City of Oakland
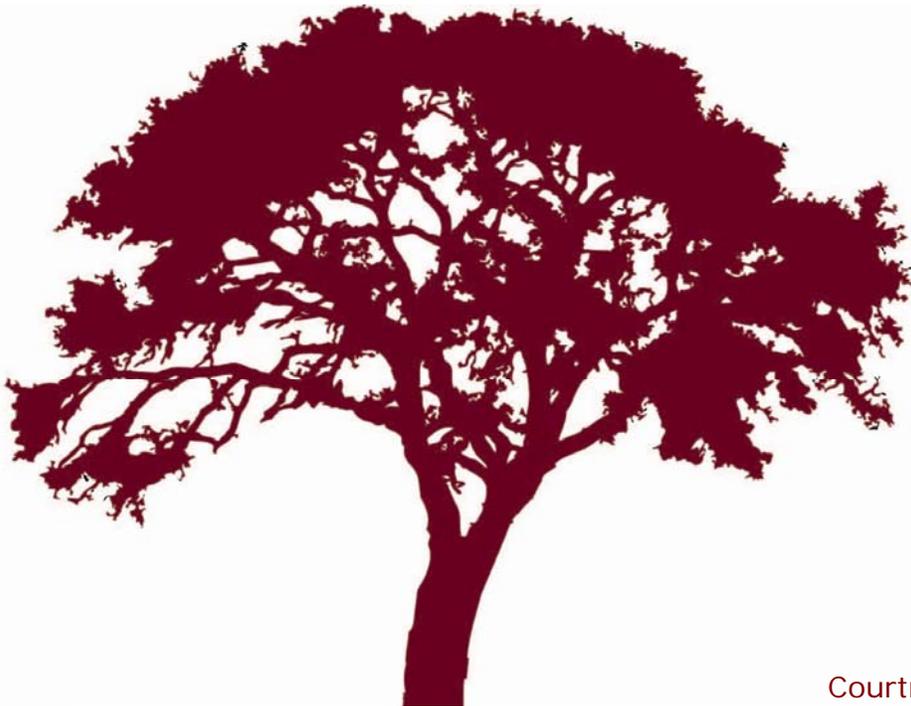# Office of the City Auditor

Audit Recommendation Follow-Up Report
Public Works Agency Performance Audit

38 out of 74 audit recommendations closed by City Administration
Prompt corrective action needed on remaining 36 open recommendations

City Auditor
Courtney A. Ruby, CPA, CFE

Recommendation Follow-Up

CITY OF OAKLAND

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November 22, 2011

OFFICE OF THE MAYOR
HONORABLE CITY COUNCIL
OFFICE OF THE CITY ADMINISTRATOR
OAKLAND, CALIFORNIA

RE: AUDIT RECOMMENDATION FOLLOW-UP REPORT FOR THE PUBLIC WORKS
        AGENCY PERFORMANCE AUDIT

Dear Mayor Quan, President Reid, Members of the City Council, City Administrator Santana, and Citizens of Oakland:

Attached is the first audit recommendation follow-up report for the April 2009 Public Works Agency (PWA) Performance Audit from the Office of the City Auditor (Office). This report focuses on the recommendations in the "Administration" category that had not been fully implemented at the conclusion of the April 2009 Public Works Agency Performance Audit.

The April 2009 Public Works Agency Performance Audit contained 292 specific recommendations. Due to the comprehensive nature of the PWA audit recommendations, PWA Management classified the recommendations into 16 categories. This report focuses on the implementation status of 74 audit recommendations in the "Administration" category. The Office's follow-up on the Public Works Agency "Administration" category recommendations found that:

- 38 recommendations were closed and implemented.
- 12 recommendations were resolved and deferred due to budget and resource constraints. PWA Management has agreed to implement them in the future and will complete the required changes once the current budget and resource constraints are resolved.
- 17 recommendations were resolved and will be closed once they have been fully implemented.

- Seven recommendations were "dropped" by Public Works Agency Management, which declined to resolve or implement these recommendations due to disagreement (2), ownership of the recommendation (3) or lack of funding (2). These recommendations are unresolved.

Audits are an objective assessment of whether or not public resources are responsibly and effectively managed to achieve intended results. The impact of an audit's recommendations is achieved when the City Administration ensures prompt and proper implementation, increased accountability, and proper safeguarding of City assets. Therefore, it is critical that the City Administration act upon its responsibility to Oakland residents through timely implementation of audit recommendations.

It is only when the City's leadership prioritizes the timely implementation of audit recommendations that the City delivers on our promise to the public - to serve as effective stewards of the City's assets and continue to be deserving of their trust.

Respectfully submitted,

COURTNEY A. RUBY, CPA, CFE
City Auditor

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Overview

The impact of an audit's recommendations is achieved when the City Administration ensures prompt and proper implementation. Corrective action taken by the City Administration on audit findings is essential to improving the effectiveness and efficiency of Oakland's operations.

Follow-Up Process

The purpose of the follow-up process is to assess the status of full implementation of audit recommendations and to then close the recommendations. If a recommendation is not closed or fully implemented, it is considered open. Open recommendations are comprised of unresolved, partially resolved, and resolved recommendations.

Follow-up reports, released on an ongoing basis, may combine more than one audit or focus on groups of recommendations from larger audits. During audit recommendation follow-up, the Office of the City Auditor (Office) assesses if corrective action has occurred through documentation review, interviews or on-site visits.
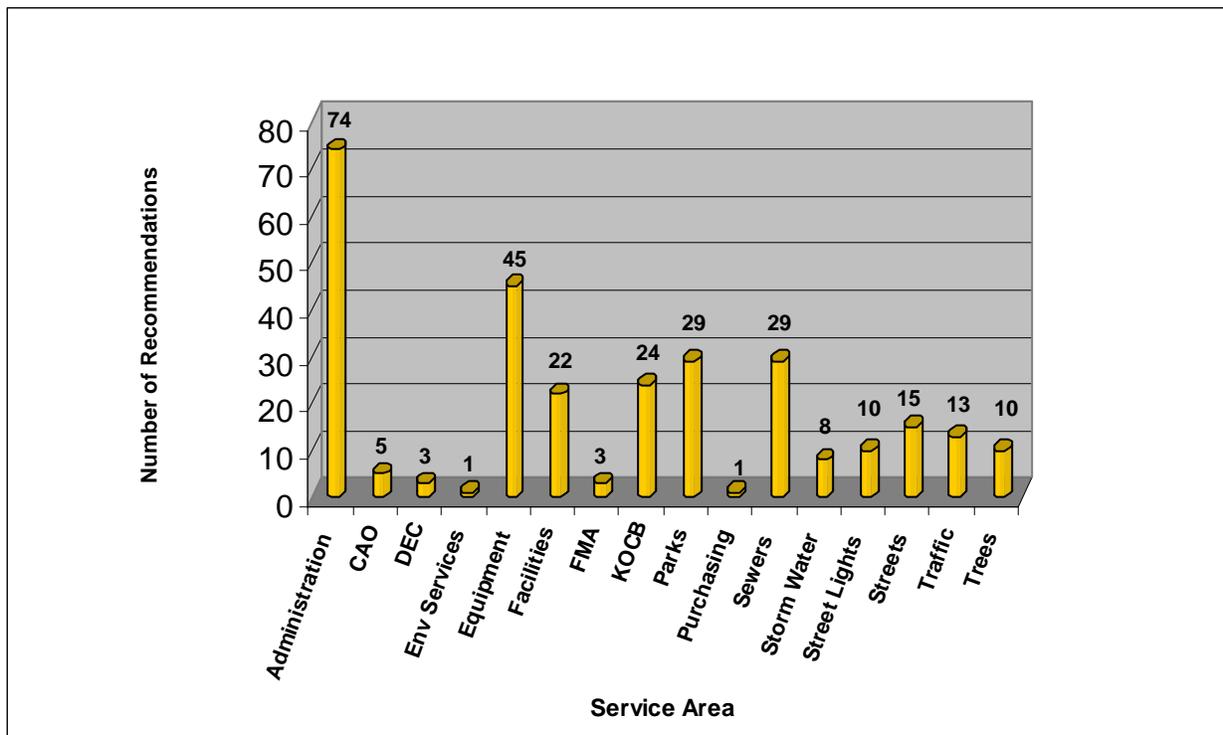
For any recommendation that is not fully implemented, the Office undertakes a collaborative process with the auditee to identify any potential barriers to full implementation. The Office then works with the auditee to identify corrective actions that can be successfully implemented. Once an auditee's corrective action has been assessed, a determination on the implementation status of the recommendations is made. The table below shows the four implementation status categories.

Recommendation Implementation Status	
Unresolved	No agreement on the recommendation or the proposed corrective action. Implementation of recommended corrective action is specified in this Report.
Partially Resolved	Partial agreement on the recommendation or the proposed corrective action. Implementation of the proposed corrective action is clarified in this Report.
Resolved	Agreement on the recommendation and the proposed corrective action. At the time of the audit recommendation follow-up, implementation of the proposed corrective action has not occurred.
Closed	Agreed upon corrective action complete. The corrective action was reviewed during the audit recommendation follow-up and found to be fully implemented.

Summary of Results

The April 2009 Public Works Agency (PWA) Performance Audit contains 292 specific recommendations. Due to the comprehensive nature of the PWA audit recommendations, to implement and organize them PWA Management categorized the recommendations into 16 categories. This report focuses on the implementation status of 74 audit recommendations the Public Works Agency (PWA) categorized as "Administration". The Office will be following-up on the other recommendations in a series of status reports. The subsequent reports will address recommendations from other categories. The chart below reflects the distribution of recommendations by service area.
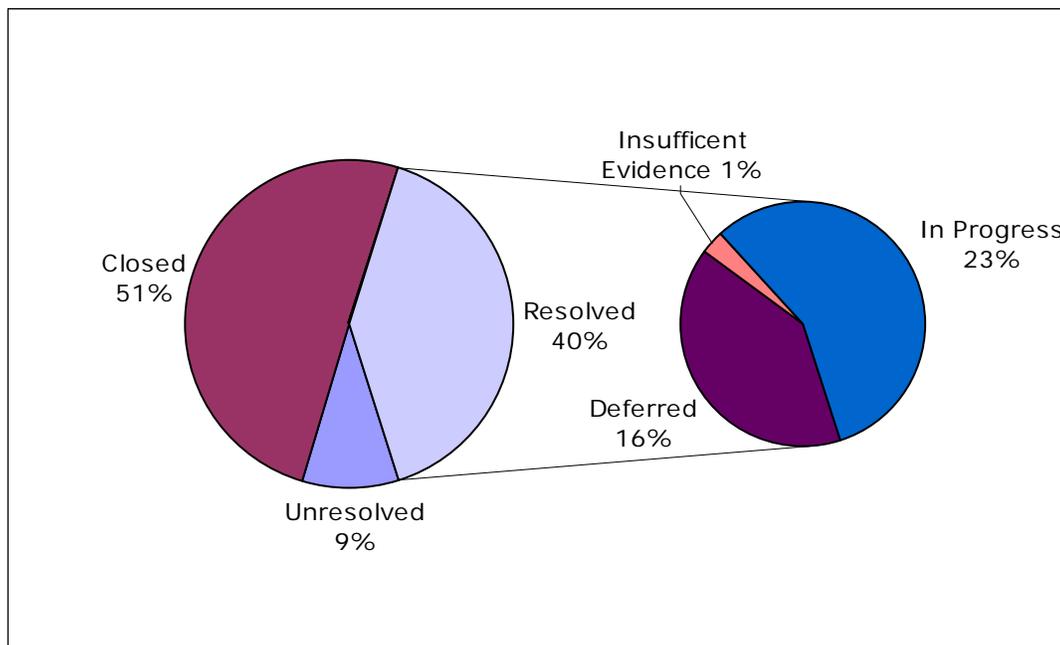
Public Works Agency Recommendation Categories

Bar chart titled "Number of Recommendations" (y-axis) versus "Service Area" (x-axis), showing the following values:

Service Area	Number of Recommendations
Administration	74
CAO	5
DEC	3
Env Services	1
Equipment	45
Facilities	22
FMA	3
KOCB	24
Parks	29
Purchasing	1
Sewers	29
Storm Water	8
Street Lights	10
Streets	15
Traffic	13
Trees	10

Overall, the City Administration took the following actions with the 74 "Administration" category recommendations, as shown in the exhibit below:

- Closed and fully implemented 38 of the 74 recommendations (51%)
- Resolved 29 of the recommendations (40%)
    o 12 recommendations were deferred but the Agency agreed to implement the recommendations once the current budget and resource constraints are resolved
    o 17 recommendations are in progress and will be closed once they have been fully implemented
- "Dropped" seven recommendations by declining to resolve or implement these recommendations (9%)

Public Works Agency Administration Category Recommendations Implementation Status[1]

[1]PWA Management did not provide sufficient evidence to close recommendation #280 (see page 11 for details regarding recommendation #280).

Public Works Agency Overview

The PWA Performance Audit was issued on April 29, 2009. The objective of this audit was to conduct a comprehensive organization and management analysis of the Agency's existing operations, organizational structure, infrastructure management and service levels.

The audit report contains 292 specific recommendations and outlines several key initiatives for the Agency to move forward, such as:

- Management accountability to ensure managers have the necessary systems to effectively leverage the workforce while meeting service standards
- Changes in organizational structure to support accountability
- Identifying core services and the quality of service to be provided – essentially calling for Public Works to scale down the scope of services and do them more efficiently
- Effective asset management systems to ensure that decisions regarding the condition and performance of our assets will be made with a long-term view of their preservation and renewal
- Reducing staff and changing the mix of talents to re-engineer work processes to be more cost-efficient
- Identifying new sources of revenue such as impact fees, potential sponsorships and special taxes
- Preventively maintaining the City's assets to improve operating efficiency, prevent premature replacement and avoid service interruptions

Implementation Status of Recommendations

Of the 74 "Administration" Category recommendations from the April 2009 Public Works Agency audit, the recommendation follow-up assessed whether or not the actions taken by PWA Management were sufficient to achieve full implementation and closure of 38 recommendations.

PWA Management explained it has deferred implementation of 12 of the 74 recommendations due to budget and resource constraints. PWA Management intends to implement these recommendations at a later date once the budget issues have been resolved. PWA Management has resolved 17 recommendations and is in the process of implementation.

Finally, PWA Management has declined to implement seven recommendations. PWA Management has given several reasons for their failure to resolve or implement these seven recommendations: PWA Management disagrees with two of the recommendations; has asserted that three of the recommendations should be addressed by the City of Oakland's Community Economic Development Agency; and states that two were denied by the Budget Office for lack of funding without any intention to implement once the City's financial situation improves.

PWA Management has an obligation to the citizens of Oakland to fully address and implement each audit recommendation made in the report in a timely and professional manner. Failure to resolve or implement the report's recommendations perpetuates inefficiencies, creates conflicts, and wastes tax payer funds.

Public Works Agency Open Recommendations
"Administration" Category

Open recommendations are unresolved, partially resolved or resolved, where corrective action has not yet been fully agreed upon or implemented by the City Administration at the time of the Office of the City Auditor's follow-up. Steps to close recommendations along with updated deadlines are provided to assist the City Administration in implementing the corrective action. Future audit follow-up by the Office of the City Auditor will continue to review the implementation status of open recommendations.

Recommendation #2 Resolved	**Conduct a SWOT analysis.** PWA Management stated that it would perform SWOT analysis upon appointment of the new director. PWA Management should provide the Office of the City Auditor a completed SWOT analysis by June 30, 2012 or when a new PWA director is appointed.
Recommendation #11 Resolved	**Develop a communication plan to guide communication with the media, residents, businesses and Agency employees.** PWA Management stated that it deferred this recommendation due to resource constraints. PWA Management should provide the Office of the City Auditor a completed communication plan by June 30, 2012.
Recommendation #12 Resolved	**Improve depth and breadth of communication.** PWA Management stated that it deferred this recommendation due to resource constraints. PWA Management should provide the Office of the City Auditor a completed communication plan that includes a strategy to improve depth and breadth by June 30, 2012.
Recommendation #14 Unresolved	**Develop a quarterly sick leave report that reports sick leave by employee by section for the current year-to-date versus last year-to-date, and includes the lost-time rate, frequency rate.** PWA Management stated that it deferred this recommendation due to resource constraints. PWA Management should work with the Department of Human Resource Management to provide the Office of the City Auditor a copy of the newly developed quarterly sick leave report by June 30, 2012.
Recommendation #15 Unresolved	**Analyze quarterly sick leave report to identify leave problems.** PWA Management stated that it deferred this recommendation due to resource constraints. PWA Management should work with the Department of Human Resource Management to provide the Office of the City Auditor evidence that the quarterly leave report has been analyzed and problems identified by June 30, 2012.

Recommendation #16 Resolved	**The Agency should develop a training course for Attendance Management.** PWA Management is reliant on the Department of Human Resources Management to develop an attendance policy. PWA should provide training following the Department of Human Resource Management update to attendance policy (Recommendation #22). PWA Management should provide the Office of the City Auditor evidence that a training course, including course agenda, has been developed or a status report of the progress toward implementation by June 30, 2012.
Recommendation #17 Resolved	**The Agency should require all managers to attend the Attendance Management course.** PWA Management is reliant on the Department of Human Resources Management to develop an attendance policy. PWA should provide applicable training following the Department of Human Resource Management update to attendance policy (Recommendation #22). PWA Management should provide the Office of the City Auditor a copy of the department memo requiring managers to attend the Attendance Management course and the sign in sheets or a status report of the progress toward implementation by June 30, 2012.
Recommendation #18 Resolved	**Develop an Attendance Management protocol.** PWA Management is reliant on the Department of Human Resources Management to develop an attendance policy. PWA should develop attendance management protocol following the Department of Human Resource Management update to attendance policy (Recommendation #22). PWA Management should provide the Office of the City Auditor a copy of the finalized Attendance Management protocol or a status report of the progress toward implementation by June 30, 2012.
Recommendation #19 Resolved	**Develop a policy that clarifies the responsibility of managers and supervisors of PWA for the implementation of the City's Attendance Management policy.** PWA Management is reliant on the Department of Human Resources Management to develop an attendance policy. PWA should develop attendance management policy following the Department of Human Resource Management update to attendance policy (Recommendation #22). PWA Management should provide the Office of the City Auditor the finalized Attendance Management protocol including a detailed listing of responsibilities for supervisors and managers or a status report of the progress toward implementation by June 30, 2012.

Recommendation #20 Resolved	**Not less than once a year audit the effectiveness with which the Attendance Management policy is being implemented.** PWA Management is reliant on the Department of Human Resources Management to develop an attendance policy. PWA should perform an audit within one year of Department of Human Resources updating attendance policy and completing training. PWA Management should provide the Office of the City Auditor evidence to support the effectiveness in implementing the Attendance Management by June 30, 2012 and once annually thereafter or until this is no longer deemed necessary.
Recommendation #21 Resolved	**Share the Attendance Management Audit results with supervisors and managers and develop corrective action plans as necessary.** PWA Management should provide the Office of the City Auditor a copy of the corrective action plans by June 30, 2012.
Recommendation #22 Resolved	**The City of Oakland should update its attendance policy.** PWA is not the owner of the City of Oakland's attendance policy. The Agency supports the Department of Human Resource Management efforts to update the attendance policy.
Recommendation #34 Resolved	**Develop an asset management policy and procedure for the Mayor and City Council's consideration.** PWA Management elected to defer implementation until the City of Oakland's financial position has improved. PWA Management should provide the Office of the City Auditor a copy of the newly developed asset management policy and procedure produced for the Mayor and City Council's consideration by June 30, 2012.
Recommendation #36 Resolved	**Establish an asset management council to facilitate a coordinated Agency approach.** PWA Management elected to defer until the City of Oakland's financial position has improved. Provide evidence that an asset management council has been established to facilitate a coordinated Agency approach by June 30, 2012.
Recommendation #43 Resolved	**Conduct periodic inventory condition assessments of assigned assets.** PWA Management stated it completed an assessment of condition for most assets and plan to complete the assessments for remaining assets as resources become available. PWA should provide to the Office of the City Auditor evidence that periodic condition assessments of assigned assets are conducted by June 30, 2012.

| Recommendation #68

Resolved | **Develop a complete inventory of work activities performed by the Agency in maintenance and repair of infrastructure assets.**

PWA Management stated that it would address the recommendation during implementation of its new performance management system (Recommendation #13). PWA should provide to the Office of the City Auditor a complete inventory of work activities performed by the Agency in maintenance and repair of infrastructure assets or an alternative plan for defining inputs and outputs by June 30, 2012. |
|---|---|
| Recommendation #71

Unresolved | **Utilize Cityworks to develop an annual work program and calendar.**

PWA Management stated it was currently evaluating whether or not this is practical. PWA should provide to the Office of the City Auditor evidence that Cityworks is being utilized to develop an annual work program and calendar by June 30, 2012. |
| Recommendation #185

Unresolved | **Adopt impact fees for sanitary sewer collection, stormwater collection, parks infrastructure, and community and capital facilities.**

PWA Management stated it is not the process owner and that the responsibility to adopt impact fees is the responsibility of the Community and Economic Development Agency (CEDA). Per discussion with a CEDA staff, it has been the longstanding policy of the City of Oakland not to impose impact fees on sanitary sewer collection, storm water collection, parks infrastructure, and community and capital facilities. If this policy should change, then CEDA will pursue the necessary studies to impose impact fees. |
| Recommendation #186

Unresolved | **Reduce or waive impact fees for affordable housing projects.**

PWA Management stated it is not the process owner and that the responsibility to waive or reduce impact fees is the responsibility of the Community and Economic Development Agency (CEDA). Per discussion with a CEDA staff, it has been the longstanding policy of the City of Oakland not to impose impact fees on affordable housing projects. If this policy should change, then CEDA will pursue the necessary studies to impose impact fees. |
| Recommendation #187

Unresolved | **Contract for a nexus study prior to adopting impact fees to determine the specific fee amount to be charged and the connection between that fee and the cost of sanitary sewer collection, storm water collection, parks infrastructure, and community and capital facilities.**

PWA Management stated it is not the process owner and that the responsibility to adopt impact fees is the responsibility of the Community and Economic Development Agency (CEDA). Per discussion with a CEDA staff, it has been the longstanding policy of the City of Oakland not to impose impact fees on sanitary sewer collection, storm water collection, parks infrastructure, and community and capital facilities. If this policy |

	should change, then CEDA will pursue the necessary studies to impose impact fees.
Recommendation #189 Resolved	**Develop for Council approval a sponsorship policy that includes: sponsorship/ partnership process, solicitation and selection process, agreement process, follow-up and recognition process, and accounting, recordkeeping, and reporting procedures.** PWA Management stated that it would address this recommendation pending availability of resources. PWA should provide to the Office of the City Auditor a copy of the sponsorship policy by June 30, 2012.
Recommendation #190 Resolved	**Assign responsibility for soliciting/selecting sponsors based on adopted sponsorship policy.** PWA Management stated that it would address this recommendation pending availability of resources. PWA Management should provide to the Office of the City Auditor evidence that Administrative Services Department has been assigned responsibility for soliciting/selecting sponsors based on adopted sponsorship policy by June 30, 2012.
Recommendation #191 Resolved	**Establish a 501(c) (3) charitable organization on behalf of the Agency.** PWA staff stated that it would address this recommendation pending availability of resources. PWA Management should provide to the Office of the City Auditor evidence that a 501(c) (3) charitable organization on behalf of the Agency has been established by June 30, 2012.
Recommendation #192 Resolved	**Develop and implement public-private partnerships.** PWA Management stated that it would address this recommendation pending availability of resources. PWA Management should provide to the Office of the City Auditor a plan for developing and implementing public-private partnerships by June 30, 2012.
Recommendation #268 Resolved	**Transfer an Information Systems Administrator position and 2 Microcomputer Systems Specialist back to PWA.** PWA Management stated it is currently working with City Administrator's Office for a return to the Agency of these positions. PWA Management should provide to the Office of the City Auditor documentation that an Information Systems Administrator position and 2 Microcomputer Systems Specialist has been transferred back to PWA by June 30, 2012.

Recommendation #269 Resolved	**Authorize 2 Spatial Analyst II positions.**
	PWA Management stated it is currently working with the Budget Office to obtain authorization for these positions. PWA Management should provide to the Office of the City Auditor documentation that two Spatial Analyst II positions have been authorized by June 30, 2012.
Recommendation #271 Unresolved	**Transfer Administrative Services Manager authorized position in Department of Facilities and Environment to Administrative Services Department.**
	PWA Management stated it is currently evaluating staffing needs. PWA Management should provide to the Office of the City Auditor a viable alternative or a plan for implementation by June 30, 2012.
Recommendation #272 Resolved	**Add a Budget and Operations Analyst III.**
	PWA Management requested the Budget Office provide a Budget and Operations Analyst III and was denied due to lack of financial resources. PWA Management should provide to the Office of the City Auditor evidence of a viable staffing alternative or evidence that it is continuing to pursue funding/approval from the Budget Office by June 30, 2012.
Recommendation #274 Resolved	**Reassign 3 Payroll Clerk III positions from Human Resources to Fiscal Services section.**
	PWA Management stated that it is currently addressing staffing concerns. PWA Management should provide to the Office of the City Auditor evidence that 3 Payroll Clerk III positions have been reassigned from Human Resources to Fiscal Services section or a viable staffing alternative by June 30, 2012.
Recommendation #278 Resolved	**Eliminate 3 Account Clerk I/ II positions after automating internal routing/ approval of invoices.**
	PWA Management stated that it plans to address the recommendation following the automation of the accounts payable process (Recommendation 275 – Purchasing Category). PWA Management should provide to the Office of the City Auditor evidence that 3 Account Clerk I/ II positions have been eliminated or a viable staffing alternative by June 30, 2012.
Recommendation #279 Resolved	**Eliminate one Payroll Clerk II position after deploying distributed time entry.**
	PWA Management stated that it deferred the recommendation until distributed time entry is implemented. PWA Management should provide to the Office of the City Auditor evidence that one Payroll Clerk II position has been eliminated or a viable staffing alternative by June 30, 2012.

Recommendation #280 Resolved	**The Agency's Call Center is capable of handling approximately 42% more call volume workload than existing workload.** PWA Management provided documentation of call volume trends but did not provide sufficient evidence to verify increased percentage of the workload. PWA Management should provide to the Office of the City Auditor the percentage of workload increase by June 30, 2012.
Recommendation #285 Resolved	**Transfer electrical engineering and architectural services responsibilities to CEDA/ DEC.** PWA Management provided evidence that the architectural services responsibilities were transferred to CEDA/DEC; however the electrical engineering responsibilities have not been transferred as the position is currently under Agency review. PWA Management should provide to the Office of the City Auditor documentation that the electrical engineering has been transferred to CEDA/DEC or a viable staffing alternative by June 30, 2012.
Recommendation #287 Resolved	**Reassign staff assigned to development engineering to CEDA/ DEC. Keep staff at Permit Center.** PWA Management stated that it is currently working with City Administrator's Office to reassign staff assigned to development engineering to CEDA/ DEC. PWA Management should provide to the Office of the City Auditor documentation to support that development engineering staff has been reassigned to CEDA/DEC and Permit Center staff is still assigned by June 30, 2012.
Recommendation #290 Resolved	**Increase General Fund appropriations for asset renewal and replacement.** PWA Management explained that its request for appropriations for asset renewal and replacement were denied by the Budget Office; therefore it should provide to the Office of the City Auditor a viable alternative plan for asset removal and replacement by June 30, 2012.
Recommendation #292 Resolved	**The Oracle Asset Module should be linked to Cityworks.** PWA Management deferred the recommendation pending availability of resources. PWA should provide to the Office of the City Auditor evidence that the Oracle Asset Module is linked to Cityworks by June 30, 2012.

Public Works Agency Closed Recommendations	
"Administration" Category	
Closed recommendations have been fully implemented by PWA Management and have been assessed by the Office of the City Auditor to have fully addressed the findings from the audit report.	
Recommendation #1	**The Agency should develop a plan of implementation for the recommendations contained in this report. This should include an agreed upon timetable and work program, cost estimates and methods of funding, and approval of the plan of implementation by the City Administrator's Office, the Mayor, and the City Council.** PWA Management provided a written plan to implement audit recommendations.
Recommendation #3	**The Agency should revise its mission statement.** PWA Management provided a copy of its revised mission statement.
Recommendation #4	**The Agency should revise its vision statement.** PWA Management provided a copy of its revised vision statement.
Recommendation #5	**The vision statement should be published to the Agency's web page**. PWA Management published its vision statement on the Agency web page.
Recommendation #6	**The Agency should enhance its values statement.** PWA Management provided a copy of its revised values statement.
Recommendation #7	**The Agency should develop goal statements for each of its sections.** PWA Management developed goal statements for each Public Works Agency section.
Recommendation #8	**The Agency should develop objectives for each section.** PWA Management provided a list of objectives for each service section.
Recommendation #9	**The Agency should expand its array of performance measures to include inputs, outputs, efficiency, service quality, and outcomes.** PWA Management expanded performance measures to include inputs, outputs, efficiency, service quality and outcomes.

Recommendation #10	**The Agency should utilize Azteca Cityworks to facilitate the development of a broader array of performance measures and the collection of data regarding the achievement of those performance measures.**
	PWA Management provided evidence that performance measures were developed using Cityworks. In addition, PWA Management provided data regarding the achievement of those performance measures.
Recommendation #13	**The Administrative Services Department should work with the management and supervisory team of the Agency to develop and deploy Agency-wide performance measurement systems and management reports.**
	PWA Management provided evidence that an agency-wide performance measurement system has been developed.
Recommendation #23	**The Agency should develop an overtime policy and clearly spell out its choices in use of regular staff hours, alternative staffing approaches and overtime and compensatory time.**
	PWA Management has developed an overtime policy and has implemented a stricter review of after-hours emergency response, which has reduced overtime usage.
Recommendation #24	**The Agency should develop a clearly described policy regarding the maximum use and accrual of overtime in a pay period.**
	PWA Management has developed an overtime policy and has implemented a stricter review of after-hours emergency response, which has reduced overtime usage.
Recommendation #25	**The Agency should adopt a comprehensive policy governing oversight of overtime.**
	PWA Management provided evidence that it actively monitors staffing and staff hours. Agency overtime was 5.7% compared to a benchmark of 5%.
Recommendation #26	**Training should be provided to employees in supervisory and managerial positions regarding the expectations placed on them to manage overtime / compensatory time. Appropriate resources such as reports and labor contracts should be provided to supervisors to assist them in this obligation.**
	PWA Management provided evidence that it actively monitors staffing and staff hours. Agency overtime was 5.7% compared to a benchmark of 5%.
Recommendation #27	**The Administrative Services Department should develop and distribute monthly, quarterly and annual reports to document and monitor overtime and compensatory time in detail.**

	PWA Management provided evidence that it actively monitors staffing and staff hours. Agency overtime was 5.7% compared to a benchmark of 5%.
Recommendation #28	**Each Section in the Agency should develop a comprehensive, written policies and procedures manual.** PWA Management provided access to its web-based comprehensive written policy and procedure manual for each section.
Recommendation #29	**Each Section Manager should be assigned responsibility for the development of a comprehensive, written policies and procedures manual. The policy and procedures manuals should be published to the Agency's Intranet.** PWA Management provided evidence that the newly developed policies and procedure manuals have been posted to the intranet.
Recommendation #30	**The management of the Agency should effectively utilize the data generated by the deployment of global positioning systems to evaluate productivity, safety, and asset protection.** PWA Management provided evidence that the GPS system was installed on 125 vehicles and is being used to evaluate productivity, safety, and asset protection.
Recommendation #31	**The Administrative Services Department should work with managers and supervisors in those sections in which global positioning systems are deployed to develop management reporting systems utilizing the data generated by the global positioning systems.** PWA Management provided evidence of a) management reports and b) utilization by asset section manager.
Recommendation #32	**The Administrative Services Department should periodically monitor the effective deployment of these systems and the effective use of these management reports by these managers and supervisors.** PWA Management provided copies of the most recent GPS generated management report and a description of the process for monitoring the effectiveness.
Recommendation #33	**The Agency should conduct a systematic evaluation of its services to identify its core services.** PWA Management provided its Asset Management Reports, as well as, documents that have been developed as part of the budget development process to demonstrate that it conducts a systematic evaluation of services to identify core services.

Recommendation #35	**In the development of an asset management policy and procedure, the Agency should clarify accountability for the management of each of the assets under its stewardship.**
	PWA Management assigns assets to an asset manager who is responsible for all GIS assets in a given category (e.g. Fleet and Equipment, Buildings and Facilities).
Recommendation #37	**The Agency should designate the managers within the Agency that are accountable for managing each specific type of asset assigned to the Agency.**
	PWA Management provided a list of asset managers and each specific type of asset each manager is responsible for managing.
Recommendation #40	**The Agency should collect asset inventory data for each of the assets it is responsible for maintaining and repairing.**
	PWA Management uses the more robust GIS as the primary tool to maintain and track infrastructure assets. PWA Management uses Cityworks for the assignment asset maintenance request. Cityworks accesses GIS data to identify assets and owners.
Recommendation #41	**The Agency should update asset inventory information on an ongoing basis.**
	PWA Management provided documentation indicating assets are continuously updated to GIS.
Recommendation #42	**The responsibility for updating of the asset inventory information should be assigned to the Administrative Services Department. The ability of the department to fulfill this responsibility is dependent upon information technology staffing recommendations contained in the audit report.**
	PWA Management provided evidence that Asset Managers are responsible for updating asset inventory which is a viable alternative to assigning the responsibility to the Administrative Services Department.
Recommendation #69	**The Agency should define the levels of service that the Agency can provide in the maintenance and repair of assets entrusted to the Agency.**
	PWA Management provided evidence that the levels of service that the Agency can provide in the maintenance & repair of assets entrusted to the Agency has been defined.

Recommendation #70	**The Agency should develop performance standards for each work activity.**
	PWA Management provided its newly developed performance standards for each work activity.
Recommendation #72	**The Agency should utilize Azteca Cityworks to develop and deploy formal work planning and scheduling systems in each Section.**
	PWA Management provided evidence that Cityworks is being used to develop formal work planning and scheduling systems in each section.
Recommendation #73	**The Agency should utilize Azteca Cityworks to generate a monthly performance report comparing planned versus actual performance and costs.**
	PWA Management provided its most recent monthly performance reports generated by Cityworks comparing planned versus actual performance and costs.
Recommendation #76	**Azteca Cityworks should be deployed in the Facilities Management Division.**
	PWA Management has deployed Cityworks in Facilities Management.
Recommendation #179	**The Agency should develop a service request aging management reporting system for the Call Center.**
	PWA Management provided its most recent copy of the service request status report that includes aging analysis.
Recommendation #180	**The Agency should adopt an objective for closing service requests.**
	PWA Management provided evidence that the objective for closing service requests has been adopted.
Recommendation #181	**Managers and supervisors within the Agency should be held accountable for meeting the objective.**
	PWA Management provided documentation and a description for how managers and supervisors are held accountable for meeting objectives for closing service requests.
Recommendation #216	**The Supervising Civil Engineer position in the Infrastructure and Operations Department should be eliminated through attrition.**
	PWA Management provided documentation supporting that the Supervising Civil Engineer position was eliminated.
Recommendation #270	**Eliminate the Management Assistant position in the Administrative**

	Services Department responsible for agenda management for the Agency and for coordination of public records requests, through attrition. PWA Management provided documentation supporting that the Management Assistant position responsible for agenda management and public records was eliminated.
Recommendation #273	**The delivery of human resource services within the Agency should continue to be based upon a hybrid system that includes service delivery by the Human Resources Division, the Administrative Services Department within the Agency and the Personnel Division / Finance and Management Agency. Human resource service delivery should not be consolidated within the Personnel Division / Finance and Management Agency.** PWA Management provided supporting documentation that its Human Resources section is separate from Finance Management Agency (Personnel).
Recommendation #286	**The Engineering and Construction Department should be transferred from the Community and Economic Development Agency to the Agency.** PWA Management provided evidence that Community Economic Development Agency's Department of Engineering and Construction has been transferred to PWA.