator role in October 2015, which handled all GF contracts. As a result DPW is revising its established Contract Administration SOPs to place accountability on Project Managers who oversee contracted services. A POC has also been assigned to track renewal activity within DPW and change orders who meet with Procurement monthly regarding routine renewals and processing of contracts. In December 2015, all Project Managers who oversee contracts were required to complete Procurement's Contract Administrator training via Wavelength.
Operations	2015-10	1	The DPU Director with the approval of the Chief Administrative Officer (CAO) needs to conduct a comprehensive study of expected future costs of compliance with the regulations related to stormwater pollutant mitigation.	Financial (budgetary)	DPU is in the process of planning for the next 5 year permit (2018-2023), that it will seek through the EPA. As part of the planning process, DPU will work with the Richmond Regional District Commission (RRPDC) to develop a study for the region. The RRPDC is planning to meet in April, however the City has reached out to its regional partners in an effort to meet sooner to discuss conducting a study. Planning in 5 year increment time intervals, is consistent with the state and other localities due to the rapidly changing regulatory and technical environments. The current TMDL reports and the original permit application are posted on DPU's Stormwater website.
Operations	2015-10	2	The CAO needs to budget for the anticipated funding needs over the next 15 years or identify another source of funding for the stormwater pollutant mitigation.	Financial (budgetary)	DPU is in the process of planning for the next 5 year permit (2018-2023) and will program funding needed for pollutant mitigation, based on Richmond Regional District Commission (RRPDC) estimates once they are received. As part of this planning process, DPU is working with the RRPDC to develop a study for the region to examine impacts of potential EPA guideline changes. The RRPDC is planning to meet in April. Planning in 5 year increment time intervals, is consistent with the state and other localities due to the rapidly changing regulatory and technical environments.

RPS High Priority Recommendations

Audit #	Rec #	Recommendation	Risk	RPS Action Plan
2014-03	4	Require the Superintendent to assign the responsibility and verify accountability for monitoring and reconciling claims that exceed the stop loss limits.	Internal Control and Financial (budgetary)	No Updated Action Plan Provided by RPS.
2014-06	6	Until the system limitations are addressed, require Purchasing Services to periodically analyze the procurement data to detect and address bid splitting incidences, and identify potential opportunities to establish contracts for similar commodities to procure volume discounts.	Internal Control and Financial (budgetary)	
2014-07	5	The Superintendent should develop a structured plan for bus replacement: a. Using an analytical approach that incorporates total life cycle cost. B. Recognizing all current, relevant environmental standards.	Internal Control, Financial (budgetary) and Public Relations	
2014-07	13	Require the Transportation Department to perform a thorough analysis of staffing needs to: a. Adjust staffing to reduce overtime and improve availability of drivers. b. Ensure the driver contracts and daily schedules are appropriately aligned with the Division's daily transportation needs.	Internal Control and Financial (budgetary)	
2014-07	15	Require the Transportation Department to evaluate feasibility of installing functioning digital video monitoring equipment on all RPS buses either by working with a vendor to pay for the equipment through citation revenue or by purchasing them.	Delivery of Citizen Services	
2014-07	16	Implement a comprehensive program to install video monitoring equipment on the buses if found feasible.	Delivery of Citizen Services	
2015-02	1	The Superintendent needs to require SNS to segregate the duties of ordering (although some controls do exist), receiving, and counting inventories.	Internal Control	
2015-02	3	The Superintendent needs to require SNS to perform a thorough analysis of ordering and food consumption to manage their costs properly.	Internal Control and Financial (budgetary)	
2015-02	5	The Superintendent needs to expand the program to serve breakfasts in the classroom for all elementary schools.	Delivery of Citizen Services	
2015-03	8	Require the Finance Department to prepare monthly reconciliations of the self-insured bank account.	Internal Control and Financial (budgetary)	

If you have any questions related to this report, please contact the City Auditor's Office.

Umesh Dalal

Umesh Dalal, CPA, CIA, CIG
City Auditor

Attachment I: Objectives, Scope, and Methodology

Attachment II: Summary of Results

Attachments III: Categorization of Open Recommendations

Attachments IV: Infeasible Recommendations

Attachment I: Objectives, Scope, and Methodology

In accordance with the Annual Audit Plan for 2016, the City Auditor's Office has completed a review of the status of outstanding audit recommendations. The primary objective of this review was to evaluate the timeliness and adequacy of implementation of the recommendations made in previous audits. During this review, the auditors interviewed management personnel associated with each recommendation and tested the results of the actions taken. The auditors reviewed all the audit reports issued by the Office of the City Auditor that had open recommendations with an implementation date through September 30, 2015.

This project was conducted in accordance with Generally Accepted Government Auditing Standards. Those Standards require that the auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions based on the audit objectives. The auditors believe that the evidence obtained provides a reasonable basis for their findings and conclusions based on the audit objectives.

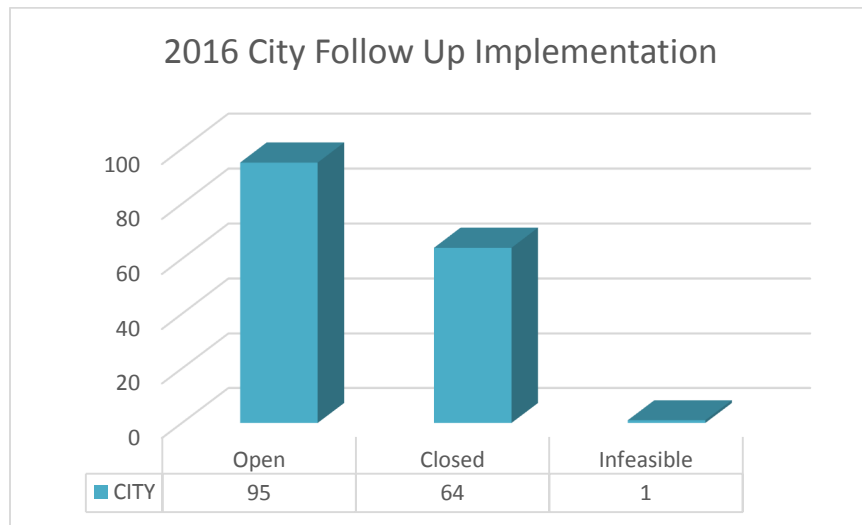
Implementation Status of Open Recommendations:

City of Richmond

The auditors reviewed 160 outstanding recommendations for the City. The City Departments and City Administration demonstrated increased efforts of implementation during the current follow up period. The results of our review indicated City management adequately implemented 64 recommendations and 95 will remain open (See Attachment III for Categorization). Of the 95 open recommendations, City management deemed six recommendations as infeasible. However upon review by the City Auditor, these were determined to still be feasible (See Attachment IV for Infeasible Recommendations). One recommendation was deemed as infeasible by management and was concurred by the City Auditor as shown below:

- ***Recommendation: Implement a pilot rental inspection program. Expand this program if the results from the pilot program are positive.*** The proposed resolution for establishing a rental inspection program was withdrawn due to lack of support.

The City's rate of implementation is as follows:



Richmond Public Schools

The auditors reviewed 101 outstanding recommendations for the Richmond Public Schools (RPS). RPS management adequately implemented 17 recommendations and 70 will remain open (See Attachment III for Categorization). Of the 70 open recommendations, RPS management deemed a total of nine recommendations as infeasible of which the City Auditor accepted five and did not concur with four (See Attachment IV for Infeasible Recommendations). In addition, management decided not to concur with nine recommendations with which they had previously concurred. Therefore, management has accepted the risks associated with the underlying findings. The recommendations identified as infeasible and do not concur for RPS are shown below:

Infeasible

- Contact FAMIS to explore the possibilities of interfacing the application with CIMS.
- Require the Change Advisory Board or similar group to review and approve all change requests and related metrics based on established change management policies, standards, processes and procedures.
- Educate users and IT professional about processes and procedures related to requesting and implementing system changes.

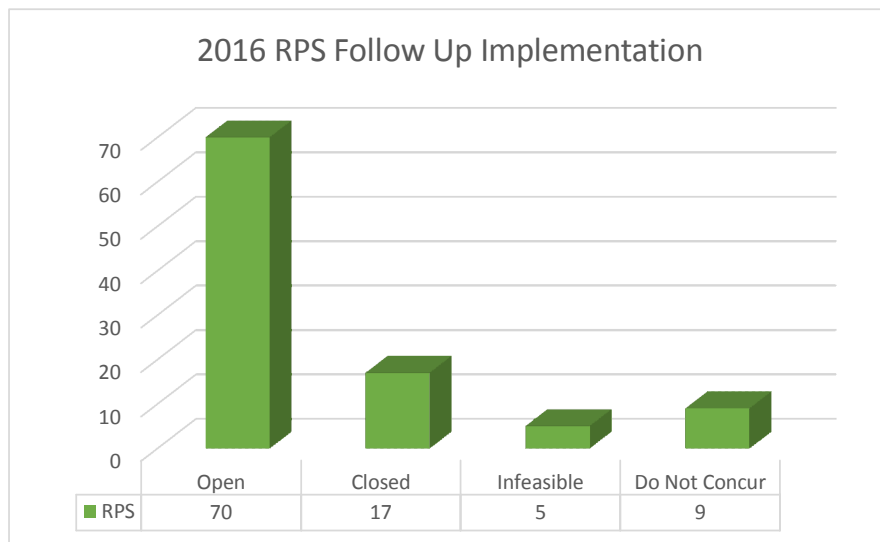
- Implement an automated timekeeping system, such as electronic time clocks or a computerized time entry system for the hourly employees, that includes timely review and approval of time worked.
- Conduct a feasibility study to either modify the existing financial system to include commodity codes or obtain an alternate system, including RAPIDS which is currently used by the City, capable of tracking commodity codes.

Do Not Concur

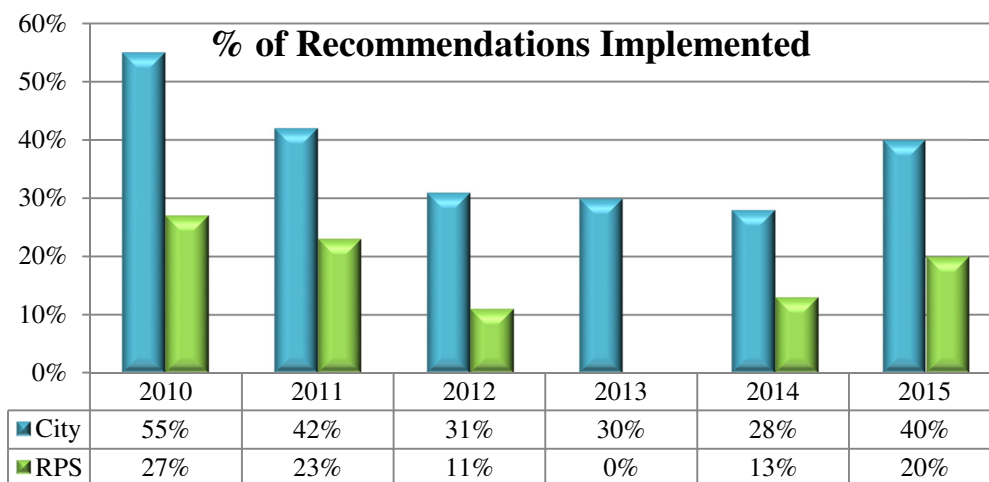
- Require the inclusion of early payment discounts as a standard procedure in the procurement negotiation process.
- Create policies and procedures for the DB2 databases security and operational settings of the AS/400.
- Establish a system security baseline for the AS/400. Require the system control values of the AS/400 to comply with industry (IBM and ISACA) benchmark settings.
- Require the Risk Management to compile pertinent information and work with CIGNA to address anomalies.
- If negotiations are not successful, evaluate alternatives using legal assistance.
- Require RPS management to work with City management and legal assistance, specialized in healthcare, to expedite negotiations and signing of the contract with CIGNA.
- The School Board needs to consider discontinuing the current tuition reimbursement program for additional savings.
- The Superintendent needs to require the Finance Department to retain all required documentation for training and related travel expenses, including all supporting documents and approvals, per RPS written policy.
- Amend the contractual agreement with the TPA to require the TPA to: a) Issue itemized billing statements for all goods and services furnished by the TPA and/or its affiliates to allow proper evaluation of charges. b) Cease issuing payments to itself for goods and services delivered by the TPA and/or its affiliates. Instead, require Risk Management to approve the charges for appropriateness and disburse it to the TPA. c) Pre-certify/approve the delivery of all healthcare provider goods and services such as MRI, CT scans, etc. d)

Perform line item audits for all billing statements which equal or exceed \$500.e) Submit written itemized requests/costs for all managed care services to the Risk Manager for documented approval prior to the delivery of these services. f) Encourage the use of non-hospital network providers and mail order pharmacy services. g) Detect, dispute and satisfactorily resolve health care providers' billing errors. h) Update the estimate of the expected total cost of qualified claims on or before the close of each calendar month. i) Furnish the Risk Manager monthly, detailed "return to work" status report. j) Require monthly filings for reimbursement of excess workers' compensation claims against "Stop Loss" coverage and provide a monthly report to the Risk Manager for approval.

RPS' rate of implementation is as follows:



During 2015, the City management implemented 40% of their recommendations and RPS implemented 20% of their recommendations, which is an increase from the prior year's follow up results. The implementation rates from 2010 through 2015 are demonstrated below:



The age of the outstanding recommendations is as follows:

AGE	CITY	RPS	Grand Total
Greater Than Five Years	20	17	37
Four to Five Years	26		26
One to Three Years	38	45	83
Less than One Year	11	8	19
Grand Total	95	70	165

Attachment II: Summary of Results

Department/Agency	Report Number	Total	Open	Closed	Infeasible	Do Not Concur
Animal Care & Control						
Richmond Animal Care & Control	2013-04	2	2	0	0	0
Finance						
Accounts Payable	2016-01	2	0	2	0	0
Accounts Payable & Procurement	2008-04	2	2	0	0	0
BPOL	2006-13	2	0	2	0	0
Fixed Assets	2012-07	2	1	1	0	0
Payroll - Finance & Human Resources	2010-04	4	0	4	0	0
Revenue Administration	2012-08	3	1	2	0	0
Risk Management	2014-01	3	0	3	0	0
Fire						
Records Management System	2011-05	1	0	1	0	0
Human Resources						
Payroll - Human Resources	2010-04	6	6	0	0	0
Risk Management	2014-01	1	1	0	0	0
Information Technology						
RAPIDS	2014-04	3	3	0	0	0
Justice Services						
Justice Services	2013-08	9	0	9	0	0
Office of Minority Business						
Minority Business Development	2013-01	6	6	0	0	0
Parks, Recreation, & Community Development						
Capital Improvements Projects	2011-12	2	1	1	0	0
Parks Maintenance	2011-07	5	5	0	0	0
Recreation	2012-13	9	5	4	0	0
Planning & Development Review						
Code Enforcement	2010-08	3	2	0	1	0
Permits and Inspections	2010-03	6	6	0	0	0
Procurement						
Accounts Payable & Procurement	2008-04	5	5	0	0	0
Procurement Services	2013-02	2	1	1	0	0
Vendor File	2004-02	1	0	1	0	0
Public Works						
Contract Administration	2015-09	5	4	1	0	0
Facilities Management	2011-08	3	3	0	0	0
Fleet Services	2007-10	1	0	1	0	0
Fleet Services	2015-04	14	4	10	0	0
Grounds Maintenance	2009-06	2	1	1	0	0
Roadway Maintenance	2012-04	9	9	0	0	0
Sidewalks	2013-11	16	4	12	0	0
Solid Waste Management	2012-11	1	1	0	0	0
Towing	2011-04	2	1	1	0	0
Police						
Operational Analysis	2011-02	2	2	0	0	0
PISTOL	2012-10	7	7	0	0	0
Property & Evidence Room	2011-01	1	1	0	0	0
SID & AFU	2015-05	6	2	4	0	0

Department/Agency	Report	Total	Open	Closed	Infeasible	Do Not
	Number					Concur
Public Utilities						
Stormwater Division	2015-10	5	4	1	0	0
Social Services						
Fraud Investigation Unit	2015-06	2	1	1	0	0
Citywide Audits						
Computer Purchases	2011-14	3	2	1	0	0
RAPIDS	2014-04	2	2	0	0	0
Richmond Public Schools						
Accounts Payable / Purchasing	2008-05	2	0	1	0	1
Accounts Payable	2015-08	13	8	5	0	0
Benefits	2014-03	15	9	3	0	3
General Operational Audit	2007-06	7	6	0	1	0
Information Technology	2009-05	18	11	3	2	2
Payroll	2014-02	2	1	0	1	0
Procurement	2014-06	11	7	3	1	0
School Nutrition Services	2015-02	6	4	2	0	0
Training and Development	2015-01	3	1	0	0	2
Transportation	2014-07	14	14	0	0	0
Workers Compensation Program	2015-03	10	9	0	0	1
Total Recommendations		261	165	81	6	9

Attachment III: Categorization of Open Recommendations

Note 1: Documentation to demonstrate the implementation of the recommendation was not provided to the City Auditor's Office.

Note 2: Recommendation does not fall into the other identified categories. Progress has been made by the department for most items that have been identified in this category.

Note 3: Recommendation was identified as infeasible by the department and upon review with the City Auditor was determined to be a feasible recommendation.

City Categorized Open Recommendations

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2008-04	Finance	Accounts Payable	Establish procedures that allow ACH as a means of payment for employee.			X					
			Track savings from early payment discounts and use it as performance measure.			X					
	Procurement	Accounts Payable	Consider negotiating a 45 day payment term with the vendors not offering early payment discounts.			X					
			Establish a set of policies and procedures to ensure taking advantage of early payment discounts offered by vendors.			X					
			Establish appropriate practices to verify various vendor attributes such as authenticity, good standing, liquidity, etc. using third party services.			X					
			Require the inclusion of early payment discounts as a standard procedure in the procurement negotiations process.			X					
			Segregate duties between the buyers, the employee making vendor database changes and the employees reviewing them.							X	
2009-06	DPW	Grounds Maintenance	Implement an automated work order system to capture work completed and costs incurred for various tasks and ensure that core and non-core functions are segregated.					X			
2010-03	DCD	Permits & Inspections	With the replacement of the current permit and inspections processing system, consider including a cashiering system.					X			
			Develop measures of efficiency and effectiveness in order to provide valuable information on the progress toward achieving the program's mission.					X			
			In the new system, provide for the electronic submission, tracking, retrieval, and storage of permit applications, related documentation, and construction plans.					X			
			Modify process to account separately for permits with status changes (active to pending to active) to prevent them from being counted multiple times.					X			
			Obtain relevant, accurate data and monitor productivity and efficiency of activities for all employees using appropriate performance standards and/or benchmarks.					X			
			Report the "non-inspection" activities separately.					X			

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2010-04	Human Resources	Process Audit	Implement an electronic termination procedure that streamlines the process and informs all necessary parties. Ideally, an automated message should be sent to all concerned parties upon termination (e.g., HR, DIT, Badge Team, etc.)					X			
			Implement electronic approval procedures to eliminate the use of redundant data entry in the leave process, hiring process, termination process and/or employee record changes. Forms which could be automated include: <ul style="list-style-type: none"> • Application for Leave • Personnel Action Form (Form 4) • Supplemental Form 1 (HUF Form) • Position Control (HNPU1 Form) • Direct Deposit Enrollment/Change Form • Internal Name/Address Form (HID01 Form) 					X			
			Develop appropriate policies and procedures that will ensure compliance with IRS guidelines and accurate social security records.						X		
			Develop formal policies and procedures for monitoring compliance with the Federal Labor Standards Act for all City and constitutional agencies.			X					
			Implement procedures to ensure that all City employees and all constitutional employees who are paid through the City's payroll system are issued an ID badge whose image is filed centrally within Human Resources.						X		
			Periodically compare the electronic payroll files against the ID badge files to ensure that all City employees have been issued ID badges and that all badges issued to terminated employees have been collected and deactivated.						X		
2010-08	DCD-Code Enforcement	Property Maintenance Code Enforcement	Adopt measures of effectiveness to include the measures recommended by Richmond Works.					X			
			Utilize available technology to enhance the ability to identify code violations, monitor inspection zones, and provide greater proactive enforcement.					X			
2011-01	Police	Property and Evidence Room	Work with the City's Real Estate Division to relocate the P&E unit to a more appropriate facility.		X						
2011-02	Police	Operational Analysis	The Records and Technology Unit should civilianize the Police Officer positions assigned to the Records Management Systems (RMS) Team.							X	
			The RPD should implement additional differential response techniques including the use of internet reporting for non-emergency, low-priority calls for service.		X						
2011-04	DPW	Towing Contract	Have RPD and Revenue Administration agree on control procedures to ensure that all public towing tickets written by RPD are coded "424" and received by Revenue Administration in a timely manner to facilitate timely and effective vendor revenue reconciliations.			X					

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2011-07	Parks	Parks & Recreations - Maintenance	Analyze the cost effectiveness of winter projects.						X		
			Implement a standardized; daily timesheet for all employees that supports all work hours for employees including hours spent on administrative time, leave, assigned tasks, travel and other activities.						X		
			Implement and conduct periodic safety training for all staff. Maintain a training log to keep track of those employees who have attended the training and those who still need to attend.						X		
			Periodically analyze spending trends of common supplies used by employees to complete their maintenance activities. Use this information to manage supplies costs.					X			
			Require detailed documentation of labor hours incurred by each employee and reconcile it to total hours paid for by the department.						X		
2011-08	DPW - Facilities	Facilities Maintenance	Implement and use the work order system components not currently utilized, such as preventive maintenance scheduling, equipment profiles, inventory management and cost analysis, etc.							X	
			Provide training to staff on updated policies and procedures.			X					
			Update policies and procedures to reflect current practices and other issues that need to be addressed for proper operation of the Division.			X					
2011-12	Parks - CIP	Parks & Recreations - Capital Improvement Projects	Create a list of all major assets and perform formal, periodic risk assessments to help determine what CIP are necessary.							X	
2011-14	Citywide - Computers	Computer Purchases and Maintenance	Require Procurement and DIT to develop contract administration procedures to: a. monitor prices to ensure that RSS contract prices remain competitive pursuant to Procurement Policy No. 44 (Revision 1) section 44-6.5, and document the results of the monitoring. B. Develop a checklist that identifies all contract deliverables and responsibilities (e.g., quarterly sales reports from vendors and City approval of price increases) to gain assurance of compliance and proper performance.						X		
			Require Procurement Services to conduct and document periodic compliance reviews of the computer purchase process.						X		

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2012-04	DPW	Roadway Maintenance	Centralize street pavement restoration resources in the Department of Public Works by transferring resources from DPU to DPW.								X
			Compile an inventory of the total number of lane miles (including turning, center, and parking lanes) and pavement surface area for which DPW is responsible for maintaining.							X	
			Conduct a thorough assessment of street conditions using advanced techniques that evaluate the street surface as well as the integrity of the road structure.							X	
			Develop a strategy to improve the overall structural integrity and the surface quality of the roads for good ride quality.							X	
			Develop performance measures for the Division and each job category. Evaluate the results periodically using appropriate internal and external benchmarks.								X
			In accordance with the above strategy, establish guidelines for maintenance, rehabilitation and reconstruction activities based on road conditions to extend the life of the roads.							X	
			Update the existing version and utilize the full functionalities of the City Works system to keep adequate information necessary to compute per unit costs. Ensure staff are adequately trained to use the system.				X				
			Utilize the existing pavement management system to assist management in evaluating and prioritizing alternative maintenance and repair strategies.							X	
			Develop estimates of total funding needed to address road improvement issues using: a. accurate measurements; b. reliable assessments of the road conditions; and c. appropriate cost per unit for maintenance, rehabilitation and reconstruction activities.						X		

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2012-07	Finance	Fixed Assets	Use the capabilities of the incipient ERP system to: <ul style="list-style-type: none"> • “centralize” the record keeping of purchase transactions which qualify as fixed assets; • automatically update the detailed subsidiary ledger and the general ledger; • enforce the City's fixed asset capitalization policies; • develop queries and an audit trail to detect potential purchase transactions that qualify as fixed assets but were not properly flagged; • develop appropriate controls, comprehensive project files, and transparent audit trails for CWIP activity over the life of all projects to ensure that such activity is accurately recorded and transferred to fixed assets upon completion in a timely manner and properly documented to ensure enforcement of City policy; • build controls over adjustments to fixed asset records to ensure that all such adjustments are approved by authorized personnel; • include standardized street addresses consistent with the Assessor's records for the City's land and building assets that enable the ERP to be reconciled with the City Assessor's ProVal record system. 					X			
2012-08	Finance	Revenue Administration	Review and remedy the over collected interest from taxpayers.							X	

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2012-10	Police	Records Management System - PISTOL	Develop performance indicators for <ul style="list-style-type: none"> • Average time for resolution of major and minor application issues; • Number of incidents reopened; and • Percentage of incidents not resolved within the agreed upon timelines. 						X		
			Develop policies and procedures for managing changes, including minor application changes, major application changes and software releases. This should include procedures for testing and receiving proper authorization and are supported by a change request document.			X					
			Develop policies and procedures requiring the use of logical access authentication.			X					
			Document the results of the periodic review of user access to PISTOL and actions taken to address the issues, if any.						X		
			Establish a formal written security policy outlining the approval requirements for granting, modifying and removing access to PISTOL using least privilege principle (minimum level of access).			X					
			The Police Department needs to invest in failover capability for the PISTOL RMS.						X		
			Turn on password expiration and complexity settings for the PISTOL RMS application.						X		
2012-11	DPW-SWM	Solid Waste Management	Strengthen processes and comply with the existing invoice approval policy to verify vendor quantity and price information to ensure that the amounts billed by vendors are accurate and errors are detected promptly.							X	
2012-13	DPR-REC	Parks & Recreations - Recreation Division	Develop performance measures that are: <ol style="list-style-type: none"> a. Based on program goals and objectives that tie to the Division's mission or purpose; b. Used for measuring outcomes, efficiency and effectiveness leading to continuous improvement; c. Verifiable, understandable and timely; d. Reported internally and externally; e. Monitored and used in managerial decision-making processes; f. Designed in a way to motivate staff at all levels to contribute toward organizational improvement; and g. Adequately supported with detailed records. 								X
			Complete formal, comprehensive policies and procedures for the daily operations of the community centers, special services and cultural arts.			X					
			Develop a methodology to periodically analyze community center attendance as compared to the number of employees and volunteers at each location. Adjust staffing allocations as necessary to ensure an appropriate level of customer service can be provided.					X			
			Develop procedures that provide guidance to field staff related to record retention and reporting of key data to management for community centers, special services, and cultural arts.			X					
			Establish a formal, written agreement with Richmond Public Schools that clearly defines the roles and responsibilities, billing rates, and liabilities related to the transportation of youth for athletics and other recreation programs.	X							

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2013-01	OMBD	Minority Business Development	Conduct a comprehensive legal analysis to evaluate the current program and make appropriate changes based on the results of the legal analysis to better enable the City to enforce contractual provisions related to MBE/ESB participation.								X
			Conduct a cost benefit analysis to determine the appropriateness of conducting a disparity study. If found beneficial, conduct a disparity study.						X		
			Enhance existing policies and procedures manual to address the entire process from goal setting to closing out of the contracts.						X		
			Ensure that minority contractors are certified within pre-established time frames by following up on pending certification procedures.						X		
			Revise the procedures and document monitoring of scoring to ensure the scoring is in compliance with policy.						X		
			Train staff once policy is enhanced.						X		
2013-02	Procurement	Procurement Services	Going forward, require supporting documentation for PD exemptions.							X	
2013-04	Animal Care & Control	Animal Care & Control	Develop and enforce procedures to account for and collect fees receivable.							X	
			Run routine reports from Shelter Buddy to analyze response times and individual Animal Control Officers' productivity.							X	
2013-11	DPW	Roadway Maintenance & Capital Improvement Sidewalk Operations	Establish appropriate procedures to ensure accurate work accomplishment reporting to DPW management.							X	
			Establish performance measures that management can use to evaluate performance and productivity of the Divisions and supervisory personnel.							X	
			Improve oversight over labor costs and employee productivity.							X	
			Use proper benchmarks to evaluate the Richmond sidewalk operations' performance.							X	
2014-01	Human Resources	Risk Management	Implement a citywide return to work policy.			X					

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2014-04	Citywide	RAPIDS	Accelerate development of DIT policies and procedures in conformance with adopted governance framework and include: 1. testing of the system being implemented commensurate with risk tolerance, 2. ensuring complete and accurate data conversion, 3. Developing and documenting an appropriate contingency plan, 4. implementing and monitoring change management activities and verifying their impact on user readiness, 5. monitoring and reporting status of project budget, 6. providing periodic status reports to the CAO.			X					
			Establish and formalize a city-wide Project Management Methodology. Develop and institutionalize appropriate policies, standards, processes, procedures, educational materials, and tools related to the management of projects, programs, and portfolios.			X					
	DIT	RAPIDS	Conduct an independent review of the role-based access model, assignments, and approvals as soon as possible.					X			
			Define a standard repository structure for retention of documents for all current and future projects.					X			
			Using the guidance provided in the report, define a valid, comprehensive, periodic access review process for RAPIDS.					X			
2015-04	DPW Fleet	Fleet	CAO needs to authorize Fleet to enforce citywide fuel card usage procedures.								X
			DPW Director needs to require Fleet to administer current and future parts contract.							X	
			Identify and address reasons for delays in performing preventive maintenance inspections.				X				
			The Chief Administration Officer needs to require the Finance Department to provide financial information related to the internal service fund in a timely manner.							X	
2015-05	RPD-AFU	Special Investigations Division and Asset Forfeiture Unit	AFU management needs to develop and implement formal policies and procedures that clearly identify the roles and responsibilities of the Unit.			X					
	RPD-SID	Special Investigations Division and Asset Forfeiture Unit	SID needs to establish monitoring processes to ensure compliance with the Complaints procedures.							X	
2015-06	DSS-FIU	DSS - Fraud Investigation Unit	DSS needs to establish clear performance expectations for the Fraud Unit.							X	

Audit #	Department	Audit Report Name	Recommendation	Attorney Review	Funding	Policies & Procedures	Staffing / Resources	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2015-09	DPW - Contract Administration	DPW Contract Administration	DPW Director needs to formally require that the DPW Deputy Director of Finance provide a periodic summary report on contract administration function activities to the DPW Director.							X	
			DPW Director needs to require a structured contract administration process that ensures communication of management's expectations from the Deputy Director of DPW Finance, the Contract Administrator, and the respective Project Managers.							X	
			DPW Director needs to require a structured contract administration process that formalizes current practice for proper reporting of contract related activities from the Project Managers to the Contract Administrator and from the Contract Administrator to the DPW Deputy Director of Finance.						X		
			DPW Director needs to require a structured contract administration process that requires the Contract Administrator to address all contract administration function issues, such as maintaining an accurate and complete inventory of contracts, renewals, change orders, etc. in a timely manner.						X		
2015-10	DPU	Stormwater	DPU Director needs to ensure that all accounts receivable deemed uncollectible are written off in a timely manner.						X		
			The CAO needs to budget for the anticipated funding needs over the next 15 years or identify another source of funding for the stormwater pollutant mitigation.								X
			The CAO needs to pursue the stormwater receivable from the Richmond Public Schools.							X	
			The DPU Director with the approval of the Chief Administrative Officer (CAO) needs to conduct a comprehensive study of expected future costs of compliance with the regulations related to stormwater pollutant mitigation.						X		
Grand Total				1	2	19	2	17	23	25	6

RPS Categorized Open Recommendations

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2007-06	RPS	Richmond Public Schools	Add performance measurement standards for functional units and job classes to help analyze the service efficiency and effectiveness, and analyze this information for employee performance evaluations.				X		
			Adjust funding for the program to implement recommendations by the consultants.						X
			Establish a customer satisfaction survey process with follow-up procedures.				X		
			Establish a process to track and evaluate service response times.				X		
			Hire a consulting firm specializing in physical security of public educational institutions to review overall operations, staffing methodology, staffing adequacy and the use of Best Practices.				X		
			Hire additional Instructional Technology Resource Teachers to comply with the Virginia Department of Education's Standards of Quality.						X
2009-05	RPS IT	IT Audit	Create AS/400 systems operations and applications policies and procedures based on industry best practices. To ensure adherence to the new policies, a communication and training plan must be implemented.						X
			Create network security policies and procedures based on a risk analysis, best practices, and management's revised mission and vision. The new policies and procedures must include version control, training and a communication plan.		X				
			Finish populating the centralized library for all software and licenses documentation into the SLAM (Software License Asset Management) system so that RPS can readily and accurately determine the software licenses that they have purchased.				X		
			If essential application software requirements prevent benchmark settings from being used, establish compensating controls.				X		
			Implement recommendations from PlanIT Technology Group Inc.						X
			Once the SLAM database is fully populated and the LANDesk Asset Manager Module is being fully utilized, conduct a software license audit.				X		
			Provide all staff with regular continuity planning training sessions regarding the procedures and their roles and responsibilities in case of an incident or disaster. Modify the training as necessary based on the test results.				X		

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2009-05	RPS IT	IT Audit	Resolve the hardware asset inventory issues from 2/27/2008 so that RPS can create an accurate baseline of their computer assets.				X		
			RPS DIT must develop a formal documented plan to implement VoIP technology for other school district locations.	X					
			Test the Disaster Recovery and Business Continuity plans on a regular basis.					X	
			Use performance measures to evaluate vendor and consultant services.				X		
2014-02	RPS Payroll	RPS Payroll	Improve transparency in reporting payroll costs by: a. Separately budgeting and presenting to the School Board the cost of non-contracted employees in each function and in the budget summary. b. Periodically report to the School Board the total number of non-contracted employees and related payroll costs.					X	
2014-03	RPS Benefits	RPS Benefits	Negotiate the ASO with CIGNA to properly define responsibilities for monitoring anomalies, such as eligibility for dependents age 26 and older.				X		
			Require RPS personnel to prepare and retain monthly reconciliations to verify the accuracy of retirees' health care premiums remitted by VRS.				X		
			Require the Superintendent to assign the responsibility and verify accountability for monitoring and reconciling claims that exceed the stop loss limits.				X		
			Require the Superintendent to update administrative policies and procedures.		X				
			The Board may consider discontinuing their reenrollment practice. This would eliminate RPS exposure to any medical costs for those retirees who did not elect continuation of coverage upon their retirement. This would be in conformance with other school districts.				X		
			The Board may consider premium differentials for employees, spouses, and covered dependents that consume tobacco products or have a history of alcohol/drug abuse.				X		
			The Board may consider re-examining their Policy related to the contribution to the 403(b) supplemental retirement plans				X		
			The Board may consider revising its policy to provide health insurance subsidies only to those retirees who do not qualify for the VRS health insurance subsidy.				X		

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2014-03	RPS Benefits	RPS Benefits	Upon receipt of the monthly itemized billing statements: a. Verify the appropriateness of the charges prior to authorizing payment to CIGNA. b. Prepare and retain monthly reconciliations of administration and stop loss fees. c. Identify, investigate, and resolve exceptions.					X	
2014-06	RPS Procurement	RPS Purchasing Services	Require Purchasing Services to comply with its procedures. Retain documentation for non-compliance in accordance with RPS Purchasing policies.					X	
			Require Purchasing Services to develop a mechanism for verifying adherence to the above process.					X	
			Require Purchasing Services to establish a process to ensure: * Proper oversight and monitoring over the buyers' work to ensure compliance with policies and procedures * Obtaining the most advantageous pricing * Consistency and completeness of purchasing contract files.					X	
			Require Purchasing Services to verify analysis done by Instruction Department on all textbook needs (both adopted and non-adopted) and conduct proper planning prior to purchasing textbooks to avoid excessive purchases.					X	
			Require the Superintendent or designee to ensure Purchasing Services and schools are keeping proper records of the books inventory.					X	
			Require the Superintendent to prescribe and enforce disciplinary action for employees not complying with the purchasing policies.					X	
			Until the system limitations are addressed, require Purchasing Services to periodically analyze the procurement data to detect and address bid splitting incidences, and identify potential opportunities to establish contracts for similar commodities to procure volume discounts.					X	

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2014-07	RPS Transportation	RPS Pupil Transportation	Hire a Fleet Manager to work with the Director of Transportation to manage: a. Vehicle procurement b. Contract administration c. Maintenance Operations d. Bus/vehicle disposal e. Development of a bus replacement schedule.						X
			Implement a comprehensive program to install video monitoring equipment on the buses if found feasible.						X
			In the future, require the Transportation Department to track all outstanding school and agency balances using the automated system for collection purposes.					X	
			Require the Transportation Department to approve manual timesheets for accuracy and appropriateness.					X	
			Require the Transportation Department to develop, document, and approve formal departmental policies and procedures, and ensure the effective communication to staff.					X	
			Require the Transportation Department to track hours between driving and non-driving time to ensure compliance with the State law.				X		
			Require the Transportation Department to establish and adhere to a policy requiring the maintenance of all work request documentation and a reconciliation of work requests to invoices to ensure payments for only authorized repairs.				X		
			Require the Transportation Department to evaluate feasibility of installing functioning digital video monitoring equipment on all RPS buses either by working with a vendor to pay for the equipment through citation revenue or by purchasing them.					X	
			Require the Transportation Department to perform a thorough analysis of staffing needs to: a. Adjust staffing to reduce overtime and improve availability of drivers. b. Ensure the driver contracts and daily schedules are appropriately aligned with the Division's daily transportation needs.					X	

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2014-07	RPS Transportation	RPS Pupil Transportation	Require the Transportation Department to: a. Evaluate current and future, vehicle maintenance vendors' performance for timely and adequate maintenance and contract compliance. b. Ensure that all contract provisions of vehicle maintenance contract are enforced. c. Either renegotiate the current maintenance contract or negotiate a new contract to ensure that the needs of the RPS fleet are met at an optimal cost. d. Enforce the contract requirement of mandating the Department's access to the vendor's system for reviewing and analyzing data related to vendor performance and vehicle maintenance.				X		
			The School Board needs to increase established billing rates to recover actual cost.					X	
2014-07	RPS Transportation	RPS Pupil Transportation	The School Board should consider developing the property at Belt Boulevard for long-term facility cost savings.						X
			The Superintendent needs to adjust budgets of the schools receiving service, to enable the Transportation Department to recover full cost of providing auxiliary runs considered essential.					X	
			The Superintendent should develop a structured plan for bus replacement: a. Using an analytical approach that incorporates total life cycle cost. B. Recognizing all current, relevant environmental standards.					X	
2015-01	RPS Training and Development	RPS Training and Development	The Superintendent needs to ensure consistency in the coding of training and related travel expenses.				X		
2015-02	RPS School Nutrition Services	RPS Nutrition Services	The Superintendent needs to expand the program to serve breakfasts in the classroom for all elementary schools.					X	
			The Superintendent needs to require SNS to perform a thorough analysis of ordering and food consumption to manage their costs properly.			X			
			The Superintendent needs to require SNS to segregate the duties of ordering (although some controls do exist), receiving, and counting inventories.					X	
			The Superintendent needs to require SNS to update policies and procedures manual and ensure its effective communication to their staff.		X				

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2015-03	RPS WC	Workers Compensation Program	Assign Risk Management the responsibility for monitoring and requesting replenishment of funds to the workers' compensation bank account.				X		
			Assign the authority and responsibility for all safety inspections, re-inspections, remediation, correction of deficiencies etc. to Risk Management as follows: a) require a semiannual uniform physical safety inspection of all schools, facilities, real estate owned or leased, equipment, etc. and report all findings and proposed corrective actions/costs. b) maintain an automated composite inventory of all safety inspections, safety findings/deficiencies, estimated costs to correct, estimated completion date, date of remediation of deficiency, current status, re-inspection/approval. c) require quarterly safety reports to the Superintendent.	X					
			Develop and implement written policies and procedures for: a) Administering and reporting workers' compensation stop loss claims. b) Conducting, preparing and monitoring of the following elements of safety inspections:- Due date of inspections- Number and frequency of inspections- Safety report's content and approval- Identification/remediation/re-inspections of deficiencies.		X				
			Engage an actuarial to validate and / or determine the valuation of the reserve for future workers' compensation claims liability as of the close of business of each fiscal year.				X		
			Prepare a monthly reconciliation of indemnity payments to payroll records.				X		
			Redefine and establish specific responsibilities for the Risk Manager and the Risk Management Department for the TPA contract administration, reporting requirements, deliverables, and performance measurements.				X		
			Require the Finance Department to prepare monthly reconciliations of the self-insured bank account.				X		
			Require the Risk Manager's approval of the commencement, modifications and terminations of indemnity benefits.				X		
			The School Board needs to amend the Sick Leave Policy that permits sick leave to supplement workers' compensation payments to cap total payments to pre-injury net compensation.				X		

Audit #	Department	Audit Report Name	Recommendation	Funding	Policies & Procedures	System Related	Not Implemented / Could Not Be Validated (See Note 1)	Other (See Note 2)	Infeasible (See Note 3)
2015-08	RPS- Accounts Payable	RPS Accounts Payable Division	The Finance Director needs to review and revise system access levels to ensure adequate separation of duties.				X		
			The Superintendent needs to require the Finance Director to update and enforce policies and procedures for: a. acceptable documentation for employee business related reimbursements; and b. holding employees accountable for timely cancellation of all types of travel expenses when travel plans changes.		X				
			The Finance Director needs to enforce adherence to policies and procedures related to issuance of manual checks.				X		
			The Finance Director needs to ensure that banks reconciliations are performed in a timely manner.					X	
			The Finance Director needs to ensure that replacement checks are issued only after stop payment confirmation from the bank is obtained				X		
			The Finance Director needs to monitor and enforce compliance with policies and procedures related to Departmental Invoices.				X		
			The Superintendent needs to coordinate with the DCAO over Finance and Administration to ensure timely funding of RPS' disbursement account to meet their obligations.				X		
			The Superintendent needs to require the Finance Director to require employees to complete a settlement process upon completion of travel.				X		
Grand Total				2	5	1	34	21	7

Attachment IV Infeasible Recommendations

City Infeasible Recommendations

Department / Report Name	Recommendation Subcategory	Audit #	Rec #	Recommendation	Explanation for Non-Concurrence by City Auditor
Parks & Recreations - Recreation Division	Nonconcurrence by City Auditor	2012-13	8	Develop performance measures that are: a. Based on program goals and objectives that tie to the Division's mission or purpose; b. Used for measuring outcomes, efficiency and effectiveness leading to continuous improvement; c. Verifiable, understandable and timely; d. Reported internally and externally; e. Monitored and used in managerial decision-making processes; f. Designed in a way to motivate staff at all levels to contribute toward organizational improvement; and g. Adequately supported with detailed records.	Management provided a copy of the Department's strategic management plan (balance score card) and cited that using measures differently from those in the balance score cards is outside of the audit scope. The Department has established only output measures. In addition, the Department does not capture information related to all of the measures established. The City Auditor's Office does not have evidence of the department's attempt to establish outcomes, effectiveness, & efficiency related measures. Without measuring efforts of employees, the desired outcomes may not be accomplished.
DPW - Roadway Maintenance	Nonconcurrence by City Auditor	2012-04	14	Develop performance measures for the Division and each job category. Evaluate the results periodically using appropriate internal and external benchmarks.	This recommendation was left open during prior year's follow up pending measures being added to the paving personnel performance evaluations. Now the Department indicated this recommendation is not feasible. According to the Department, they are unable to rate the employees on their accomplishment fully, as all Ops. Personnel engage in cross-work that is seasonal. As a result, an employee usually only spends six months at most functioning in their job category and different work is assigned. A sufficient explanation for not implementing this recommendation was not provided. Audit understands the workers may perform multiple functions throughout the year. However, performance measures should be developed for all functions and jobs within the Roadway operations. This will allow the Division the ability to evaluate employees for any work/function completed.

Department / Report Name	Recommendation Subcategory	Audit #	Rec #	Recommendation	Explanation for Non-Concurrence by City Auditor
DPW - Roadway Maintenance	Nonconcurrence by City Auditor	2012-04	15	Centralize street pavement restoration resources in the Department of Public Works by transferring resources from DPU to DPW.	<p>The Department indicated this recommendation cannot be implemented as it is not operationally nor financially feasible. The Department indicated that mitigating controls, such as those noted below, are in place to ensure that pavement cuts are properly restored in accordance with required standards.</p> <ul style="list-style-type: none"> • Communication and coordination meetings between DPW and DPU are held to discuss and coordinate utility and paving projects; • Payment restoration SOP, which sets standard paving restoration requirements for all pavement restoration in the City; and • DPW paving schedule is provided to DPU <p>The Department's response further indicated that both the DPU and DPW Directors agreed with the non-feasibility assertion. However, this decision was made between the former DPW Director and DPU Director. A signed memo/statement to this fact was never provided to audit. There is a new Director for DPW as well a new CAO and DCAO over Operations. The Department Directors do not have the authority to implement or not implement this recommendation. This recommendation will be discussed with the new DCAO over Operations to get his input regarding consolidation of pavement restoration activities under DPW.</p>
DPW - Fleet	Nonconcurrence by City Auditor	2015-04	17	CAO needs to authorize Fleet to enforce citywide fuel card usage procedures.	Department deemed this recommendation as infeasible as written as Fleet does not have the authority to address potential violations. However, recommendation was issued to the CAO to grant Fleet the necessary authority.
DPU - Stormwater	Nonconcurrence by City Auditor	2015-10	2	The CAO needs to budget for the anticipated funding needs over the next 15 years or identify another source of funding for the stormwater pollutant mitigation.	<p>City Administration response cited that recommendation is infeasible as the pollutant reduction requirements applicable to the City and the permit terms beyond June 2018 as unknown. Therefore, the cost of compliance is unknown.</p> <p>Although it is recognized that the exact pollutant reduction requirements applicable to the City are unknown, it is anticipated that mitigation will require substantial funding needs. Having preliminary estimates regarding these funding needs and creating a reserve for future needs may be prudent. Not providing for such future needs will compel the City to issue additional debt for which the City may or may not have debt capacity.</p>
OMBD - Minority Business Development	Nonconcurrence by City Auditor	2013-01	9	Conduct a comprehensive legal analysis to evaluate the current program and make appropriate changes based on the results of the legal analysis to better enable the City to enforce contractual provisions related to MBE/ESB participation.	Response from City Administration indicated that policies are currently under review by the City Attorney's Office and implementation of this recommendation will likely require legislation. However, a decision regarding the feasibility of this recommendation cannot be made until the Law Department finishes its review of the program and identify the changes (if any) that are needed. Until this information is provided, making a decision regarding the feasibility of this recommendation is pre-mature. The City Auditor's Office does not have any evidence that the City Attorney's Office considers this analysis infeasible.

RPS Infeasible Recommendations

Department / Report Name	Recommendation Subcategory	Audit #	Rec #	Recommendation	Explanation for Non-Concurrence by City Auditor
Richmond Public Schools	Nonconcurrence by City Auditor	2007-06	23	Hire additional Instructional Technology Resource Teachers to comply with the Virginia Department of Education's Standards of Quality.	Per RPS response, this recommendation was infeasible citing budgetary restrictions. RPS also stated that VDOE issued RPS a waiver for this requirement. Based upon RPS' response, this recommendation could have been closed as noted below. However, requested documentation to support the provided responses was not provided. <ul style="list-style-type: none"> • Not feasible – Supporting documentation evidencing that funding was requested and denied for the positions needs to be provided. • No longer relevant – Evidence of VDOE's waiver needs to be provided.
Richmond Public Schools	Nonconcurrence by City Auditor	2007-06	50	Adjust funding for the program to implement recommendations by the consultants.	Per RPS response, this recommendation was deemed infeasible citing budgetary constraints. This recommendation correlates with recommendation #49. Response to the Rec#49 indicated that some changes were implemented after the review and some were being evaluated. Auditor followed up with RPS to obtain the below documentation that identifies which recommended changes have been implemented, evidence that they have been implemented, and support that requested funding for the remaining recommended changes was not approved to validate recommendation closure. However, RPS did not respond to email.
RPS - IT Audit	Nonconcurrence by City Auditor	2009-05	18	Create AS/400 systems operations and applications policies and procedures based on industry best practices. To ensure adherence to the new policies, a communication and training plan must be implemented.	Per RPS response, this recommendation was deemed infeasible citing budgetary constraints and pending projects have forced the reallocation of resources previously dedicated to the completion of these policies and procedures. However, the provided explanation does not appear reasonable as recommendation only calls for the development, communication and training on policies and procedures. In addition, there is no evidence of the school administration requesting funding for this purpose from the School Board.
RPS - IT Audit	Nonconcurrence by City Auditor	2009-05	45	Implement recommendations from PlanIT Technology Group Inc.	Per RPS response, this recommendation is deemed infeasible citing budgetary constraints due to the associated cost. However, supporting documentation to identify cost and request and denial of such funding was not provided to audit to validate RPS' assertion.