

Office of City Auditor

**Status Report on Implementation of
Office of City Auditor Recommendations
as of October 2012**

February 7, 2013



Our Mission:

To help the City of Seattle achieve honest, efficient management and full accountability throughout City government. We serve the public interest by providing the City Council, the Mayor, and City department heads with accurate information, unbiased analysis, and objective recommendations on how best to use public resources in support of the well-being of the citizens of Seattle.

Background:

Seattle voters established our office by a 1991 amendment to the City Charter. The office is an independent department within the legislative branch of City government. The City Auditor reports to the City Council and an audit committee, and has a four-year term to ensure his/her independence in deciding what work the office should perform and reporting the results of this work. The Office of City Auditor conducts performance audits, and non-audit projects covering City of Seattle programs, departments, grantees, and contracts. The City Auditor's goal is to ensure that the City of Seattle is run as effectively and efficiently as possible in compliance with applicable laws and regulations.

How We Ensure Quality:

The office's work is performed in accordance with the Government Auditing Standards issued by the Comptroller General of the United States. These standards provide guidelines for audit planning, quality control systems, staff training, and reporting of results. In addition, the standards require that external auditors periodically review our office's policies, procedures, and activities to ensure that we adhere to these professional standards.

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City of Seattle
Office of City Auditor



February 7, 2013

The Honorable Mayor Mike McGinn
Seattle City Councilmembers
City of Seattle
Seattle, Washington 98104

Dear Mayor McGinn and City Councilmembers:

Attached is our report, Status Report on Implementation of Office of City Auditor Recommendations as of October 2012, which summarizes the implementation status of recommendations from audit reports issued by our office from January 2007 through September 2012.

Our review of 311 recommendations from 35 audit reports indicated that, as of October 2012, 64 percent of our recommendations had been implemented, 26 percent were pending implementation, and 10 percent did not warrant further follow-up.

The report explains our process for tracking and following up on audit recommendations. It also lists each recommendation by audit report title, recommendation description, implementation status, and date of implementation.

If you have any questions or comments about this report, please contact me (206) 233-1095 or the auditor-in-charge of this report, Megumi Sumitani (233-1096).

Sincerely,

A handwritten signature in black ink that reads "David G. Jones".

David G. Jones
City Auditor

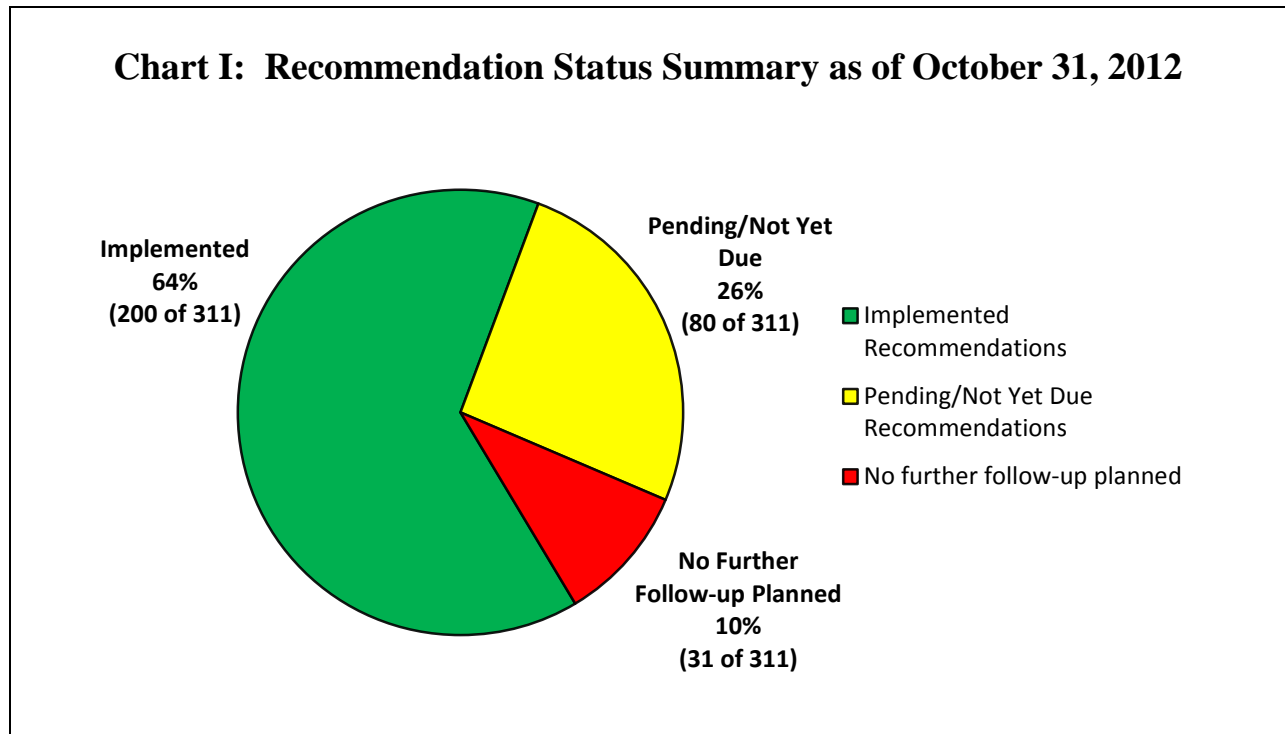
Enclosure

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Status Report on Implementation of Office of City Auditor Recommendations as of October 2012

Status of Audit Recommendations

We reviewed the status of 311 recommendations contained in 35 audit reports issued from January 2007 through September 2012. As shown in the chart below, as of October 31, 2012, 64 percent of our recommendations (200 out of 311) were implemented, 26 percent (80 out of 311) were pending, and 10 percent (31 out of 311) were categorized as no further follow-up planned.



We reviewed the status of recommendations from the following 35 audit reports issued between January 2007 through September 2012:

1. Seattle Municipal Court Accounts Receivable and Revenue Recovery, Internal Controls Review (January 4, 2007)
2. Seattle Public Utilities Billing and Accounts Receivable – Drainage Fees, Internal Controls Review (February 8, 2007)
3. Parks Public Involvement Audit, Phase 2: Case Study of Loyal Heights Playfield Renovation (April 12, 2007)
4. Seattle Indigent Public Defense Services (August 6, 2007)
5. Review of Millennium Digital Media’s Compliance with the City of Seattle’s Cable Customer Bill of Rights (August 21, 2007)
6. External Funding of Capital Projects (January 16, 2008)

7. Seattle's Special Events Permitting Process: Successes and Opportunities (January 31, 2008)
8. Seattle City Light Travel (February 1, 2008)
9. Seattle Public Utilities Revenue Cycle Audit - Transfer Stations, Internal Controls Review (February 14, 2008)
10. Seattle Public Utilities Revenue Cycle Audit – Commercial Solid Waste, Internal Controls Review (April 9, 2008)
11. Seattle's Enforcement of Bias Crimes (August 4, 2008)
12. City Should Take Steps to Enhance Pedestrian and Cyclist Mobility Through and Around Construction Sites (August 13, 2008)
13. Review of City Collection Policies and Procedures (September 25, 2008)
14. Follow-up Audit of Broadstripe's Compliance with the City of Seattle's Cable Customer Bill of Rights (October 24, 2008)
15. Review of Costs of Neighborhood Traffic Calming Projects (January 15, 2009)
16. Audit of Comcast's Compliance with the City of Seattle's Cable Customer Bill of Rights (May 13, 2009)
17. Management of City Trees (May 15, 2009)
18. Cash Handling Audit Seattle Center Parking (June 19, 2009)
19. Seattle District Council System Needs Renewal (June 22, 2009)
20. Cal Anderson Park Surveillance Camera Pilot Program Evaluation (October 26, 2009)
21. Compliance Audit of the Aquatic Habitat Matching Grant Program (December 14, 2009)
22. Efficiencies Audit: Parking and Traffic Ticket Processing (December 15, 2009)
23. Seattle Public Utilities Revenue Cycle Audit – Water (Retail and Wholesale) Internal Controls Review (March 1, 2010)
24. Follow-up Audit of Workers' Compensation: Return-to-Work Program (June 15, 2010)
25. City of Seattle Anti-Graffiti Efforts: Best Practices and Recommendations (July 28, 2010)
26. Indigent Defense Services Follow-up and 2010 Audit (December 15, 2010)
27. Seattle Public Utilities Revenue Cycle Audit – Wastewater: Internal Controls (April 11, 2011)
28. City of Seattle Anti-Litter Efforts (April 19, 2011)
29. Promising Practices in Risk Management (June 22, 2011)
30. How Can Seattle Crime Analysis Rise to the Next Level? (January 10, 2012)
31. Seattle Police Department's In-Car Video Program (June 20, 2012)
32. Information Technology Security and Risk Assessment of the Seattle Department of Transportation's Traffic Management Center and Control System (July 5, 2012)
33. Evidence-Based Assessment of the City of Seattle's Crime Prevention Programs (September 6, 2012)
34. Seattle Public Utilities Water Main Extensions: Internal Controls Review and Fraud Risk Audit (September 7, 2012)
35. City of Seattle Multifamily Tax Exemption Program (September 19, 2012)

Categories of Recommendation Status

For reporting purposes, we categorized the status of recommendations into the following categories:



Implemented

We reviewed the status information provided by the audited entity and either: 1) agree that the recommendation or the intent of the recommendation has been met (i.e., with an alternative approach) and has been implemented, or 2) conclude that it is in the process of being implemented and we see no barrier to its implementation.



Pending

We categorized a recommendation as pending when it met one of the following conditions:

- a) The implementation of the recommendation is in process. Implementation is not complete and additional monitoring to ensure its completion is warranted. In some cases, implementation requires City Council/Mayoral decision(s).
- b) The recommendation's scheduled follow-up by our office is not yet due. This is the case for 54 percent (43 out of 79) of our total number of "pending" recommendations. These recommendations are designated as "Follow-up Not Yet Due" within the category of pending.



No Further Follow-up Planned

We categorized a recommendation for "no further follow-up planned" when it met one of the following conditions:

- a) The recommendation is no longer relevant: #212-215.
- b) The recommendation's implementation is not feasible due to budget and/or staffing limitations, contractual issues, or other barriers: #11, #48, #93, #98, #118, #130, #138, #171, #176-177, #183, #188-193, #203, #229-230, and #242.
- c) The audited entity's management does not agree with the recommendation and is not planning to implement the recommendation: #50, #161, and #184.
- d) The recommendation was considered by the City Council but not adopted: #69, #174, and #261.

How We Track Our Audit Recommendations

After we complete an audit, the City Auditor meets with the auditors who performed the audit to determine which recommendations will be added to our tracking database. Audit staff assess the status of recommendations by following up with the appropriate City departments and/or responsible individuals and obtaining testimonial or documentary evidence to verify the status assessment. Normally, our office will allow at least six months to a year to elapse before following up on a recommendation; this period is intended to give an auditee adequate time to implement the recommendation. However, certain recommendations may require follow-up sooner than this. We normally follow-up on recommendations listed in our database once every year.

In some cases, we go beyond our standard status tracking activity and perform a more in-depth examination and verification of the extent to which certain audit recommendations have been implemented.

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Status of Audit Recommendations as of October 31, 2012

The following table lists the 311 recommendations we tracked from 35 audit reports issued from January 2007 through September 2012, and the status of each recommendation as of October 31, 2012.

Report Title	Rec #	Description	Status as of March 2010	Status as of June 2011	2011 Update Comments	Status as of October 2012	2012 Update Comments
1. Seattle Municipal Court (SMC) Accounts Receivable and Revenue Recovery, Internal Controls Review (January 4, 2007)	1	Citizens' fines placed in collections can be pulled out when the citizen receives new violations and fines.	Implemented December 2008				
	2	SMC's review of employee adjustments to financial obligations could be improved.	Implemented July 2009				
	3	A high percentage of citizens do not pay parking tickets or traffic and non-traffic infractions in a timely manner.	Implemented December 2008				
	4	Time-payment policies result in inefficiencies and allow citizens to delay payment.	Implemented December 2008				
	5	Most citizens set up on time-payments do not pay on time.	Implemented December 2008				
	6	Time-payment research functions are inefficient and not properly supported by the Court's information system (MCIS).	Pending	Pending	Seattle Municipal Court is performing MCIS system upgrades; they are currently implementing phase one of a two phase upgrade to add a time payment module.	Pending	In August 2012, the Court began working with a consultant/project manager to develop a web based MCIS interface that will improve the Court's ability to efficiently set up and monitor time-pay agreements. They expect to implement the new system in 2013.
	7	Community service policies result in inefficiencies and allow citizens not to properly honor their community service agreements.	Implemented December 2008				
	8	Many citizens set up on community service plans do not fulfill the plan's terms.	Pending	Implemented March 2011	Community service in lieu of cash payment is now an option only for indigent offenders.		
	9	SMC does not collect or track performance measurement data for revenue recovery processes.	Implemented December 2009				
	10	SMC policies create inefficiencies and staff time is wasted pursuing monies unlikely to be paid.	Implemented December 2008				
	11	SMC's information system tools do not adequately support accounts receivable management or revenue recovery functions.	Pending	No Further Follow-up Planned	Although Seattle Municipal Court is performing MCIS system upgrades, the upgrades will not adequately transform the system to serve as an accounting system due to lack of requested funding from the City.		

Report Title	Rec #	Description	Status as of March 2010	Status as of June 2011	2011 Update Comments	Status as of October 2012	2012 Update Comments
2. Seattle Public Utilities (SPU) Billing and Accounts Receivable (AR) – Drainage Fees, Internal Controls Review (February 8, 2007)	12	Variance reporting on property characteristics data is not adequate to ensure accurate updates to the Drainage Billing System (DBS).	Pending	Implemented March 2011	SPU has changed its process for reviewing variance report updates so that they are individually analyzed using aerial photos rather than applying business rules.		
	13	Drainage fee updates/adjustments to customer accounts are made only once a year by King County, despite when property changes actually occur.	Pending	Pending	The resolution of this option still relies on a decision regarding a final billing system. The current estimate is that a decision on whether to upgrade or replace CCSS will be made in 2012, with the actual work occurring in 2013-4.	Pending	SPU reported that a detailed evaluation of the inclusion of drainage billing in the in-house billing system is expected to be performed in 2013. If a decision is made to bring billing in-house, the contract with King County would be terminated in 2015.
	14	Property tax statements (which include drainage fees) marked “return to sender” are not researched and resolved by King County.	Pending	Pending	This was an issue for delinquent federal properties that claimed they were not subject to property tax, and these bills were “returned to sender”. SPU has since identified these properties and sent out bills this year for both current (2011) and delinquent drainage fee amounts. For delinquent accounts other than for federal properties, SPU needs to decide whether to continue outsourcing billing or bring it in-house, and make a decision on the billing application).	Pending	Currently, King County does not research returned property tax statements. SPU reported that it has always billed federal customers for drainage fees, but until recently they have not paid these bills. Most federal customers are now paying fees due to recent federal legislation clarifying that drainage charges are fees and not taxes and must be paid by federal agencies. See response to #13 above.
	15	No one in SPU or King County is monitoring DBS system access rights and two employee users should have their system update access rights revoked.	Implemented December 2009				

Report Title	Rec #	Description	Status as of March 2010	Status as of June 2011	2011 Update Comments	Status as of October 2012	2012 Update Comments
	16	Delinquent drainage accounts aren't tracked, researched, or pursued by SPU or King County until they are three years past due.	Pending	Pending	Resolution of issues with delinquent taxable accounts is pending long term drainage billing decisions (i.e., whether to continue outsourcing billing or bring it in-house, and a decision on the billing application). Recent federal legislation (Amendment to the Clean Water Act passed in December 2010) determined that federal agencies are required to pay local stormwater management fees. SPU, in coordination with the City of Seattle's Law Department, contacted and rebilled delinquent federal agencies.	Pending	See response to recommendation #13 above.
	17	King County estimates of the interest paid on delinquent drainage fees may result in underpayments to SPU.	Pending	Pending	SPU verified that according to King County's calculation methodology, King County's estimates of paid interest are now accurate. However, complete resolution of the finding is pending long term drainage decisions (i.e., whether to continue outsourcing billing or bring it in-house, and a decision on the billing application). Meanwhile, SPU will continue to rely on King County's estimated interest.	Pending	See response to recommendation #13 above.
	18	Property data in DBS, including ownership data, is not always accurate.	Implemented December 2007				
	19	Reconciliations of the drainage receivable were not done on a timely basis by SPU.	Implemented December 2007				
	20	Delinquent drainage fee receivables are not always written off timely by SPU.	Implemented December 2007				

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	21	SPU's memorandum of agreement (MOA) with King County for drainage billing and collection services requires updating.	Pending	Pending	A draft MOA has been completed and reviewed by the City and King County's legal department. SPU and King County are in the process of addressing some outstanding issues. The final determination of any new terms will depend on the resolution of the long term drainage billing and data management solution.	Pending	SPU reported that it will continue to pursue addressing its outstanding issues with King County and to update the MOA with King County although it is unlikely King County will accept any major changes to the agreement.
	22	SPU may wish to re-evaluate whether it is beneficial to continue outsourcing drainage fee administration functions.	Pending	Pending	The resolution of this option requires a decision regarding SPU's utility billing system (to replace or upgrade CCSS). The current estimate is that a decision on whether to upgrade or replace CCSS will be made in 2012, with the actual work occurring in 2013-4.	Pending	SPU reported that implementation of whether SPU will continue to outsource to King County for drainage fee billing or to bring the billing in-house to SPU is "on hold until 2013". SPU will evaluate this option once a complete evaluation of in-house billing requirements is available in 2013.
	23	SPU and King County's controls are not adequate to prevent or detect unauthorized employee adjustments to drainage accounts in the Drainage Billing System (DBS).	Implemented December 2008				
3. Parks Public Involvement Audit, Phase 2: Case Study of Loyal Heights Playfield Renovation (April 12, 2007)	24	Parks should make field schedules available on the web.	Implemented October 2008				
	25	Parks should provide important customer service information (including the phone number to request that lights be turned off when a field is not in use) on permanent signs.	Implemented October 2008				
4. Seattle Indigent Public Defense Services (August 6, 2007)	26	The City Budget Office (CBO) ¹ should audit public defense attorney caseloads based on assigned cases to ensure adherence to caseload standards, and share the audit results with the City Council.	Implemented October 2009				
	27	The City should clarify that in the governing ordinance and in the contracts with the City's contracted public defense providers, attorney caseload is measured by the number of assigned cases, not closed cases.	Implemented July 2009				

¹ Before 2010, the administrator of the Indigent Defense Services contracts resided in the Office of Policy and Management (OPM). In 2010, this office was eliminated and the administrator position moved to the City Budget Office (CBO). We have changed all references in the recommendations for the Seattle Indigent Public Defense Services Audit (August 6, 2007) about OPM to the CBO.

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	28	The City should have a larger secondary public defense agency.	Implemented July 2008				
	29	CBO should review a larger number of case files (minimum 30), and impose corrective measures if it does not find compliance by the public defense agencies.	Implemented October 2009				
	30	The public defense agencies should revise their client case file forms.	Pending	Implemented July 2010	We received copies of the most recent version of the forms from the three agencies that satisfied this recommendation.		
	31	The City should clarify what constitutes assignment of a case.	Implemented July 2008				
	32	Phone calls/letters can replace public defense agencies' contact with defendants only when the defendant cannot or is unwilling to meet.	Implemented July 2008				
	33	Document evidence of attorney contacts with clients in the public defense agencies' client files.	Pending	Implemented March 2010	Verified in City Budget Office audits of the three agencies.		
	34	Conduct an annual or biannual defendant satisfaction survey.	Implemented February 2010				
	35	Provide information to defendants on who they can call regarding complaints about the public defense services they receive.	Implemented October 2009				
	36	Document complaints in case files, give copies to CBO, and explain when cases are transferred due to attorney/client communication breakdown.	Implemented March 2010				
	37	CBO and the Seattle Municipal Court (SMC) should provide information about the City's contracted public defense agencies on the City's web site.	Implemented August 2009				
	38	Primary and secondary public defense agencies should have websites.	Implemented August 2009				
	39	CBO should assess the public defense agencies' compliance with supervisor/attorney ratio.	Implemented March 2010				
	40	CBO should improve its audits related to training of public defense attorneys.	Implemented October 2009				
	41	CBO should assess the public defense agencies' compliance with contract performance evaluation requirements.	Implemented March 2010				
	42	CBO should assess the purpose of the performance evaluation summary.	Implemented July 2008				

Report Title	Rec #	Description	Status as of March 2010	Status as of June 2011	2011 Update Comments	Status as of October 2012	2012 Update Comments
	43	CBO should review the public defense agencies' investigator hours.	Pending	Implemented July 2010	During our case file review we asked the defense agencies whether investigators were being used. In addition, CBO reviewed investigator hours as part of its support staff to attorney ratio review. CBO agreed to continue assessing investigator hours in the future. However, they assess compliance against .5 paraprofessional support staff for every attorney. Washington State Bar Association Standard 6 calls for one investigator for every four attorneys.		
	44	CBO should review the costs of the public defense agencies' use of investigators.	Pending	Implemented July 2010	CBO has agreed to continue monitoring this closely.		
	45	SMC should track the public defense agencies' use of interpreters outside of court hearings.	Pending	Implemented May 2010	At our request, SMC provided 2008 and 2009 interpreter usage data for the three public defense agencies. SMC stated it will provide this data quarterly.		
	46	The public defense attorneys should arrange for interpreters before meeting with their clients.	Pending	Implemented May 2010			
	47	CBO should use interpreter usage reports to evaluate public defense agencies' performance.	Pending	Implemented March 2010			
	48	SMC should track continuances.	Pending	No Further Follow-up Planned	Not feasible; SMC tracks continuances, but does not track the reason for the continuance. SMC's information system (MCIS) cannot track by reason and SMC has determined that creating this capability in MCIS is not feasible and we agree.		

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	49	SMC should improve its system to track open/closed case information.	Pending	Implemented May 2010	With the recent implementation of the Indigent Screening Information System (ISIS), the public defense agencies will be able to report when an agency accepts, withdraws or completes a case. Reports will be available after the agencies start using ISIS.		
	50	SMC and CBO should evaluate case processing time.	Pending	No Further Follow-up Planned	SMC disagrees with this recommendation; there are no plans to use ISIS to track case processing time. We concluded that this recommendation has not been implemented and were unable to identify plans for its future implementation.		
	51	CBO should consider paying on an open case basis instead of a closed case basis.	Implemented February 2010				
	52	CBO should review annual disposition data.	Pending	Implemented May 2010			
	53	CBO and SMC should decide whether appeals are a good measure of public defense services. CBO also needs to reconcile its appeal data with that maintained by the Law Department.	Implemented February 2010				
	54	CBO and SMC should decide if motions are an appropriate measure of public defense services. If yes, SMC should track.	Implemented February 2010				
	55	CBO and SMC should decide if probation and revocation hearings are an appropriate measure. If yes, SMC should track.	Implemented February 2010				
	56	CBO and SMC should decide if trials are an appropriate measure of public defense services. If yes, CBO should track.	Pending	Implemented September 2010			
	57	SMC should improve trial data collections.	Pending	Implemented May 2010			
	58	The City should decide whether the public defense agency contract selection process is independent enough, and assigned counsel should be done outside of SMC.	Implemented July 2008				
	59	CBO should determine if efforts are being made by the public defense agencies to ensure continuous representation.	Implemented March 2010				

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	60	CBO should consider City prosecutors' salaries in determining parity with those for public defenders.	Pending	Implemented May 2010			
5. Review of Millennium Digital Media's (MDM) Compliance with the City of Seattle's Cable Customer Bill of Rights (August 21, 2007)	61	MDM should ensure customers are notified of changes to their cable rates, programming, and channels in a timely manner.	Implemented October 2008				
	62	MDM should improve outage reporting and notification.	Implemented October 2008				
	63	MDM should ensure accuracy of promotional material.	Implemented October 2008				
	64	MDM should improve customer service at their Customer Service Call Center.	Implemented October 2008				
	65	MDM should improve systems for tracking and responding to customer complaints.	Implemented October 2008				
	66	MDM will mail customers annually the comprehensive information on their products and services as required by Seattle Municipal Code 21.60.820E, a section of the Cable Customer Bill of Rights.	Implemented October 2008				
6. External Funding of Capital Projects (January 16, 2008)	67	The City Council should revisit and clarify the financial policies and procedures that apply to capital projects with public-private elements.	Pending	Implemented June 2010	Resolution 31203, adopted June 21, 2010.		
	68	The City Council should clarify who should complete the analyses called for in Financial Policy 12 - the department responsible for the capital improvement, the Department of Finance, or another responsible party.	Pending	Implemented June 2010	Resolution 31203, adopted June 21, 2010.		
	69	The City Council should provide a consistent format for displaying the analysis required.	Pending	No Further Follow-up Planned	Recommendation was considered by the City Council, but was not adopted as part of Resolution 31203.		
	70	The City Council should establish a threshold size for projects that will undergo a review of external funding risk analysis and contingency planning.	Pending	Implemented June 2010	Resolution 31203		
	71	The City Council should direct the designated party to submit completed analysis for all relevant capital projects with external funding.	Pending	Implemented June 2010	Resolution 31203		

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	72	City departments should obtain assurances for all external funding commitments to City capital projects, conduct and document a risk analysis and scenario analysis exploring funding options, or document that risks are accepted.	Pending	Implemented June 2010	Resolution 31203		
	73	The City Council should develop Citywide policies and procedures for comprehensive legal review of external funding commitments. These policies should ensure that the City has considered inserting penalty provisions in the event of non-payment.	Pending	Implemented June 2010	Resolution 31203		
	74	City officials should obtain independent legal advice from the City Attorney regarding the risks and advantages of entering into projects relying on external funding.	Pending	Implemented June 2010	Resolution 31203		
	75	Risks of unsecured commitments that may not meet cash flow requirements must be clearly communicated to the City Council and documented, and a contingency plan should be in place.	Pending	Implemented June 2010	Resolution 31203		
7. Seattle's Special Events Permitting Process: Successes and Opportunities (January 31, 2008)	76	To reduce special event expenses, the City may wish to consider eliminating or phasing out its policy of not charging "grandfathered" events for Seattle Department of Transportation (SDOT)-related expenses.	Follow-up Not Yet Due	Implemented January 2011	Starting in 2011, except for University of Washington (UW) football games, SDOT will not provide free traffic control devices (e.g., barricades) for special events. Event organizers now have to go to vendors and rent them at their own expense. According to SDOT, this will save \$192,200. The savings would come from no longer placing "NO PARKING" easels and traffic control devices in the public right-of-way to restrict parking for events like neighborhood parades, street fairs, and Seafair events. The current service provided for the UW football games will be phased out in 2012.		

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	77	The Special Events Office in collaboration with the Special Events Committee should consider developing annual or semi-annual voluntary orientation sessions for new permit applicants.	Follow-up Not Yet Due	Pending	The Special Events Office's current plan is to hold voluntary orientation sessions around October 2011.	Pending	In January 2012, the Special Events function was moved from the Parks Department to the Office of Economic Development (OED). OED plans to implement this recommendation by the end of the first quarter of 2013 (March 31, 2013).
	78	The Department of Parks and Recreation in collaboration with the Mayor's Office should develop and implement a succession plan for the Special Events Coordinator position. In addition, written policies and procedures for the Special Events Office and permit processes should be developed to provide guidance to incoming personnel, thereby ensuring the continued success of the citywide special events operation.	Follow-up Not Yet Due	Pending	The department has implemented a succession plan for the Coordinator position. Pending item: the department has not yet documented the policies and procedures; they plan to have this completed by the time of our next follow-up report.	Implemented October 2012	In January 2012, the Special Events function was moved from the Parks Department to the Office of Economic Development (OED). On September 14, 2012, OED proposed a Special Events Leadership Transition Plan to the Mayor's Office which was approved. The new structure for Special Events is comprised of four positions (Permit Manager, Administrative Specialist, Permit Specialist, and Creative Industry Relations Manager) with OED's Director of Film and Music overseeing the program. The new structure allows for a staff of 5 individuals with varying roles who work closely together and have overlapping roles and can fill in as necessary during the absence of any of the four positions. OED reported that their staff structure was operationally in place as of October 2012 and formally adopted as part of the November 19, 2012 Council budget action. OED has drafted documents, "Annual Special Event Duties", "New Application Processing" and "Special Events Administrative Duties" that comprise an internal handbook of processes. OED has also updated the "Special Events Handbook" for clients. Together, these provide the written policies and procedures for the Special Events function and permit processes.
	79	The Department of Parks and Recreation should develop and maintain a dedicated website for the Special Events Office containing, at minimum, general information on who to contact, the application process, permit requirements, Committee review process, and fees.	Follow-up Not Yet Due	Implemented September 2009			
	80	The Special Events Office should consider the benefits of an online application process.	Follow-up Not Yet Due	Implemented September 2009	Applications can now be completed and submitted online.		

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	81	The Special Events Office should consider posting on its website, the scheduled dates for approved events, type of event, estimated participants, etc., as courtesy to affected communities.	Follow-up Not Yet Due	Implemented September 2009	This information is now available to the public on the City's web site.		
	82	The City may want to revisit the requirements for citizen representatives to the Special Events Committee, given the ongoing vacancies for this position.	Follow-up Not Yet Due	Implemented December 2010	According to the Special Events Coordinator, filling vacancies for this position is no longer a problem. They received 30 applications for the positions, and as of December 2010, all 4 positions (3 positions and an alternate) were filled.		
	83	Ensure that all Department of Neighborhood (DON) Coordinators are on the distribution list for the Monthly Special Events Calendar Updates that list all citywide special events.	Follow-up Not Yet Due	Implemented September 2009	The Special Events Office now makes this information available to all DON coordinators within 24 hours of receipt of event applications.		
8. Seattle City Light (SCL) Travel (February 1, 2008)	84	SCL will document what level of authorization is required for various types of travel and document guiding principles for approval to ensure business need.	Implemented November 2008				
	85	Guidelines for ticketing and the use of exceptions will be incorporated into travel policies.	Implemented November 2008				
	86	SCL will review the use of the declined carrier exception from 2006-07.	Implemented November 2008				
9. Seattle Public Utilities (SPU) Revenue Cycle Audit - Transfer Stations, Internal Controls Review (February 14, 2008)	87	The SPU transfer stations scales haven't been licensed with the State.	Pending	Implemented December 2009	SPU confirmed State licenses on private scales. Two were already licensed in 2008, at the time of the audit, and two more were licensed later in 2008.		
	88	Procedures require improvements to minimize losses from customers who leave the transfer station without paying (i.e., skip-outs).	No Further Follow-up Planned			Pending	We met with Transfer Station management on October 19, 2012 and learned that they have taken steps to reduce the number of skip-outs. Final resolution of this issue will occur when the new South and North Transfer Stations are fully operational. At both sites, SPU plans to collect no fees at the inbound scale and all customers will cross an outbound scale and pay the appropriate fees at that time. The new South Transfer Station opens later this quarter and the construction of the new North Transfer Station is still in the planning stages.

Report Title	Rec #	Description	Status as of March 2010	Status as of June 2011	2011 Update Comments	Status as of October 2012	2012 Update Comments
	89	Some controls over adjusting customer accounts in the Transfer Station Billing System (TSBS) need improvement.	Implemented December 2008				
	90	Deposits of billed customer payments could be made timelier.	Implemented December 2008				
	91	Improvements are needed with coding/blocking TSBS accounts.	Implemented December 2008				
	92	The percentage of TSBS customers who are delinquent is fairly high.	Pending	Implemented December 2010	New software was implemented that allows SPU the next day to identify non-sufficient funds (NSF) and skipout transactions. After analyzing skipout and NSF data, SPU determined that its policies of blocking skipout vehicles from dumping and sending NSF and skipout accounts to collections are adequate. The skipout rate is less than 1%. The construction of the new transfer station should help decrease the overall number of skipouts due to its new configuration.		
	93	Interest/penalties are not sufficient to provide sufficient incentives for billed customers to pay timely.	No Further Follow-up Planned				
	94	Delinquent Transfer Station accounts are not sent to collections timely.	Implemented December 2008				
	95	SPU is not adequately monitoring the performance and status of accounts in collections.	Implemented December 2008				
	96	The collection rate and revenue recoveries are not maximized for Transfer Station accounts.	Pending	Implemented December 2010			
	97	Policies and procedures for the remission of customer payments made to the collection agency need improvements.	Implemented December 2008				

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	98	Policies and procedures governing collection agency commission fees need to be improved.	Pending	No Further Follow-Up Planned	Not feasible. According to the Department of Finance and Administrative Services (FAS) Treasury, it is not possible to track the collection fee on accounts that have been sent to collections; there is currently no way to track non-City money on the City's books.		
	99	The method for estimating Transfer Station bad debts may not result in the most accurate reserve.	Pending	Implemented March 2011	SPU conducts a highly detailed analysis of the Allowance for Doubtful Accounts (i.e., reserve for bad debts) every year; Based on its 2010 analysis, SPU decided not to change its methodology.		
	100	System access rights to TSBS need to be updated.	Implemented December 2008				
	101	Controls related to monitoring exception-type activity on TSBS could be improved.	Implemented December 2008				
	102	Transfer Station transaction controls are not adequate to prevent and/or detect potential employee theft.	Pending	Pending	SPU Solid Waste crew chiefs and management are working more closely with Scale Attendants to develop improved procedures. New transaction exception reports are available and are being reviewed, and procedures are being developed to improve cash handling.	Implemented June 2012	SPU reported that system-generated reports that document exception transactions, voids and transaction reconciliation over/unders are disseminated on a weekly basis for management review. (We met with Transfer Station management on October 19, 2012 and reviewed these reports and how they are used.) Employees are directed to fill out the Ethics form which is used to attest to ownership and/or interest in a hauling (or similar) business or lack of such an ownership or interest.
	103	Transfer Station policies and procedures do not ensure non-sufficient funds (NSF) check losses are minimized.	Pending	Implemented March 2011	SPU management has verified that Transfer Station are now properly recording vehicle license numbers for customers who pay by check. SPU Solid Waste staff met with City Treasury officials and verified check acceptance procedures. Current Transfer Station check acceptance policy is actually more conservative (restrictive) than City Treasury policy; therefore, no change to the check acceptance policy was made.		

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	104	The Scale House closing and daily reconciliation procedures could be improved.	Implemented December 2008	Pending	New Scale House software was installed that was supposed to provide blind cash counts. SPU discovered that is not the case and is working with the vendor to fix this error.	Implemented June 2012	SPU reported that the Paradigm system has been reprogrammed to include blind counts for cash and checks. Discrepancies between the scale attendant and system totals are reported to the crew chief, researched and noted in a log; discrepancies greater than \$25 are immediately reported to SPU Accounts Receivable. We met with Transfer Station management on October 19, 2012 and reviewed the new balancing procedures in detail.
	105	Transfer Station employees are still picking up the money to restock the safes instead of using an armored car service.	Pending	Implemented December 2010	Money is currently handled by armored car service. Attendants no longer transport money.		
	106	There are issues with the video camera system setup utilized to monitor the Scale House operations.	Implemented December 2008				
	107	Separation of duties is not adequate for the receipt of funds for the sale of recycling waste.	Implemented December 2008				
10. Seattle Public Utilities (SPU) Revenue Cycle Audit – Commercial Solid Waste, Internal Controls Review (April 9, 2008)	108	Controls could be improved by reviewing customer account adjustments made by Waste Management.	Pending	Implemented March 2011	The Solid Waste Fund Accountant resumed the commercial annual reviews in the summer of 2009. During the 2009 and 2010 reviews, customer adjustments were tested at both contractors and no significant issues were found in the selected sample.		
	109	Controls could be improved to ensure timely remittance of customer payments.	Implemented December 2008				
	110	There are no regular account aging reports prepared for Commercial Solid Waste accounts receivable.	Implemented May 2009				
	111	A significant percentage of SPU Commercial customers appear to consistently pay a month or more late.	Implemented December 2008				
	112	Interest fees charged do not appear to be adequate to encourage timely payment and other interest issues.	Implemented December 2008				

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	113	Some improvements are needed with contractor and SPU customer communications on delinquent accounts.	Pending	Pending	During the 2009 and 2010 commercial solid waste annual reviews, SPU Accounting found that the contractors were calculating interest on delinquent accounts differently than specified per the Seattle Municipal Code. In 2010, SPU Accounting recommended that Cleanscapes, a new contractor, charge a flat 1% rate on all delinquent balances rather than using their original methodology. The new method is consistent with how Waste Management is calculating late fees as well as late fees calculated in CCSS. SPU Accounting gave Cleanscapes a written recommendation last December on how to fix interest rate charges which were being underbilled. SPU staff will follow-up with Cleanscapes to see if this issue has been rectified.	Implemented December 2011	SPU reported that it has been working with the commercial solid waste contractors to improve how interest is charged to delinquent accounts. During SPU's solid waste contractor review conducted this year, both contractors were found to be properly charging customers for interest.
	114	Delinquent accounts are not submitted to collections in a timely manner.	Implemented December 2008				
	115	Procedures for tracking and monitoring the performance of Commercial accounts in collections need improvement.	Pending	Pending	FAS Treasury finalized a new citywide collections policy and provided training to department staff. The pending item is circulating collections performance reports to all applicable departments.	Implemented June 2012	Treasury management stated that they are now circulating collections performance reports to all City departments on a quarterly basis.
	116	The City's collection procedures require improvement to maximize the collection rate and revenue recoveries.	Pending	Pending	FAS Treasury finalized a new citywide collections policy and provided training to department staff. The pending item is circulating collections performance reports to all applicable departments.	Implemented June 2012	Treasury management stated that they are now circulating collections performance reports to all City departments on a quarterly basis.
	117	Policies and procedures governing the remission of customer payments to the collection agency need to be improved.	Implemented December 2008				

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	118	Policies and procedures governing collection agency commission fees need improvement.	Pending	No Further Follow-Up Planned	Not feasible. According to FAS Treasury, it is not possible to track the collection fee on accounts that have been sent to collections because there is currently no way to track non-City money on the City's books.		
	119	Controls related to direct payments could be improved.	Pending	Implemented August 2010	Contractors are now following procedures for direct payments as stated in the 2009 Solid Waste Contract Operation Plan.		
	120	SPU is not consistently writing off Commercial accounts by the time they are 1 1/2 years delinquent, per SPU policy.	Implemented April 2008				
	121	SPU was not reconciling the Commercial Solid Waste Receivable accounts frequently enough.	Implemented March 2010				
	122	Controls are not adequate to ensure SPU is charged accurately for yard and food waste processing tonnage.	Implemented December 2007				
	123	Improved procedures are needed for SPU's review and approval of invoices for yard and food waste processing.	Implemented January 2008				
	124	SPU needs to improve its verification of the recycling tonnage used for invoicing recycling processing and the commodity credit.	Pending	Implemented December 2009	The Solid Waste Fund Accountant resumed the commercial solid waste annual reviews in the summer of 2009. During the 2009 and 2010 reviews, scale tickets were tested and compared to reported tonnage. No significant issues were noted in the sample tested.		
	125	None of the critical scales involved in the SPU solid waste processes have been certified/tested by the State.	Implemented December 2008		Scales are now calibrated quarterly by a State certified vendor and meet State and County requirements. (State weight and measures officers do not do the inspections themselves due to limited staffing.)		
	126	Contractor reporting provided to SPU on customer complaints/issues needs to be improved.	Pending	Implemented March 2010	SPU receives complaint logs from the solid waste contractors and SPU monitors them for performance failures.		

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	127	SPU is not assessing penalties specified by contract terms for service failures, except for noise violations.	Pending	Implemented June 2010	SPU regularly reviews contractor and City complaint logs for non-compliance. Noise violations now result in fines.		
	128	SPU's controls over the verification of tonnage invoiced for transfer services could be strengthened.	Pending	Implemented December 2009	The Solid Waste Fund Accountant resumed the commercial solid waste annual reviews in the summer of 2009. During the 2009 and 2010 reviews, scale tickets were tested and compared to reported tonnage. No significant issues were noted in the sample tested.		
11. Seattle's Enforcement of Bias Crimes (August 4, 2008)	129	The Seattle Police Department (SPD) should simplify bias crime flagging in its SPIDER (Seattle Police Information, Dispatch, and Electronic Reporting) system.	Implemented June 2009				
	130	SPD should support a civilian web site for victim reporting of bias crimes.	No Further Follow-up Planned				
	131	SPD should use SPIDER to compare Seattle's bias crime reporting to Sacramento's.	Implemented June 2009				
	132	Increase SPD officer training in identifying (i.e., recognizing when there is a bias element to a crime or incident) and flagging bias crimes (i.e., checking the bias field on the General Offense form, and/or adding an offense category of malicious harassment or bias incident).	Implemented May 2009				
	133	SPD should monitor the SPD Data Center workload regarding the shift to the National Incident Based Reporting System (NIBRS).	Implemented June 2009				
	134	The City should use SPIDER to create bias crime reporting.	Implemented June 2009				
	135	SPD should require officers to submit reports on bias incidents, not just bias crimes.	Implemented June 2009				
	136	The City should regularly publish reports on bias incidents and crimes.	Pending	Implemented February 2011			
	137	Increase coordination among City departments and between City and external agencies for bias crime education and response.	Pending	Implemented December 2010			

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	138	SPD should increase support for Demographic Advisory Committees by paying for more police officer time to participate.	No Further Follow-up Planned				
12. City Should Take Steps to Enhance Pedestrian and Cyclist Mobility Through and Around Construction Sites (August 13, 2008)	139	The Seattle Department of Transportation (SDOT) should develop a set of preferred and alternative methods for pedestrian protection.	Pending	Implemented December 2010	SDOT Director's Rule 1-2011 incorporated the City's policy in this area, and included a set of preferred and alternative methods of pedestrian protection. Director's Rule 1-2011 was published 12-01-10 and became effective 02-04-11.		
	140	SDOT should enforce Americans with Disabilities Act (ADA) standards for pedestrians.	Implemented February 2010				
	141	SDOT should dedicate a street use inspector to coordinate multiple construction projects.	Implemented February 2010				
	142	SDOT should ensure full implementation of the Construction Coordination and Mapping Tool.	Implemented February 2010				
	143	SDOT should develop a policy for waiving street use permit inspections.	Implemented February 2010				
	144	SDOT should ensure full implementation of new business procedures for street use permit inspection scheduling, tracking, and oversight.	Implemented February 2010				
	145	SDOT should develop and implement new policies and procedures for ensuring consistent application of street use permit fees and penalties.	Implemented February 2010				
	146	SDOT should develop a policy requiring applicants to submit a notification plan.	Implemented February 2010				
	147	SDOT should make information on sidewalk closures and alternative routes available on SDOT's website.	Implemented February 2010				
	13. Review of City Collection Policies and Procedures (September 25, 2008)	148	The City does not refer delinquent accounts to the collection agency in a timely manner.	Pending	Implemented March 2010	FAS Treasury completed development of new collections policies to cover timeliness, included them in the new contract, and provided training to City staff.	

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	149	City departments do not provide the collection agency with the information needed to maximize revenue recovery.	Pending	Implemented March 2010	FAS Treasury completed development of new collections policies to cover timeliness, included them in the new contract, and provided training to City staff.		
	150	City departments do not adequately monitor and reconcile accounts referred to the collection agency.	Pending	Pending	Pending issue is informing City departments of collections agency performance reports.	Implemented June 2012	Treasury management stated that they are now circulating collections performance reports to all City departments on a quarterly basis.
	151	The collection rate for City accounts referred to the collection agency is lower than industry averages.	Pending	Pending	Pending issue is informing City departments of collections agency performance reports.	Implemented June 2012	Treasury management stated that they are now circulating collections performance reports to all City departments on a quarterly basis.
	152	Procedures for remittance of customer payments and handling direct payments need improvement.	Pending	Pending	Direct payments are now flagged in City records but need to be reconciled with collection agency data; FAS Treasury needs to work with SCL and the collection agency to come up with a reliable reconciliation process for direct payments.	Implemented December 2011	FAS Treasury stated that City Light hired a consultant to help develop a CCSS report on direct payments and that City Light is now regularly reporting direct payments to the collections agency.
	153	Policies and procedures governing interest charges, collection fees, and agency fees need to be examined by DEA Treasury.	Pending	Implemented March 2010	New collections contract, March 2010		
	154	The City's contract for collection services should be improved.	Pending	Implemented March 2010	New collections contract, March 2010		
14. Follow up Audit of Broadstripe's Compliance with the City of Seattle's Cable Customer Bill of Rights (October 24, 2008)	155	Broadstripe needs to continue meeting call response time standards.	Pending	Implemented June 2011	Quarterly reports verified compliance with call response time standards.		
	156	Broadstripe needs to continue to meet busy signal standards.	Implemented September 2009				
	157	Broadstripe needs to ensure that their customer privacy statement is included in the customer installation packet.	Pending	Implemented June 2011	Installation packets contain customer privacy statement.		
	158	The privacy statement included in Broadstripe's annual mailing must be a separate statement, not one embedded in the Annual Customer Notification Form.	Implemented September 2009				
15. Review of Costs of Neighborhood Traffic Calming Projects (January 15, 2009)	159	The Seattle Department of Transportation (SDOT) should improve the tracking of neighborhood traffic calming project design and construction costs.	Implemented December 2009				

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	160	SDOT should work with the City Council to establish clear policies and procedures regarding if and how privately paid neighborhood traffic calming projects will be permitted.	Implemented December 2009				
16. Audit of Comcast's Compliance with the City of Seattle's Cable Customer Bill of Rights (May 13, 2009)	161	Comcast should revise its policies and procedures to include the complaint referral requirement specified in the Cable Customer Bill of Rights, cover this requirement during its Customer Service Representative training, and clearly display this policy on its website and on customer bills along with the Office of Cable Communication's telephone number.	Follow-up Not Yet Due	No Further Follow-Up Planned	Comcast disagreed with this recommendation and the Department of Information Technology (DoIT) agreed not to pursue it.		
	162	Comcast should provide further information in its welcome packet and annual customer mailing on the additional services and discounts available to customers with disabilities.	Follow-up Not Yet Due	Implemented June 2011	DoIT committed to following up with Comcast regarding inclusion of the CCBOR brochure in Comcast's welcome packet. This brochure contains information on discounts available to customers with disabilities. We verified that the annual mailing packet included the CCBOR brochure.		
17. Management of City Trees (May 15, 2009)	163	The City should adopt new tree regulations for tree protection on private property.	Pending	Pending	The Department of Planning and Development (DPD) reported that implementation timeline has shifted to 2012.	Pending	DPD reported that the implementation timeline for both recommendations #163 and #164 has shifted to 2013 in coordination with the Urban Forest Management Plan adoption process. DPD has a draft ordinance proposing new tree regulations for private property that has been available for public comment since July 2012. DPD anticipates submitting this ordinance to Council in the first quarter of 2013. DPD has completed an initial analysis of resource needs to determine a permit fee for the proposed permit and will do additional analysis once a final proposal is determined.
	164	The Department of Planning and Development needs to conduct an analysis to determine resource needs for implementing the new tree regulations.	Pending	Pending	DPD reported that implementation timeline has shifted to 2012.	Pending	See comment at #163 above.

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	165	If the City wants to achieve 30 percent tree canopy in 30 years, it will need to provide the necessary funding. The City needs to determine its highest tree management spending priorities.	Follow-up Not Yet Due	Implemented September 2010	The Office of Sustainability and Environment (OSE) provided their five year implementation strategy which establishes the City's tree management spending priorities for the next five years (2010-2014) and requires annual progress evaluations.		
	166	Seattle City Light (SCL) needs to review its current process for reviewing the landscape portions of proposed capital projects to ensure that its Vegetation Management unit is included in its review process.	Pending	Implemented August 2010			
	167	SCL and the Seattle Department of Transportation (SDOT) need to review the current Recommended Tree Planting List and come to agreement on the appropriate trees to plant under power lines.	Pending	Implemented March 2011	SCL-SDOT Concurrence memorandum March 11, 2011. The agreed-upon list for trees under power lines is located by clicking SDOT Master Tree List link at this web site: http://www.seattle.gov/transportation/treeplanting.htm		
	168	The SDOT Urban Forestry and Street Maintenance Divisions need to address the process of resolving differences of opinion between the two divisions regarding new tree plantings, and memorialize it in a revised Memorandum of Understanding (MOU).	Follow-up Not Yet Due	Implemented November 2009	MOA between SDOT Street Use and Urban Forestry Division and Street Maintenance Division signed November 9, 2009.		
	169	SDOT needs to finalize and adopt new tree planting guidelines that are consistent throughout the department.	Follow-up Not Yet Due	Implemented November 2009	Included in November 9, 2009 MOA between SDOT Street Use and Urban Forestry Division and Street Maintenance Division.		
	170	To implement the education and outreach activities for the Urban Forest Management Plan (UFMP), the City needs to fund a full-time position to implement education and outreach activities.	No Further Follow-up Planned	Implemented June 2011	Ordinance 123629 (passed June 13, 2011) removed budget provisos that restricted the expenditure of appropriations in the 2011 Budget for activities that engage the community in the planting and care of trees in Seattle to improve the City's urban forest, and created a new full-time employee position in Seattle Public Utilities.		

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	171	The City needs to conduct an inventory of City-managed trees.	Follow-up Not Yet Due	No Further Follow-Up Planned	The City does not have a complete, detailed, tree-by-tree inventory of City-managed trees. ¹ Please see endnote 1 for comments.		
	172	The City needs to re-establish the Sustainability and Environment Sub-cabinet and to set a regular meeting schedule for this entity.	Implemented December 2009				
	173	Agendas and minutes should be kept for all Urban Forest Coalition and Sub-cabinet meetings.	Follow-up Not Yet Due	Implemented September 2010			
	174	The Mayor or the City Council needs to clarify the Office of Sustainability and Environment's roles regarding program leadership, authority, and accountability for implementing the Urban Forest Management Plan (UFMP).	Follow-up Not Yet Due	No Further Follow-Up Planned	Our audit stated that the City needs to have a single, executive-level official or entity that has clear authority and accountability for 1) implementing the UFMP's goals, 2) setting program priorities, and 3) resolving conflicts. Further, OSE, as the City's lead environmental agency would be the logical entity to assume this leadership role, and that the Mayor or City Council needs to make this role explicit. We met with OSE officials and a City Council legislative assistant who confirmed that OSE's role is to facilitate the UFMP's implementation by coordinating with City departments on tree issues, but that OSE does not have ultimate authority and accountability for UFMP implementation. They agreed that the Mayor and City Council have ultimate UFMP authority and accountability through the budget decisions they make.		

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	175	The City needs to develop a comprehensive implementation plan that establishes strategies and performance metrics for UFMP implementation.	Follow-up Not Yet Due	Implemented September 2010	OSE provided their five year implementation strategy which establishes the City's tree management spending priorities for the five years (2010-2014) and requires annual progress evaluations.		
18. Cash Handling Audit Seattle Center Parking (June 19, 2009)	176	Parking tickets issued at the First Avenue North garage are not dated by Seattle Center parking personnel.	Pending	No Further Follow-up Planned	Not operationally feasible for this garage.		
	177	The manual gate log is not compared to the Amano McGann system gate lift report.	Pending	No Further Follow-Up Planned	Not operationally feasible for this garage.		
	178	Parking attendants do not review identification when customers pay for parking by check.	Implemented December 2009				
	179	Parking attendants' daily balancing process is not a blind reconciliation.	Pending	Pending	Seattle Center management implemented blind reconciliation; however, this caused operational problems, including increased overages and shortages, frustration for cashiers and the accounting department and union push-back on the new duties. Seattle Center will reintroduce the blind deposit in September 2011 after providing additional cash handling training to staff.	Implemented September 2011	Seattle Center reported that the cash handling training noted in the 2011 Update Comments was completed on September 14, 2011, and that blind deposit reconciliation of parking fees by attendants has commenced.
	180	There are control issues related to Brinks deposit pickup procedures.	Implemented June 2009				
	181	There is no backup currently for the Parking Coordinator who reviews the daily deposits and overages-and-shortages.	Implemented June 2009				
	182	A significant number of people park without paying at the First Avenue North garage.	Implemented December 2009				
	183	Seattle Center employees pay low rates for monthly parking.	No Further Follow-up Planned				
	184	The City's employee background check procedures could be strengthened.	No Further Follow-up Planned				

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	185	Parking pay station servicing procedures should be reviewed for security by the Seattle Police Department.	Pending	Implemented December 2010			
19. Seattle District Council System Needs Renewal (June 22, 2009)	186	The Department of Neighborhoods needs to improve its retention of district council records that it produces or that come into its possession. Records should be referred to the City Archivist when the retention period expires.	Follow-up Not Yet Due	Implemented October 2010			
20. Cal Anderson Park Surveillance Camera Pilot Program Evaluation (October 26, 2009)	187	If the City proceeds with a surveillance camera program, the City should take steps to increase public awareness of the cameras, and improve the quality of data gathered to assess the efficacy of camera installations.	Follow-up Not Yet Due	Implemented October 2010	Ordinance 123411 (passed September 27, 2010). Although the surveillance camera program was discontinued at Cal Anderson Park, this ordinance provides for increased public awareness of the cameras (SMC 18.14.040 D) and improvement in the quality of data gathered (SMC 18.14.100) at the two remaining locations (SMC 18.14.030).		
21. Compliance Audit of the Aquatic Habitat Matching Grant Program (December 14, 2009)	188	SPU should modify the language in the Program Guidelines and Draft Memorandum of Agreement to match the language in the enabling City Council resolution for the grant.	Follow-up Not Yet Due	Pending	SPU plans to implement this recommendation if the grant program is reactivated.	No Further Follow-Up Planned	SPU reported that the grant program was discontinued in July 2012 during rates discussions, and is not funded in 2013, with two final grant projects to close-out by the end of 2012.
	189	SPU should draft a grant administration policies and procedures manual.	Follow-up Not Yet Due	Pending	SPU plans to produce a policy and procedures manual by the end of the 3rd quarter of 2011.	No Further Follow-Up Planned	See comment for #188
	190	The valuation of the volunteer match component should be indexed or increased by the City Council.	Follow-up Not Yet Due	Pending	SPU plans to implement this recommendation if the grant program is reactivated.	No Further Follow-Up Planned	See comment for #188
	191	SPU should develop contingency plans for dealing with a grantee or fiscal sponsor facing dissolution before the terms of their grant are completed.	Follow-up Not Yet Due	Pending	SPU plans to implement this recommendation if the grant program is reactivated.	No Further Follow-Up Planned	See comment for #188
	192	To ensure compliance with grant terms, SPU should perform random onsite spot checks to confirm the accuracy of grantee reports.	Follow-up Not Yet Due	Pending	SPU plans to implement this recommendation if the grant program is reactivated.	No Further Follow-Up Planned	See comment for #188
	193	If the program is restarted, SPU should provide an additional .5 FTE to assist with grant administration.	Follow-up Not Yet Due	Pending	SPU plans to review and incorporate appropriate staffing levels into the budget if the grant program is reactivated.	No Further Follow-Up Planned	See comment for #188

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22. Efficiencies Audit: Parking and Traffic Ticket Processing (December 15, 2009)	194	The Seattle Police Department (SPD) should convert from paper to electronic traffic tickets.	Follow-up Not Yet Due	Pending	The City Budget Office and SPD are currently working on this issue.	Pending	SPD has estimated a budget of \$446,550 for the purchase of devices and startup costs but currently has no funding to implement this recommendation.
23. Seattle Public Utilities (SPU) Revenue Cycle Audit – Water (Retail and Wholesale) Internal Controls Review (March 1, 2010)	195	There are some issues with meter reading quality assurance.		Pending	Two meter reader audits are planned for 2011. The first audit will be completed in the first quarter of 2011 and the second audit will be completed by the end of December 2011.	Implemented December 2011	SPU reported that periodic quality assurance reviews of meter readers are now occurring. Customer Billing Services (CBS) audits meter reading twice a year by random route for each meter reader. CBS verifies the reads on 60 meter readings for the route and is finding 99% of meter readings to be accurate. In addition, CBS reviews how meter box lids are situated and whether they are within standards; approximately 1% of these lids are found to be out of standard. These results are shared with the Meter Readers and used in their performance reviews.
	196	Seattle Public Utilities (SPU) Revenue Cycle Audit – Commercial Solid Waste, Internal Controls Review (April 9, 2008)		Implemented December 2010	A Maintenance Laborer was assigned to SPU's Meter Reading unit to clean sod and debris around meter boxes. This was made a priority by the SPU Meter Crew. When the work required to uncover the meter is more extensive, a Senior Meter Reader sends a work order to Meter Maintenance to complete the work, and later enters a charge to the customer when the work is completed. The mechanism for assessing charges to uncover meters is already in place and requires no further action.		
	197	Water usage exemption parameters and exception review procedures could be improved.		Pending	SPU management's initial review of exception parameters on 3/24/10, led to a recommendation to make no changes because instances of zero consumption do not represent a significant barrier in time or effort to completing work. SPU has decided to review this issue again and will finalize their decision by December 2011.	Implemented April 2012	SPU reported that exception parameters were reviewed and the decision was made to make no changes as they are within industry standard. Although many reads are kicked out as exceptions, SPU Customer Billing Services auditing efficiencies enable these exceptions to be processed in a timely manner.
	198	There may be some issues with timeliness of meter repair, replacement, and testing work.		Implemented January 2011	Additional staff have been dedicated to the installation and repair of electronic meters to alleviate installation and repair backlogs.		

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	199	Commercial meter testing results indicate the importance of the commercial testing and replacement program.		Implemented December 2010			
	200	There are issues with wholesale meter testing.		Pending	Target date for a service level agreement between SPU and its wholesale water customers is June 1, 2012.	Implemented March 2012	SPU reported that all active mechanical meters are now tested annually. Standby/backup meters are only tested when they are converted to active status. SPU has also instituted annual confidence testing of electronic wholesale meters. SPU no longer uses intra-agency service level agreements.
	201	Controls are not adequate to ensure customers are billed or refunded in a timely manner for remaining amounts due or owed from guaranteed deposits for new water connections work.		Pending	Initial draft of new process has been completed but no date for full adoption has been set. The delay is due to SPU's changes in personnel and organizational structure.	Pending	SPU reported that implementation is "in progress". With the adoption of Director's Rule FIN-210.2 in April 2012, SPU instituted a new process called "Site Specific Costs" for new water services/taps that are 3 inches or larger. Site Specific Costs are firm bids developed by field staff which are unique to a job site and more accurately reflect job costs. Customers pay these site specific costs up-front, before a job is initiated and there is no reconciliation after a job is completed. This new approach replaced the Guaranteed Deposit Voucher (GDV) process for these services. Water services/taps smaller than 3 inches are subject to standard charges. Some limited development services, such as hydraulic analyses, continue to collect payment via GDVs. Associated policies and procedures will be developed in conjunction with other development services standard charge assessments as part of the internal controls work plan.
	202	There are some issues with policies for special taps accounts.		Implemented December 2010			
	203	SPU allows wholesale water customers 60 days to pay for water services.		No Further Follow-up Planned	SPU reviewed this finding and no further action is planned. The Wholesale Water contracts are in effect through 2061.		
	204	SPU is providing a refund for leaks within customer premises which does not appear to be the norm for the utilities industry and costs SPU money.		Implemented February 2011	New Director's rule was adopted and went into effect in February 2011 that restricts rebates to underground leaks.		

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	205	It appears that leak refunds are not always issued in a timely manner when the leak is on the City's property.		Implemented October 2010	Monthly reports from MAXIMO (SPU's work order system) are provided to customer billing services detailing City-side leak repairs that were completed by Field Operations field crews within the past 30 days. Leak adjustments are processed within 30 days of the receipt of the report.		
	206	There is no formal procedure requiring monthly reconciliation of the water fund accounts receivable general ledger account.		Implemented December 2010			
	207	Three SPU general ledger accounting staff have the ability to access and enter billing and payment transactions to the SPU accounts receivable system.		Implemented December 2010			
	208	There are some issues with the insurance with the water treatment plants.		Pending	SPU completed a billing true-up process and recovered the over-billed insurance charges for the Cedar River plant from the contractor, OMI. SPU now requires the two contractors to provide supporting documentation to verify the accuracy of the insurance pass-through charges for the treatment plants. The implementation of this recommendation remains pending because FAS Risk Management needs to update insurance terms and obtain proof of property and pollution liability insurance for the Tolt Plant.	Implemented January 2012	SPU has obtained updated proof of pollution liability insurance at the Tolt Plant. SPU has not updated insurance terms with the Tolt or Cedar (per the Department of Finance and Administrative Services [FAS] Risk Management unit's recommendations) because the current insurance requirements are working adequately. Property insurance coverage for the Tolt and Cedar River Treatment facilities is provided via FAS' property policies. FAS Risk Management confirmed property insurance has been in place for Tolt and Cedar River Treatment Facilities since at least 2010.
24. Follow-up Audit of Workers' Compensation: Return-to-Work Program (June 15, 2010)	209	Departments should create quarterly reports on multiple claims so that department directors focus on this issue.		Follow-up Not Yet Due		Pending	Some departments' Safety Officers are evaluating data directly through the Workers' Compensation claim system.
	210	The City of Seattle should initiate multiple claim triages by departments' Return-to-Work Coordinators, Safety Officers, the injured workers' supervisors, and the Personnel Department's Workers' Compensation Unit to identify patterns and find solutions to avoid injuries.		Follow-up Not Yet Due		Implemented January 2012	Workers' Compensation staff meet regularly with departments to discuss their "top ten" claimants.

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	211	The Workers' Compensation Unit and department Return-to-Work Coordinators should conduct more analysis of multiple claims including possible use of job design diagnostics experts to determine how to ensure that workers can perform their jobs safely.		Follow-up Not Yet Due		Implemented January 2012	The Workers' Compensation Unit and departments have involved ergonomic experts to help redesign jobs or work equipment for returning claimants, and some departments have more broadly redesigned jobs for incumbent workers.
	212	The City of Seattle should develop a citywide goal for providing light duty accommodations.		Follow-up Not Yet Due		No Further Follow-up Planned	Return to Work Coordinators report that staffing budget reductions have reduced the need to provide light duty work. Employing departments are more willing to accept returning workers' compensation claimants even if the returning employees are limited to light duty work.
	213	Departments should generate monthly management reports on the status of light duty requests to increase management focus on light duty job requests that have not been accommodated.		Follow-up Not Yet Due		No Further Follow-up Planned	See comment at #212.
	214	Departments should create light duty job profiles to help attending physicians understand the job requirements the returning worker will be performing. These will help departments rapidly identify light duty jobs for workers with job restrictions or limitations.		Follow-up Not Yet Due		No Further Follow-up Planned	See comment at #212.
	215	The City of Seattle should explore the feasibility of creating a citywide pool of light duty jobs for use by departments that are unable to accommodate this need internally.		Follow-up Not Yet Due		No Further Follow-up Planned	See comment at #212.
	216	Each large department should develop a Return-to-Work policies and procedures manual, drafts of which should be routinely reviewed by the Workers' Compensation Unit.		Follow-up Not Yet Due		Pending	The Personnel Department plans to implement this recommendation as staff become available.
	217	The Workers Compensation Unit should develop Return-to-Work Coordinator training modules for processing complex claims and developing light duty jobs.		Follow-up Not Yet Due		Implemented January 2012	The Personnel Department has not taken any action on developing the training modules. However, the Workers Compensation Unit now has monthly meetings to address complex claims and get workers back to work. We accepted this as an alternative solution that addresses the intention of our recommendation.

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	218	The Workers Compensation Unit should convene regular Return-to-Work Coordinators' meetings to share experiences in areas such as multiple claims, new federal and state laws, and best practices.		Follow-up Not Yet Due		Implemented January 2012	The Workers Compensation Unit is now having the Workers Compensation Supervisor attend and provide updates at monthly safety meetings. This addresses the intention of our recommendation and is more efficient.
25. City of Seattle Anti-Graffiti Efforts: Best Practices and Recommendations (July 28, 2010)	219	The City Council and Mayor should develop clear policy statement on graffiti, establish clear directives about who in the City is authorized, responsible, and accountable for anti-graffiti efforts and develop specific outcome goals.		Follow-up Not Yet Due		Pending	
	220	The City Council and Mayor should require City departments to gather baseline data before new policies and procedures are implemented.		Follow-up Not Yet Due		Pending	
	221	The City Council and Mayor should require an annual physical inventory to evaluate the effectiveness of the City's efforts.		Follow-up Not Yet Due		Pending	
	222	Amend SMC 12.A.08.020 to include stickers in the list of prohibited materials.		Follow-up Not Yet Due		Implemented (June 2011)	Rather than amend the code to include stickers, an alternative was implemented to address this issue. The Seattle Police Department (SPD) and the City Attorney's Office (CAO) decided to try and prosecute sticker cases without amending the code. In 2011, the SPD and CAO reported that they successfully investigated, arrested, and prosecuted a prolific graffiti violator for stickers. Until such time as the City begins to lose these cases, the SPD and CAO plan to use the current code without amending it.
	223	Amend SMC 12.A.08.020 to add a clause stipulating the elements that should be included in calculating restitution for violations of the code.		Follow-up Not Yet Due		Pending	As of October 31, 2012, there have been no amendments to the restitution part of the City's property destruction code. Instead, the City Attorney's Office is defending a challenge to the City's jurisdictional authority to enter restitution against criminal defendants. Oral argument before the State Supreme Court was completed in October 2012, and the City should get a decision in the next 6 months. If the Washington State Supreme Court upholds the City's restitution powers, the City will be in a position to amend the code.

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	224	Have parking enforcement officers and other City employees photograph and report graffiti.		Follow-up Not Yet Due		Pending	Parking Enforcement Officers' (PEOs) hand held ticketing devices require that the photos be associated with a parking citation, so this avenue was not pursued. SPD's graffiti detective believes a system that allows the public to photograph and report graffiti via the internet would be more effective than having PEOs do so. The graffiti detective is developing a formal proposal that would allow the public to use SPD's current online reporting system, Coplogic, to upload photos of and report graffiti vandalism.
	225	Create and maintain a photographic database for analyzing graffiti crimes.		Follow-up Not Yet Due		Implemented March 2012	We assessed that the intent of this recommendation has been implemented. Since the 1 st quarter 2012, The graffiti detective has been using existing Seattle Police Department technology (DEMS and RMS) to track and store graffiti photographs.
	226	Create a pilot program with a dedicated graffiti detective.		Follow-up Not Yet Due		Implemented April 2011	The Seattle Police Department reported that this is now a funded position.
	227	Develop diversion program that is effective for graffiti offenders.		Follow-up Not Yet Due		Pending	In October 2012, the City Attorney's Office issued new sentencing guidelines for graffiti vandalism that impose greater penalties on violators with previous offenses. SPD's graffiti detective reported that anecdotal information indicated that the threat of jail time for a second offense appears to have a deterrent effect for some violators. As of the date of this report, the City Attorney's Office agreed to: 1) conduct a historical analysis of repeat graffiti offenders to provide a baseline; 2) provide data on repeat offenders in their quarterly status reports; and 3) work with the SPD graffiti detective to identify, apprehend, and prosecute any repeat offenders identified through this monitoring process. We categorized this recommendation status as pending because we plan to do further follow-up to determine the effectiveness of this approach based on the data described above.

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	228	Redeploy resources to help ensure that graffiti on parking pay stations is abated within the City's 6 day target goal.		Follow-up Not Yet Due		Implemented January 2012	<p>Effective January 1, 2012, the City redeployed 1 FTE from SPU's Graffiti Rangers to the Seattle Department of Transportation's (SDOT) Traffic Management unit to work on pay station graffiti abatement.</p> <p>SDOT reported that between December 21, 2011 and November 10, 2012 there were 376 reported cases of parking pay station graffiti, comprised of 5,127 individual tag units. SDOT reported that their crews abated 100 percent of these cases within 6 business days of when they were reported. In addition, SDOT reported that crews abated 12,203 tag units of discovered graffiti during this same period. In total, between December 21, 2011 and November 20, 2012, SDOT reported that it abated 17,330 tag units of graffiti on parking pay stations, including 5,127 tag units of reported graffiti and 12,203 tag units of discovered graffiti.</p> <p>In contrast, in 2011, before the redeployment of the Graffiti Rangers, SDOT reported that it abated 317 tag units of reported graffiti and 16 units of discovered graffiti.</p> <p>Despite this progress, SDOT reports that pay stations continue to be inviting targets for graffiti vandalism.</p>
	229	Implement a 3-part model to enhance community involvement and public education.		Follow-up Not Yet Due		No Further Follow-up Planned	<p>SPU reported that it developed an outreach plan to educate the public about the costs and impacts of graffiti. The plan was implemented in multiple, frequently tagged neighborhoods. Given constraints on available solid waste tonnage tax resources, SPU reports that funding is not available to support additional outreach program elements.</p>
	230	Conduct further study of Business Improvement Area programs for graffiti removal.		Follow-up Not Yet Due		No Further Follow-up Planned	<p>SPU reported that it continues to provide annual grants to the Business Improvement Areas (BIAs) to augment their graffiti abatement activities; BIA efforts decrease abatement demands for City staff. Given constraints on available solid waste tonnage tax resources, SPU has chosen to dedicate existing resources to abatement efforts rather than assessment.</p>

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26. Indigent Defense Services Follow-up and 2010 Audit (December 15, 2010)	231	Change Section 5A.5 of the City's contract with the public defense agencies to clearly note that this contract provision applies to in-custody clients and that Section 5A.6 applies to out-of-custody clients.		Implemented June 2011	We recommended changes to include in new contracts for the primary, secondary, and third public defense service providers. The primary defender contract was executed (Ordinance 123634, passed June 27, 2011). The secondary contract was also executed (Ordinance 123667, passed August 1, 2011). An RFP for a third defender was issued in early September 2011 with legislation expected to go to the City Council in mid-November. If there is a conflict between the primary and secondary defenders, the interim plan until the issuance of the third defender contract is for the case to be assigned to a member of the Conflict Attorney Panel (CAP). The secondary agency is managing the CAP responsibilities.		

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	232	Change the language in the contracts with public defense agencies related to initial attorney contact with out-of-custody clients as proposed in report. See page 8.		Implemented June 2011	We recommended changes to include in new contracts for the primary, secondary, and third public defense service providers. The primary defender contract was executed (Ordinance 123634, passed June 27, 2011). The secondary contract was also executed (Ordinance 123667, passed August 1, 2011). An RFP for a third defender was issued in early September 2011 with legislation expected to go to the City Council in mid-November. If there is a conflict between the primary and secondary defenders, the interim plan until the issuance of the third defender contract is for the case to be assigned to a member of the Conflict Attorney Panel (CAP). The secondary agency is managing the CAP responsibilities.		

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	233	Change contracts with the public defense agencies or establish a memorandum of understanding to specify the circumstances an attorney-client contact before actual case assignment meets contract provisions 5A.5 and 5A.6.		Implemented June 2011	We recommended changes to include in new contracts for the primary, secondary, and third public defense service providers. The primary defender contract was executed (Ordinance 123634, passed June 27, 2011). The secondary contract was also executed (Ordinance 123667, passed August 1, 2011). An RFP for a third defender was issued in early September 2011 with legislation expected to go to the City Council in mid-November. If there is a conflict between the primary and secondary defenders, the interim plan until the issuance of the third defender contract is for the case to be assigned to a member of the Conflict Attorney Panel (CAP). The secondary agency is managing the CAP responsibilities.		
	234	In conducting client case file reviews, the City Budget Office should select cases that better represent the workload of attorneys by selecting 25 full credit cases and 5 probation cases.		Follow-up Not Yet Due		Implemented January 2012	
	235	The City Budget Office (CBO) should monitor Continuing Legal Education (CLE) credits to confirm that attorneys that were on track to meet requirements in an audit actually do so in the next audit by reviewing those attorneys' CLE compliance. In addition, CBO should continue its practice of reviewing CLE reports for seven new randomly selected attorneys.		Follow-up Not Yet Due		Implemented January 2012	
	236	The CAP Oversight Committee should consider whether the Seattle Municipal Court's Presiding Judge and Chief Clerk should refrain from selecting attorneys for the CAP, but continue to serve on the CAP Oversight Committee.		Follow-up Not Yet Due		Implemented January 2011	The Court reported that this recommendation was implemented as of January 2011, one month after the audit was issued. The Chief Clerk and Public Defense Judge continue to sit on the CAP Oversight Committee where they discuss attorney candidates for CAP but they do not vote on the selection of CAP attorneys.

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	237	The Seattle Municipal Court should continue to work with the City Budget Office, and the Department of Finance and Administrative Services (FAS) to address several issues related to the process of determining eligibility, the collection of defendants' public defender costs, and determining whether recovering costs from defendants who are found not guilty or whose case is dismissed, like King County does, is a viable option.		Follow-up Not Yet Due		Pending	Staff from the Seattle Municipal Court, City Budget Office, and the Department of Finance and Administrative Services (FAS) have been working to transfer the collection of defendants' public defender costs which are obligated through Promissory Notes to FAS. There is agreement that the function to collect on defendant's Promissory Notes should be transferred from Seattle Municipal Court to a City department within the Executive branch and the Executive branch is currently working on the mechanics of the function.
	238	The department responsible for collecting payments from defendants who can pay a portion of their costs should report to the City Council quarterly on the amount the City collects from those payments.		Follow-up Not Yet Due	The City Budget Office and the Seattle Municipal Court reported in August 2011 that upon the completion of Rec #237, the department responsible for collections will produce a quarterly report.	Pending	Upon the completion of recommendation #237, the department responsible for collections will produce a quarterly report.
	239	The City Budget Office should work with the public defense agencies to determine a method for taking into account large numbers of cases that are carried over from previous years when assessing attorney compliance with the 380 caseload standard.		Implemented June 2011	We recommended changes to include in new contracts for the primary, secondary, and third public defense service providers. The primary defender contract was executed (Ordinance 123634, passed June 27, 2011). The secondary contract was also executed (Ordinance 123667, passed August 1, 2011). An RFP for a third defender was issued in early September 2011 with legislation expected to go to the City Council in mid-November. If there is a conflict between the primary and secondary defenders, the interim plan until the issuance of the third defender contract is for the case to be assigned to a member of the Conflict Attorney Panel (CAP). The secondary agency is managing the CAP responsibilities.		
	240	The City Budget Office should screen files for evidence of continuous representation in future audits of public defense agencies' client files.		Follow-up Not Yet Due		Implemented January 2012	

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	241	The City's next contract with the public defense agencies should be more specific about the attorney/support ratio being met through an annual average of .5 support staff for every attorney.		Implemented June 2011	We recommended changes to include in new contracts for the primary, secondary, and third public defense service providers. The primary defender contract was executed (Ordinance 123634, passed June 27, 2011). The secondary contract was also executed (Ordinance 123667, passed August 1, 2011). An RFP for a third defender was issued in early September 2011 with legislation expected to go to the City Council in mid-November. If there is a conflict between the primary and secondary defenders, the interim plan until the issuance of the third defender contract is for the case to be assigned to a member of the Conflict Attorney Panel (CAP). The secondary agency is managing the CAP responsibilities.		
	242	For the next City contract with the public defense agencies, the City Budget Office should ensure that a reconciliation process occurs when paraprofessional usage is significantly different from what is budgeted. Reconciliations should address the number of FTE's assigned to work these positions and the hours reported in closed case reports.		Follow-up Not Yet Due		No Further Follow-up Planned	The City Budget Office reported that reconciliation is difficult to complete. The paraprofessional hours reported on closed case reports do not detail all hours, only hours worked on specific cases. Per the Washington State Bar Association standard of 0.5 support staff for every attorney, all the agencies are in compliance. They do not currently itemize all billable hours for support staff, and to do so would be burdensome.
	243	Change future defendants surveys by: 1) Asking respondents to identify themselves as in-custody or out-of-custody defendants; 2) Not allowing open-ended responses to questions when a choice of specific answers could be provided in the survey; 3) Allowing respondents to provide comments for both yes and no answers in the survey.		Follow-up Not Yet Due		Implemented March 2012	SMC revised the survey questions in March 2012. They will determine a date for administering the survey and collate the responses.

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27. Seattle Public Utilities (SPU) Revenue Cycle Audit – Wastewater: Internal Controls (April 11, 2011)	244	SPU wastewater rates are high compared to similar municipalities.		Follow-up Not Yet Due		Pending	SPU reported that implementation is “on hold till 2013”. Discussions with King County and other wholesale wastewater providers about the capacity charge are stalled, but are expected to resume in 2013. SPU will continue to seek modification to that charge as the policy recommendations move forward. If contract negotiations resume, efforts will be made to modify those policies so that growth paying for growth policies are part of contractual obligations.
	245	There are issues with King County's sewer processing rates that are resulting in somewhat higher wastewater charges for SPU customers.		Follow-up Not Yet Due		Pending	SPU reported that implementation is “on hold till 2013”. Discussions with King County and other wholesale wastewater providers about the capacity charge are stalled, but are expected to resume in 2013. SPU will continue to seek modification to that charge as the policy recommendations move forward. If contract negotiations resume, efforts will be made to modify those policies so that growth paying for growth policies are part of contractual obligations.
	246	The Ronald Sewer District is not remitting half of the sewer charges collected from 8 customers connected to SPU's sewer system.		Follow-up Not Yet Due		Implemented September 2012	SPU reported that a Wastewater Facilities Agreement is in place with Lake Forest Park and on 9/17/2012 retroactive payment for the 8 properties was received.
	247	There are issues with self-read sewer submeters.		Follow-up Not Yet Due		Implemented December 2011	SPU reported that sewer submeters are no longer self-read. All meters are read by Meter Reading staff, either visually or remotely through Automated Meter Reading (AMR) technology.
	248	SPU does not have a program to ensure consistent and ongoing monitoring of the accuracy of customer sewer submeters and water meter setups.		Follow-up Not Yet Due		Implemented December 2011	SPU reported that with the implementation of SPU's Sewer Submeter Program in early 2011, all new and current customers with sewer submeters receive a site visit followed by a compliance plan that outlines submeter requirements within a defined time period. As of October 2012, over 600 site visits have been completed. Under the Sewer Submeter Program, 900 submeters are planned for site visit and inspection over a 4-5 year period (averaging 250 site visits/compliance plans per year). The re-inspection cycle will then be every 4-5 years. However, when a property changes ownership and/or use, submeters will again be reviewed.

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	249	SPU does not have a program to verify the accuracy of sewer submeters.		Follow-up Not Yet Due		Implemented December 2011	SPU reported that in 2011, it initiated a new Sewer Submeter Program that requires all customers to meet SPU requirements for sewer deductions. The program verifies whether deductions at submeter sites are appropriate. In addition, new and existing submeters must have remote reading capability to ensure meter reading efficiency and accuracy. The initial review/site inspection, followed by the 4-5 year re-inspection cycle, plus SPU tracking of billing anomalies via monthly variance reports, gives SPU a high level of confidence in billing accuracy.
	250	There are issues with the way sewer submeters are setup in the Consolidated Customer Service System (CCSS) billing system.		Follow-up Not Yet Due		Implemented December 2011	SPU reported that its Customer Billing Services (CBS) is verifying associations between water and sewer submeter accounts to ensure they are correct. CBS maintains a listing of all looped accounts and enters and reviews notes in CCSS to help identify all premises and types of meters contained within looped accounts. If a customer has a looped account and the customer's current meter reading appears on the exception listing, the entire customer account relationship is reviewed.
	251	High strength industrial waste (HSIW) discharge volumes used by SPU for billing purposes are self-reported by industrial commercial customers to King County, and there is little verification of these volumes.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "ongoing" for HSIW volume reporting. Customers continue to report HSIW volumes. SPU's Customer Billing Services Division (CBS) provides wastewater usage volumes to Metro for these designated customers, but Metro computes customer HSIW charges and largely controls the billing process. CBS acts primarily as a billing agent. Changes to billing and volume reporting procedures are dependent upon mutual agreement between the City and King County. HSIW volume verification is not part of current negotiations with King County to resolve perceived contractual issues regarding wastewater treatment.

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	252	Contaminated stormwater volumes used by SPU for billing purposes are for the most part self-reported by industrial commercial customers to King County and verification of these volumes is limited.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "in progress". In early October 2012, SPU's Executive Team approved a plan to make changes in determining groundwater and stormwater flows entering the sewer system and for levying wastewater charges on those flows. The new policy will likely look forward and not apply to existing customers with currently uncharged flows. An implementation team, comprised of SPU and the Department of Planning and Development (DPD) will develop options and recommendations in three main areas: policy specifics, procedural issues, and billing issues. This team will report back to SPU decision-makers in mid-2013. SPU is engaged in active, continuing negotiations with King County to resolve perceived contractual issues regarding wastewater treatment and what types of discharged water is subject to treatment charges. Neither groundwater nor stormwater are an integral part of these negotiations. Therefore, SPU is initiating its own policy and procedural changes for measuring, tracking and charging for these types of flows.
	253	There is no procedure to ensure that all contractors are billed by SPU for construction site dewatering.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "in progress". See Recommendation #252 above. The planned policy and procedural changes for groundwater and stormwater flows entering the sewer system are intended to address construction site discharge.
	254	Contractors self report construction site wastewater discharge volumes to SPU for billing purposes and there is almost no verification of these volumes.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "in progress". As stated above, an SPU Implementation Team is tasked with determining how to effectively and efficiently identify all groundwater and stormwater customers, including construction sites.

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	255	Many contractors make late payments on SPU's construction site wastewater charges.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "ongoing". Dewatering billing is invoiced by SPU's Accounts Receivable (A/R) unit and customers are charged 1% interest per month if they become delinquent. As the billing agent of King County, SPU's Utility Services Teams Division (UST) coordinates with King County and works with customers to obtain and track data regarding reported construction site dewatering volumes (roughly 60 accounts). UST currently tracks invoicing via Summit queries and an invoice spreadsheet. Delinquencies are included in the A/R aging report and are handled by A/R. SPU has not had enough time to evaluate whether or not recent changes have made a difference on payment performance.
	256	SPU has problems with delinquent inactive accounts that result in uncollectable accounts of over \$1 million.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "in progress". Since July 2011, new tenant accounts are no longer created; SPU accounts are required to remain in the name of the owner. SPU Customer Billing Services staff continue to transfer debt from tenants to owners. Additional time is needed to determine whether this change will decrease the number of delinquent uncollectable accounts.
	257	There are problems with SPU's contract with King County for sewer processing services and related authoritative wastewater guidance.		Follow-up Not Yet Due		Pending	SPU reported that implementation is "on hold till 2013". It is possible that in conjunction with working out some Combined Sewer Overflow (CSO) issues with King County, SPU will renew discussions with King County about a contract extension. If that is the case, the issues called out in the audit report will be key SPU interests in those discussions.
	258	Improved controls are needed over the review and approval of King County sewer processing invoices before payment.		Follow-up Not Yet Due		Implemented December 2011	SPU reported that the Principal Accountant is now copied on the processing invoices sent to King County. The Principal Accountant verifies that the amount SPU is billed matches the processing invoice before submitting payment to King County.
28. City of Seattle Anti-Litter Efforts (April 19, 2011)	259	Consider modifying SMC 21.36.425A and B to replace volume reference (of 1 cubic foot or greater) with a qualitative standard to require property owners to clean-up and remove all litter that accumulates on their own property and adjacent rights-of-way.		Follow-up Not Yet Due		Pending	

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	260	Work with Metro Transit to develop a plan for ensuring continued availability of litter receptacles at bus stops when bus shelters are removed and replaced with canopy bus zones.		Follow-up Not Yet Due		Pending	DPD reported that the issue is being addressed as part of the joint City/Metro Third Avenue Transit Corridor Improvements and RapidRide Facilities Project, for which the City (SDOT and DPD) is continuing to work with Metro Transit on transit zone improvements in downtown, specifically for 3rd Avenue that include canopy bus zones. The City and Metro have jointly secured grant funding to design and make improvements in downtown, particularly on 3rd Avenue which will address proper continued availability of litter receptacles in such improvements, and this will be the model arrangement for transit zones throughout downtown.
	261	Consider establishing fees for specific parks users directly responsible for generating waste to help offset the cost of litter and garbage collection and disposal in City parks.		Follow-up Not Yet Due		No Further Follow-up Planned	<p>Earlier in 2012, based on a number of staff suggestions regarding the budget, the Parks Superintendent's office undertook research on the viability of imposing fees for dog off leash areas (OLAs). Parks found that fees for OLAs were used in a number of cities and towns across the country but also found that revenues from dog license registration fees (to which OLA fees are often imposed) are very low. Parks stated that in Seattle, where the rate of dog license registration is higher than in many cities, the licensing rate is but a small fraction of the overall number of dogs in Seattle. As such, there were significant questions related to licensing compliance and the actual expected revenues associated with fees for the use of dog OLA's. At a meeting this past spring with City Council Central Staff to discuss possible budget issues, Central Staff indicated that there would be no City Council support for any dog OLA fees. As the budget process continued into the summer, and Parks developed a budget issue paper (BIP) for a new OLA fee, the Mayor's Office chose to not accept the BIP.</p> <p>During the City Council's budget review, a suggestion for a green sheet to look into OLA fees was not supported by the majority of the Council members and was not advanced to a vote.</p> <p>Absent any policy direction to proceed with such a proposal, Parks will not be working further on any OLA fee.</p>

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	262	SDOT should determine the magnitude of the costs for providing post-special event street sweeping services for free and consider whether to charge event organizers for this service.		Follow-up Not Yet Due		Pending	As of January 2012, SDOT discontinued performing free post event street sweeping to areas that are not already on a scheduled sweeping route, with the exception of the Torchlight Parade. If an area, Greenwood for example, is on a scheduled sweeping route SDOT will change its scheduled sweeping night to coincide with an event but will provide only basic sweeping services, not sidewalk cleaning or other special services. SDOT has captured the costs for performing the Torchlight clean-up (\$13,000) and will be evaluating whether to charge for this service in the future.
	263	SPU should continue to work with its two contract solid waste contractors (CleanScapes and Waste Management) to ensure that :1) Clear Alleys Program collections are not missed, and 2) thicker bags are used. SPU should also explore solutions with their Clear Alleys Program (CAP) recycling contractors to improve the storing and pick-up of stacked, loose cardboard which can result in alley litter.		Follow-up Not Yet Due		Implemented September 2011	SPU reported that CleanScapes Clear Alley bag thickness has been increased from 2mm to 3mm, which is more durable (implemented September 2011); all customers are now receiving these new bags. Pickup protocol was reinforced and DPD, as well as SDOT, agreed to allowing the contractor to go into certain alleys during normally restricted times (i.e., noise level concerns which were mitigated). Alleys that service some clubs setting out material by 2:30AM are now being collected at 3:00-3:30 AM, which minimizes set out time. This revised collection plan was implemented November 2011.
	264	Consider curb-to-curb street sweeping to increase street sweeping efficiency and ticketing of illegally parked cars, which could both ensure that streets are clear and help offset the costs of this service.		Follow-up Not Yet Due		Pending	SDOT is working with SPU on a street sweeping program and will be evaluating the benefits and challenges of establishing parking restrictions for street sweeping. An earlier pilot found that the cost of installing no parking signs was substantial and maintenance costs were high. There will be a decision on the use of parking restrictions within the next several years.
29. Promising Practices in Risk Management (June 22, 2011)	265	The City of Seattle should calculate its annual Cost of Risk index, track it over time, and compare it to the Cost of Risk index for similar jurisdictions.		Follow-up Not Yet Due		Implemented July 2012	Risk Management addressed this recommendation in its July 11, 2012 Tort Liability 2011 Cost of Risk Annual Accounting Report.

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	266	Because we found that the City's draft Enhanced Loss Control Procedures (ELCP) reflect the risk management industry's most promising practices, we recommend that the City adopt these new policies for a trial period and periodically evaluate their effectiveness and revise them accordingly.		Follow-up Not Yet Due		Pending	<p>Risk Management reported implementation is "in process". Risk Management has made progress in implementing the Enhanced Loss Control Procedures (ELCP), but there is more to be done.</p> <p>Examples of accomplishments:</p> <ul style="list-style-type: none"> • The Risk Management Advisory Group (RMAG) has met four times since March 2011. • The Principal Risk analyst is reviewing claims with losses greater than \$100,000 and lawsuits with losses greater than \$500,000. • At least one Root Cause Analysis has been conducted, and a corresponding Feasible Corrective and Preventive Action Plan has been created. <p>Examples of Tasks Still to be Performed:</p> <ul style="list-style-type: none"> • The Risk Management Coordinators (RMGs) should meet as a group. The ELCP call for the RMCs to meet two to four times a year. • In addition, Risk Management is in the process of revising staffing duties to enable them to generate the loss data they need to provide RMAG for its analysis and review.
	267	Because workers' compensation claims are a substantial component of the City's claims costs, and some of the measures taken to protect worker safety also help reduce claims against the City, we recommend that the City's Risk Management Advisory Group (RMAG) include a senior staff representative from the Personnel Department's Employee Health Services Division, and that representatives from the Personnel Department's worker safety and workers' compensation units participate in the Risk Coordinators meetings.		Follow-up Not Yet Due		Implemented March 2012	Representatives from the City's Personnel Department have been appointed to the Risk Management Advisory Group.

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30. How Can Seattle Crime Analysis Rise to the Next Level? (January 10, 2012)	268	SPD should make more sophisticated use of crime data.				Follow-up Not Yet Due	SPD plans to hire a Criminologist/Strategic Analyst who will work with a manager to stay abreast of new crime analysis developments and research, enhance strategic analysis to include predictive modeling, and maximize the efficiency of strategic planning. SPD is acquiring new software tools such as CrimeView and PredPol that will add a predictive element to its tactical deployments at the precinct level. SPD is standardizing data collection across the department including aligning the Crime Analysis Unit with SPD's sustainment, information technology, and computer assisted dispatch reporting functions.
	269	SPD should prioritize the continuity and skill level of staff and leadership.				Follow-up Not Yet Due	SPD plans to hire a Criminologist/Strategic Analyst, which will provide continuity and consistency of crime analysis.
	270	SPD should optimize the use of its software tools.				Follow-up Not Yet Due	SPD says the Crime Analysis Unit (CAU) Manager will establish a baseline knowledge base for all CAU functional team members by providing formalized training on current and future SPD software tools. SPD is in the process of purchasing additional tools such as CrimeView and PredPol to provide more detailed and useful crime information to commanders and line officers.
	271	SPD should maximize report automation and self-service opportunities.				Follow-up Not Yet Due	SPD reported that the Crime Analysis Unit Manager plans to standardize and eliminate redundancies of data reporting and requests. New software tools such as CrimeView will facilitate self-service by officers, commanders and citizens wishing to gain information regarding data.
31. Seattle Police Department's In-Car Video Program (June 20, 2012)	272	Implement SPD's planned improvements to processes and technology related to the management of in-car video recordings before expanding the program further. These planned improvements include implementing a revised in-car video retention schedule and moving all recordings to the new COBAN video storage system.				Implemented September 2012	SPD reported that all in-car videos have been moved to the new COBAN video storage system and that SPD has implemented a revised retention schedule of 1,280 days for all in-car videos.
	273	Ensure that the City personnel responsible for procuring both the new in-car video recording hardware and software and new patrol vehicles prioritize technology and equipment that enable officers to reliably create and retain in-car video recordings.				Follow-up Not Yet Due	SPD stated that the In-Car Replacement and Patrol Car Selection committees are committed to providing reliable hardware and software for patrol officers and citizens. Several recommendations from the audit influenced the Request for Proposals (RFPs) for a new in-car video recording system and new patrol vehicles.

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	274	Develop a standard electronic request form that lists all the information the Video Unit needs to conduct an efficient search.				Follow-up Not Yet Due	SPD reported that its information technology (IT) group is working on a solution that will address this recommendation.
	275	Facilitate locating all the video recordings that were made for a specific event. One option is for SPD to obtain or enable in-car video software that automatically records GPS data for patrol vehicle location when a recording is made. This would provide Video Unit staff with a more precise set of data to search for video. It would also allow them to identify all videos recorded at a particular location, date, and time.				Follow-up Not Yet Due	SPD reported that it is currently testing a process for recording "geocodes" for videos taken at a specific location, date, and time. The ability to record and search for videos using geocodes will be a critical improvement in the future functionality of SPD's in-car video system.
	276	Explore giving COBAN database access to staff in additional SPD units, such as the Public Disclosure Unit, the Office of Professional Accountability, and the OPA Civilian Auditor, as well as the City Attorney's Office. Such access should be accompanied by appropriate training, supervision, and security controls to ensure that the recordings are handled with due care. Expanding database access to other SPD units and the City Attorney's Office would: 1) streamline the process of finding video recordings, thereby expediting responses to public disclosure requests and subpoenas, and 2) reduce the Video Unit's workload, allowing its staff to work on high priority requests or other tasks, such as obtaining copies of surveillance videos or visiting precincts to maintain and repair in-car video equipment.				Follow-up Not Yet Due	SPD reported that as of November 21, 2012, COBAN database access has been expanded to include SPD personnel with a specific security profile. Access is now available to Public Disclosure Request Unit and Office of Professional Accountability Unit personnel, Homicide and Traffic Collision Investigation Squad detectives, and all supervisors with the rank of sergeant or above. Additional end-user documentation is in process, and training will be evaluated as needed.

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	277	Direct the Video Unit to develop a simple, uniform system for recording the receipt of and work performed on each request, including the following information: 1) Date request received, 2) Source of request and requestor (e.g., Public Disclosure Unit, requestor's name), 3) Date database search conducted, 4) Number and type of searches conducted (e.g., searched this officer number for this date and time), 5) Search results, by individual search (i.e., found, not found), 6) Date response sent to requestor, and 7) Content of response (i.e., number of videos sent, identifying data for each video).				Follow-up Not Yet Due	SPD reported that it is in the final stages of developing an electronic form that will be used for all department requests for in-car video recordings. Unfortunately, other SPD IT priorities prevent the department from being able to develop a similar tool for external requestors.
32. Information Technology Security and Risk Assessment of the Seattle Department of Transportation's Traffic Management Center and Control System (July 5, 2012)	278	OCA will work with the Chief Information Security Officer to conduct a follow-up review in 12 months to track the Traffic Management Center's progress on moving up the cyber security management capability scale.				Follow-up Not Yet Due	
33. Evidence-Based Assessment of the City of Seattle's Crime Prevention Program (September 6, 2012)	279	SPD should conduct a rigorous review of three programs (School Emphasis Truancy and Suspension Reduction Program, the School Emphasis Program, and the Proactive Gang Program) that appear to resemble programs in other jurisdictions that have been found to worsen crime rather than prevent it (i.e., "backfire effect"). SPD should compare these programs to those studies in the research to examine purpose, methods, procedures and performance measures and identify possibilities for adjusting these three current programs to incorporate methods that demonstrate stronger positive outcomes.				Follow-up Not Yet Due	We will work collaboratively with SPD and the Seattle Youth Violence Prevention Initiative on the evaluation of these three programs.
34. SPU Water Main Extensions: Internal Controls Review and Fraud Risk Audit (September 7, 2012)	280	SPU should create written policies and procedures, including a Water Main Extension program manual, that document management's roles and responsibilities for the oversight of water main extension projects, and that establish necessary controls to mitigate risks noted in this audit.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.

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	281	<p>SPU should create written policies and procedures, including the appropriate controls to ensure that all water main extension work is performed under current contracts. Such policies and procedures should:</p> <ol style="list-style-type: none"> 1) Specify who should periodically review the project contract agreements to ensure that they are properly updated, 2) Define when this review should occur, and 3) Specify how this review will be documented. <p>SPU should enforce Provision 3A in the contract by reconciling the difference between the estimated charges and actual costs, and either bill or refund the developer as appropriate. If SPU wants this provision to apply only to Time and Materials charges and not to Standard Charges, they should clarify the contract language to reflect this.</p>				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	282	<p>SPU should create written policies and procedures and appropriate controls to ensure that required project approvals are obtained on all water main extension projects. The policies and procedures should specify who should approve and sign off on water main extension work, and how this approval should be documented (e.g., a project close-out form).</p>				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	283	<p>SPU should define in its current policies and procedures surrounding Water Availability Certificates (WACs), CS-101, who is authorized to issue WACs and how WAC approval and issuance should be documented.</p>				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.

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	284	SPU should ensure that additional costs are recovered from customers if circumstances warrant this. SPU's contract provisions allow for recovery of actual costs and SPU should enforce this provision. SPU should establish written policies and procedures to ensure periodic review and revision of both standard charges and time and materials (T&M) rates to reflect actual costs. The policies and procedures should specify how often the review is conducted, who should perform the review, who is authorized to make any ensuing adjustments to the charges and/or rates, and how the review and charges and/or rate adjustments should be documented.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	285	SPU should implement written policies and procedures to ensure that all calculations of customer charges are independently reviewed. This could be accomplished by documenting the new SPU policy requiring the Supervising Civil Engineer to review customer charge estimates. The procedures should also specify how the Civil Engineer's review should be documented, and the process that should be followed if the estimates need to be revised (e.g., whether additional authorizations are needed, and if so, from whom?).				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	286	SPU should strengthen its current policies and procedures by incorporating controls to help ensure that all expected revenues from water main extension projects are recorded and tracked for eventual billing in the SPU AR system, and deposited by the City's Treasury unit into the City's bank account. For those contracts for which SPU did not receive full payment but did complete the work, SPU should attempt to collect any funds that are still due.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.

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	287	SPU should consider having SPU Cost Accounting verify deposit of customer payment before Capital Improvement Program (CIP) numbers are set up. In addition, SPU should consider having SPU Field Operations verify with SPU Cost Accounting that a customer payment has been deposited before project work is started.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	288	SPU should strengthen its written policies and procedures by incorporating appropriate controls that prohibit acceptance of customer payments by the Project Manager and field personnel and clearly communicate this policy to customers in the contract.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	289	SPU's written policies and procedures should document what critical project documents need to be retained for the project record (i.e., in the water main extension program manual). It would be helpful if a unique project identifier (e.g., CIP number) is noted on all critical project documents.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	290	SPU management should document in their written policies and procedures the requirements for status tracking, cost reviews, reporting, and management oversight of water main extension projects. SPU should document the requirement and the process for conducting variance analyses between planned field costs and actual costs for water main extension projects. This should include when these analyses should occur (e.g., when actual expenses exceed estimated costs by X %), who should perform the analyses, how to document the analyses results, and any subsequent follow-up or actions.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
	291	SPU should establish written procedures incorporating internal controls to help ensure that all water main extension projects are accurately coded.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.

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	292	SPU should document appropriate controls to ensure that access to all IT systems is appropriately segregated (i.e., so that individuals do not have access rights beyond what is appropriate for their position). SPU should have procedures to ensure that staff are granted IT access rights based on their business needs. In addition, SPU should ensure that access to IT systems is modified appropriately when employees are transferred to other parts of SPU, and review system access rights for all personnel at least annually.				Follow-up Not Yet Due	Resolution of this issue will be addressed starting in 2013 by the implementation of SPU's Internal Controls Implementation Work Plan transmitted on November 26, 2012 to the City Council's Libraries, Utilities and Center Committee.
35. City of Seattle Multifamily Tax Exemption Program (September 19, 2012)	293	We recommend that the City examine the relevance, attainability, and measurability of each ordinance goal governing the MFTE program and when necessary, that it modify the goals to ensure they are measurable and achievable and have performance targets and timeframes. Applicable ordinance requirements and OH Director's Rules should be linked to achieving specific goals. OH should work to achieve ordinance goals, as stated in its MFTE 2011 Status Report to the City Council, rather than the three policy goals stated in the MFTE 2010 Status Report, which may conflict with the ordinance goals.				Follow-up Not Yet Due	
	294	The City should consider whether stimulating construction is an appropriate MFTE program goal, which can be measured and assessed for compliance.				Follow-up Not Yet Due	
	295	The City should consider whether it wants to limit the number of Residential Targeted Areas where MFTE housing can be built to areas that have made little progress in meeting their residential growth targets and could benefit from housing, economic development and revitalization. For example, the City could limit the MFTE program to Residential Target Areas that have achieved 35 percent or less of their residential growth target.				Follow-up Not Yet Due	

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	296	If the City wishes to ensure that MFTE housing is provided to low and moderate income households only, we recommend that it consider requiring tenants of MFTE affordable units to re-qualify for their housing either annually or every two years. If a tenant no longer qualifies, the ordinance could require that the property owner provide another unit to a qualifying tenant at the required rental rate.				Follow-up Not Yet Due	
	297	We recommend that the City improve, clarify, and document tenant eligibility requirements and income verification processes to ensure that the program is meeting its goal to serve Seattle's workers and low to moderate income households who have difficulty finding affordable housing within the City as specified by Area Median Income (AMI) requirements.				Follow-up Not Yet Due	
	298	OH should conduct audits of the income verification documents submitted to the properties by tenants to determine if the annual property certification reports are accurate. Alternatively, OH could collect income verification documents from the property managers in addition to the annual certification reports so that it could verify the accuracy of the tenant income information contained in the certification reports.				Follow-up Not Yet Due	
	299	OH should clarify its Director's Rule regarding verification of tenant income to specify what documentation is expected from the prospective tenant and the circumstances in which a residential screening report provided by property management is acceptable.				Follow-up Not Yet Due	

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	300	OH should establish and document a structured process to request corrective action from properties that do not meet program requirements (e.g., submitting annual property certification reports, providing the appropriate number of affordable units to the targeted population, verifying tenant income reported by property management on annual property certification reports) or impose various types of penalties (including withdrawal of the MFTE tax exemption).				Follow-up Not Yet Due	
	301	The City should eliminate requirements that do not serve to advance the program's goals, and simplify others to make program administration and oversight less cumbersome. For example, the requirement that properties submit a tenant application form for affordable units does not appear to serve any purpose and some properties met this requirement by submitting the tenant application for market rate units. Another example is requiring different sized units to qualify under different affordability levels. Rather than requiring studios to be affordable at or below 65% of Area Median Income (AMI), one bedroom units at or below 75% of AMI, and 2 or more bedrooms at or below 85% of AMI, the City should consider using the same affordability level to facilitate improved compliance, reporting and oversight of this requirement.				Follow-up Not Yet Due	

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	302	OH should increase the use of automation in the application, final certificate of tax exemption, and MFTE annual property certification report processes. For example, MFTE applications and applications for final certificates of tax exemption could be submitted electronically, so applications are deemed completed only when all the required information and documentation is provided. Electronic submission would also provide the actual submittal/completion date, which could be compared with the issuance date of the building permit based on DPD electronic information rather than relying on the subjective interpretation of OH staff.				Follow-up Not Yet Due	
	303	OH should clarify and update its status reports to the City Council, and report on actual data, if it is available, rather than estimates. This should include providing actual tax exemption impacts from the King County Department of Assessments, and the actual number of qualifying tenants living in affordable units.				Follow-up Not Yet Due	
	304	OH should include in its status reports to the City Council information on the number of affordable units that remain vacant in each MFTE property for six months or more during the reporting year.				Follow-up Not Yet Due	
	305	OH should standardize and automate the annual property certification report form used by property managers to report compliance with program rules regarding tenants, to facilitate the accurate, timely completion of the forms. Automating annual property certification reports with information provided by OH on income and rent maximums would improve their accuracy. Automated reports using a spreadsheet would facilitate comparing maximum rent and income levels to actual rent and income levels.				Follow-up Not Yet Due	

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	306	OH should improve program oversight by conducting independent audits or reviews of the MFTE application and final certificate of tax exemption processes to determine if they were in compliance with program rules.				Follow-up Not Yet Due	
	307	The City should consider including language in Seattle Municipal Code Chapter 5.73 requiring OH to do periodic audits of the tenant income eligibility documents.				Follow-up Not Yet Due	
	308	The City should modify its agreements with MFTE properties to extend the time that the properties are required to retain income eligibility documents from one year to six years from termination of the tenants' rental agreements. This will ensure that the agreements with MFTE properties are consistent with State law and the City's document retention schedule and document compliance with the City's MFTE program for six years rather than one year.				Follow-up Not Yet Due	
	309	The City should consider charging an administrative fee to MFTE property owners to cover the cost of automating reports and improving program oversight.				Follow-up Not Yet Due	
	310	As part of the MFTE annual property certification reporting process, property managers should provide the square footage and rents of their properties' affordable and market rate units. Using this information, OH should evaluate properties for compliance with the "substantially proportional to the configuration" element of the ordinance by ensuring that affordable units are substantially the same size as market rate units and that tenants of MFTE affordable units are not being charged more on a square footage basis than market rate units. Furthermore, the "substantially proportional to the mix and configuration" requirement should be clearly defined by ordinance.				Follow-up Not Yet Due	
	311	OH should work with the King County Department of Assessments to ensure the correct properties in Seattle are receiving the correct amount of MFTE tax exemptions.				Follow-up Not Yet Due	

¹ (This end note is for recommendation #171.) The City does not have a complete, detailed, tree-by-tree inventory of City-managed trees. The three major City departments which own and manage trees are Seattle Center, SDOT, and Parks. Seattle Center completed a tree inventory of its 74-acre campus which is included in its January 2009 Landscape Management Plan. In 2009, SDOT completed its inventory of 37,000 SDOT-owned street trees. In addition to the 37,000 SDOT-owned trees, SDOT currently has a tree inventory of approximately 90,000 additional street trees in the rights-of-way that are privately owned and maintained. The database for these ~127,000 trees is maintained in the Hansen system. Parks tracks and maintains an inventory of the type, location, and amount of restoration work in its forested (undeveloped) parks as part of the Green Seattle Partnership efforts but does not have a tree inventory in its developed parks. A Parks Department official stated that the department would like to start a tree inventory program in its developed parks but has no resources for this effort and believes it is unlikely that any will be available in the foreseeable future. In lieu of a citywide tree-by-tree inventory, in 2009 the Office of Sustainability (OSE) used a high resolution satellite to map the current tree canopy distribution across Seattle to identify recent canopy loss/gain trends. To augment the satellite work, OSE will leverage work done by the Integrated Urban Forest Assessment (IUFA) research project, an American Recovery and Reinvestment Act-funded partnership between the University of Washington, King County, the U.S. Forest Service, and the Cascade Land Conservancy. During the summer of 2010, the IUFA research team initiated the Forest Ecosystem Values project across Seattle using the i-Tree Eco assessment tool for which data (e.g., tree size, height, species, missing crown, ground cover, and distance to buildings) is gathered over a statistically valid sampling of individual trees. Data collection for the Forest Ecosystems Values project will be completed by the summer of 2011, with data analysis in the fall. Results of this study will be used to guide development of the Urban Forest Management Plan update in 2012.