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# Status Report on Implementation of Office of City Auditor Recommendations as of December 2016

June 23, 2017

**Seattle Office of City Auditor**

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## Report Summary

We tracked 526 recommendations contained in 51 audit reports issued from January 2007 through December 2016. As of December 31, 2016, 69 percent (364 out of 526) were implemented, 19 percent (97 out of 526) were pending, and 12 percent (65 out of 526) were categorized as no further follow-up planned.

# Status Report on Implementation of Office of City Auditor Recommendations as of December 2016

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## Status Report on Audit Recommendations

The Office of City Auditor follows up annually on the implementation status of its audit recommendations and reports the results to the Seattle City Council. This process provides an opportunity for our office, the City Council, and audited City departments to review the results of our past audit work. We appreciate the cooperation of the many City departments involved in this effort.

## Scope

Since 2010, we tracked 526 recommendations contained in 51 audit reports<sup>1</sup> issued from January 2007 through December 2016.

This report describes the status of 134 recommendations as follows:

- 61 recommendations reported as “pending” from our previous follow-up report<sup>2</sup>,
- 73 new recommendations contained in our 2016 audit reports<sup>3</sup>.

## Methodology

After we complete an audit, we add any recommendations made in it to our tracking database. The next step in our process is to have an auditor identify and verify the status of recommendations by following up with the appropriate City departments and/or responsible individuals and obtaining testimonial or documentary evidence.

In some cases, we go beyond our standard process and perform a more in-depth verification of the extent to which certain audit recommendations have been implemented, and issue a separate report on this work.

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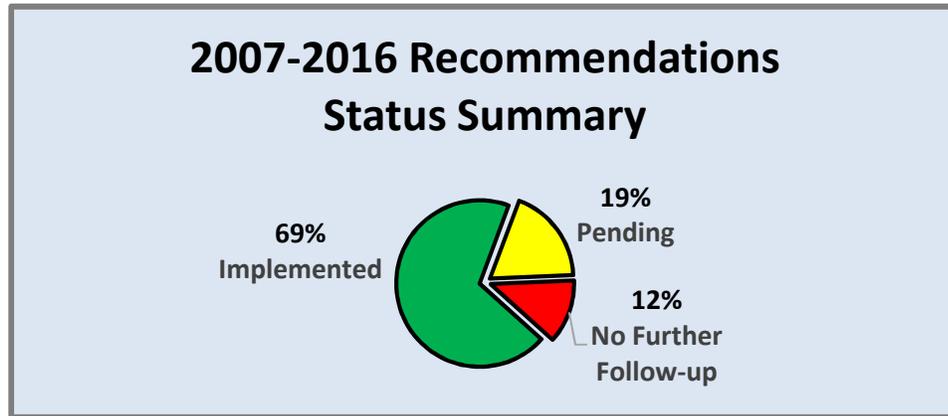
<sup>1</sup> See Appendix A.

<sup>2</sup> [Status Report on Implementation of Office of City Auditor Recommendations as of December 2015, published June 2, 2016](#)

<sup>3</sup> Seattle Police Department Overtime Controls Audit (April 11, 2016), Audit of Services the Metropolitan Improvement District Provides in Belltown (June 8, 2016), and Seattle City Light Billable Services Audit (August 10, 2016).

## Summary and Results

We tracked 526 recommendations contained in 51 audit reports issued from January 2007 through December 2016. As shown in the chart below, as of December 31, 2016, 69 percent (364 out of 526) had been implemented, 19 percent (97 out of 526) were pending, and 12 percent (65 out of 526) were categorized as no further follow-up planned.



## Categories of Recommendation Status

For reporting purposes, we assigned recommendations into one of the following categories:



### Implemented

We reviewed the status information provided by the audited entity and either:

1. agreed that the recommendation or the intent of the recommendation had been met (i.e., with an alternative approach), or
2. concluded that it is in the process of being implemented and we see no barrier to its full implementation.



### Pending

We categorized a recommendation as pending when its implementation is in process or is uncertain, and additional monitoring is warranted. In some cases, implementation requires City Council/Mayoral decision(s).



### No Further Follow-up Planned

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

1. The recommendation is no longer relevant. (i.e., circumstances have changed, e.g., a program no longer exists).
2. The recommendation's implementation is not feasible due to factors such as budget and/or staffing limitations, contractual issues, etc.
3. The audited entity's management does not agree with the recommendation and is not planning to implement the recommendation.
4. The recommendation was considered by the City Council but not adopted.

Please see Appendix B for a list of the recommendations in the four categories for “No Further Follow-up Planned” in this report.

Please see Appendix C for a summary of implementation status of recommendations by year of audit publication.

Status of Audit Recommendations as of December 31, 2016

Report Title (publication date)	Rec # <sup>4</sup>	Description	Status as of December 31, 2016	2016 Update Comments
Seattle Public Utilities (SPU) Billing and Accounts Receivable (AR) – Drainage Fees, Internal Controls Review (February 8, 2007)	21	SPU’s memorandum of agreement (MOA) with King County for drainage billing and collection services requires updating.	No Further Follow-up Planned (Condition 2)	Seattle Public Utilities reported that it has been negotiating with King County on this drainage-related issue for several years with no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
Management of City Trees (May 15, 2009)	163	The City should adopt new tree regulations for tree protection on private property.	Pending	The Seattle Department of Construction and Inspections (SDCI) reported that: 1) it hired a temporary employee to evaluate the existing tree protection regulations and other code provisions that protect tree canopy, and 2) this work began in July 2016 and will be finished the 1st quarter of 2017. SDCI reported that it expects to have recommendations regarding tree protection for the Mayor completed by the 2nd quarter of 2017.
	164	The Department of Planning and Development (DPD) needs to conduct an analysis to determine resource needs for implementing the new tree regulations.	Pending	As part of the analysis in item #163, the Seattle Department of Construction and Inspections reported that it will determine the resources needed for tree regulation implementation.
Follow-up Audit of Workers’ Compensation: Return-to-Work Program (June 15, 2010)	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.	Pending	The Seattle Department of Human Resources (SDHR) reported that several large departments continue development of their department-specific Return-to-Work (RTW) manuals, that SDHR’s Workers’ Compensation Unit (WCU) has established quarterly meetings with Citywide RTW coordinators to address training opportunities, and that the WCU is also partnering with RTW coordinators toward the goal of development of a Citywide RTW policy and procedure manual. SDHR also reported that the WCU is taking a phased approach to unit restructuring to provide new program resources such as a dedicated Technical Compliance and Quality Assurance Advisor. The WCU is also implementing process improvements to improve customer service and increase team member capacity to engage in process documentation.
Seattle Public Utilities (SPU) Revenue Cycle Audit – Wastewater: Internal Controls (April 11, 2011)	244	SPU wastewater rates are high compared to similar municipalities.	No Further Follow-up Planned (Condition 2)	Seattle Public Utilities reported that it has been negotiating with King County on this wastewater processing-related issue for several years, along with King County’s 38 other wholesale wastewater customers, and this consortium of customers has made no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
	245	There are issues with King County’s sewer processing rates that are resulting in somewhat higher wastewater charges for SPU customers.	No Further Follow-up Planned (Condition 2)	Seattle Public Utilities reported that it has been negotiating with King County on this wastewater processing-related issue for several years, along with King County’s 38 other wholesale wastewater customers, and this consortium of customers has made no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
	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.	Implemented July 2016	In July 2016, Seattle Public Utilities issued Director’s Rule DWW-370.1, “Conditional Discharge of Contaminated Industrial Stormwater to the Sanitary Sewer”, which addresses criteria for the discharge of contaminated industrial stormwater to the sanitary sewer.
	257	There are problems with SPU’s contract with King County for sewer processing services and related authoritative wastewater guidance.	No Further Follow-up Planned (Condition 2)	Seattle Public Utilities reported that it has been negotiating with King County on this wastewater processing-related issue for several years, along with King County’s 38 other wholesale wastewater customers, and this consortium of customers has made no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
How Can Seattle Crime Analysis Rise to the Next Level? (January 10, 2012)	268	The Seattle Police Department (SPD) should make more sophisticated use of crime data.	Pending	In March 2017, the Seattle Police Department (SPD) reported that they hired two individuals for three-year term limited temporary positions. One supports SeaStat crime and accountability monitoring and the other supports externally-facing reports for the public including the crime dashboard and bias crimes dashboard as well as Performance Seattle. The staff in these two positions have Masters Degrees in Criminology with expertise in crime analysis and geographic information systems. Also in 2016, SPD worked with George Mason University on knowledge-transfer so that SPD can now perform its own street segment level analysis (e.g., hot spots analysis); this analysis has been used to support the Mayor’s Find It, Fix It Community Walks. We categorized this recommendation as “pending” because SPD is continuing to work on the development and use of more sophisticated use of crime data.

<sup>4</sup>This number is the recommendation’s assigned number in our tracking database.

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How Can Seattle Crime Analysis Rise to the Next Level? (January 10, 2012), continued.	270	SPD should optimize the use of its software tools.	Implemented March 2017	In March 2017, the Seattle Police Department (SPD) reported that using Tableau, a data visualization application, the Data-Driven unit has implemented several internal SPD dashboards including: Year-to-Date crime data, interactive grid map, interactive trend line data, access to tactical information, and interactive shots fired. These dashboards are automatically repopulated by the SPD data server. Also, using Tableau, the SPD Data-Driven unit created three public facing dashboards: a crime dashboard, a Micro-Community Policing dashboard, and a bias crimes dashboard. Further, through the Data Analytics Platform, SPD created dashboards for officer use of force and officer involved shootings. Members of the public can view the data on the public-facing dashboards and download the data. The public facing dashboards are also mobile friendly and can be accessed from cell phones.						
	271	SPD should maximize report automation and self-service opportunities.	Implemented March 2017	In March 2017, the Seattle Police Department reported that it has been working with the precincts to train precinct staff on the use of automated reporting tools, including dashboards, and to solicit feedback from the precincts. As a result of the conversations with the precincts, the Crime Analysis Unit has been able to retire some of the old static Crystal reports that they used to generate. The use of automated reporting tools allows everyone from administrative staff to officers to captains to download data, reports, and charts from the dashboards to use for community meetings and internal planning. The views in Tableau can be saved so that users can always see the information that is relevant to their precinct. Users can also subscribe to regular reports generated automatically by Tableau on a daily or weekly basis.						
Information Technology Security and Risk Assessment of the Seattle Department of Transportation's Traffic Management Center and Control System (July 5, 2012)	278	<p>The Office of City Auditor 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.</p> <p>[Note: In August 2014 the Office of City Auditor (OCA) and the Department of Information Technology (DoIT) agreed that while OCA will track this item in its follow-up database, the follow-up will be performed by DoIT's Chief Information Security Officer.]</p>	Pending	<p>The Seattle Information Technology Department (ITD) reported that the findings of their 2012 assessment have been substantially addressed and remediated. ITD reported that one finding remains and is being addressed in the following manner: Because invoking wholesale password changes would pose negative operational impacts and result in slower response times to controller outages, a compensating control has instead been applied to ensure the controllers are physically secured and that physical access to the interior of the controller would be required to be able to use the password/capability. The other password/capability is being addressed as the street network infrastructure is upgraded, and an encryption certificate can be applied at the network layer.</p> <p>SDOT hired a consultant to assess the overall security posture of the traffic management environment. As of May 2017, SDOT reported to ITD that it had resolved 60% of the findings (i.e., 77/127) made by the consultant, broken down as follows:</p> <table border="1" data-bbox="1815 1010 2318 1145"> <tr> <td>"LOW" Overall Risk</td> <td>23/36 complete (64%)</td> </tr> <tr> <td>"MEDIUM" Overall Risk</td> <td>15/23 complete (65%)</td> </tr> <tr> <td>"HIGH" Overall Risk</td> <td>39/68 complete (57%)</td> </tr> </table> <p>ITD reported that through 2017 with completion estimated for 2<sup>nd</sup> quarter, 2018, SDOT will continue systematically resolving known issues while executing the SDOT Traffic Operations Center's Network Resiliency Project (currently in Execution stage gate).</p>	"LOW" Overall Risk	23/36 complete (64%)	"MEDIUM" Overall Risk	15/23 complete (65%)	"HIGH" Overall Risk	39/68 complete (57%)
"LOW" Overall Risk	23/36 complete (64%)									
"MEDIUM" Overall Risk	15/23 complete (65%)									
"HIGH" Overall Risk	39/68 complete (57%)									
SPU Water Main Extensions: Internal Controls Review and Fraud Risk Audit (September 7, 2012)	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.	Pending	Seattle Public Utilities (SPU) reported that there is an ongoing internal project addressing standard charges. Once completed, this project will be used to decide how often and where this type of review and revision of rates will be completed and documented as well as who will perform this work. This project timeline was extended due to the onboarding of the new SPU Chief Executive Officer (CEO)/General Manager, in September, after the former Director retired. The water main extension procedures will be updated and finalized with a projected completion date of December 2017.						
	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.	Pending	Seattle Public Utilities (SPU) reported that its Development Services Office is updating the water main extension financial reconciliation process, which will include project variance analyses, and will revisit this after the ongoing standard charge project is approved by SPU's CEO/General Manager. SPU Finance is taking the lead on creating roles and responsibilities and more detailed procedures. The projected completion date is December 2017.						

Status Report on Implementation of Office of City Auditor Recommendations as of December 2016

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Seattle City Employees' Retirement System (SCERS) Retirement Benefit Calculations (August 8, 2013)	320	SCERS should consider a one-time update of all member data to capture key member information, such as membership date, amount of buy backs, and time loss during specific periods. To minimize the total work involved, such a project should be planned in coordination with plans to implement a new data system.	Pending	Seattle City Employees' Retirement System (SCERS) management reported that the conversion of member data into the new Pension Administration System (PAS) is occurring during PAS implementation. This process includes both the conversion of electronic data and, for some members, capturing service credit information previously recorded in paper files only (e.g., ledger cards that record contributions before 1992). SCERS reported to us that they have digitized all paper files related to members' service credits and in 2017 will begin systematically reviewing these records to capture service credit information. Once implemented, PAS will be the system of record for member data. PAS is scheduled for full implementation in 2018.
Seattle Public Utilities: New Water Services (Taps): Internal Controls Review and Fraud Risk Audit (September 24, 2013)	324	Strengthen Controls for New Taps Work Initiated Outside of the Utility Services Group (USG): SPU management should implement written policies and procedures that define the roles and responsibilities of each division in the new taps process: USG, Project Management and Engineering Division (PMED), Project Services Division (PSD), and Drinking Water Division (DWD). The agreements should be signed, at a minimum, by division directors. Personnel in each division should be thoroughly trained in the policies and procedures to help ensure compliance.	Implemented April 2016	We received a signed copy of the final policy for new water services (WTR-435) that states the Development Services Office (DSO) is the designated business unit responsible for the sale of new water services that include new taps. Therefore, other divisions cited in our original recommendation no longer have that responsibility (the Drinking Water Division no longer exists).  According to Seattle Public Utilities, the DSO will be discussing the policies and procedures during their weekly New Taps leadership meeting attended by Executive Team members and directors of the applicable lines of businesses.
	326	Strengthen Controls Over Creation of the New Taps Service and Work Orders: USG should also engage the cooperation of personnel in the Water Transmission and Operations Division (WTOD) and the water planning team in the Planning and System Support Division to verify that work orders were created by authorized personnel. This could be done, for example, by checking the "UserId" field in the "Status History" screen in Maximo. The "UserId" field is populated with the name of the user who created the CCSS service order and could be checked at the time the work queue is opened by WTOD personnel.	Pending	Seattle Public Utilities (SPU) informed us that with the new Customer Care & Billing system, the ability to create field activity reports to generate new taps work is restricted only to personnel authorized to do so. In addition, the Development Services Office frequently spot checks field activity reports to help ensure that only authorized personnel created the field activity reports. SPU is updating their policies to reflect this procedure and will forward a copy to our office when it has been completed, at which time we will close this recommendation.
Review of City of Seattle's Civil Rights Enforcement and Outreach (November 20, 2013)	347	SOCR should revise its mission statement to emphasize the importance of stakeholders' participation and education in the prevention and elimination of discrimination in Seattle. SOCR should receive input from stakeholders representing Seattle's diverse population.	Implemented January 2017	The Seattle Office for Civil Rights (SOCR) reported that since the audit recommendation, there were several organizational changes to SOCR, which delayed the revamping of its mission statement. After establishing a division within SOCR to address labor standards violations, in 2016, the Mayor and City Council removed labor standards enforcement from SOCR and created the Office of Labor Standards as a separate department. In addition, the manager position for the Race and Social Justice Initiative (RSJI) remained vacant throughout 2016. With the team fully assembled, SOCR developed a mission statement that summarizes the work it does as follows:  <i>The Seattle Office for Civil Rights (SOCR) works to achieve race and social justice and end illegal discrimination in the City of Seattle. We enforce local and federal civil rights laws in employment, housing, public places and contracting within Seattle city limits, as well as Seattle's local all-gender restroom ordinance and Seattle's ban on conversion therapy for minors. SOCR educates the public on the laws that protect all of us, and helps businesses and housing providers operate free of discrimination. We also work to realize the vision of racial equity by coordinating the City of Seattle's Race and Social Justice Initiative.</i>  SOCR's mission statement meets the intent of the recommendation in that it recognizes the importance of stakeholder's participation in the elimination of discrimination.
Assessment of Consolidated Customer Service System (CCSS) Transaction Controls, Policies and Procedures, and Associated Results from CCSS Data Mining Project (April 29, 2014)	352	The Utilities should establish dollar-level limits for customer account adjustments entered by non-supervisors.  Note: In the audit report, this recommendation was made for both SPU and SCL. SCL implemented this recommendation in April 2014. Therefore, for this report, we followed-up only with SPU.	Implemented December 2016	Seattle Public Utilities (SPU) reported that the Customer Care & Billing (CCB) system is currently in place and has utility account dollar approval limits. SPU reported that these adjustments and new charge monitoring are performed monthly by the Customer Service Strategy and Performance Team, and preventive controls are in place. Evidence of these reviews will be maintained for review upon request.
Seattle City Light Salvage Unit Fraud Risk Audit (June 6, 2014)	384	SCL management should annually review and update, as necessary, policies and procedures regarding the disposition of surplus property as required in section 6.10.9 of the policy, and provide adequate training to affected personnel to ensure compliance. [Recommendation 10.0 (1)]	Implemented April 2016	Seattle City Light provided: 1) updated policies and procedures addressing the disposition of surplus property, and 2) an email from the warehouse manager stating the training as recommended was provided
	388	SCL management should ensure that all personnel involved in surplus sales operations, either directly or indirectly, including managers and supervisors, are trained to understand and follow City policies regarding the donation of surplus assets. SCL should establish procedures as to how to respond to future requests for donations of surplus assets. [Recommendation 12.0]	Implemented April 2016	Seattle City Light provided evidence on April 13, 2016 that the training was conducted.

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Seattle's Paid Sick and Safe Time Ordinance Enforcement Audit (October 17, 2014)	394	SOCR should augment its individual complaint based approach to addressing non-compliance with a proactive random testing program.	Pending	<p>The Office of Labor Standards (OLS) stated that it will augment its individual complaint based approach to addressing non-compliance with a proactive Directed Investigations program. Although, Directed Investigations does not involve a random testing program to identify businesses to investigate, it meets the intent of this recommendation by using a more strategic approach in identifying businesses for investigations and does not solely rely on complaints from individuals.</p> <p>In May 2016, the Seattle City Council adopted Resolution 31662 requesting OLS to provide quarterly updates on the status of developing a Directed Investigations program. Directed Investigations are investigations of potential labor law violations initiated by the OLS Director. OLS reported that in 2016, it worked on developing its enforcement process for directed investigations, which it plans to start implementing by the 2nd quarter of 2017.</p> <p>OLS reported that initially, it will identify businesses for investigation from:</p> <ul style="list-style-type: none"> <li>▪ information from the media, labor reports, and other jurisdictions,</li> <li>▪ informal "tips" received from the public and/or community organizations; and</li> <li>▪ a list of high-risk industries and businesses (i.e., places where there may be a higher likelihood of noncompliance; where businesses may be misinformed about being "exempt" from the law).</li> </ul> <p>OLS reported that it has compiled a list of businesses that meet these criteria. OLS reported that it has been keeping the City Council updated on its progress.</p>
	397	SOCR should develop and use a more relevant advisory case performance goal than its current 180-day goal that is based on the number of days to close charge cases.	Implemented April 2016	<p>Since the audit, the Office of Labor Standards (OLS) has ceased using advisory letters as its major enforcement tool to address potential violations of the City's labor standards laws. With the addition of new labor standards laws and over a year's worth of experience investigating labor standards cases, OLS reported that it assessed its work to determine an appropriate performance measure for labor standards charge cases and determined that the 180-day metric is a realistic case closure performance goal.</p> <p>According to OLS, the goal was established in consideration of the following:</p> <ul style="list-style-type: none"> <li>▪ Investigators handle multiple cases at once involving complex investigations, from the number of employees affected, and the number of allegations and ordinances involved. One investigation may include multiple allegations under each of the four ordinances OLS enforces, thus requiring the investigator to obtain and evaluate information for each separate allegation for each law.</li> <li>▪ Most OLS investigations are company-wide investigations requiring the production of voluminous documents by the respondent.<sup>5</sup> Once the documents have been received, investigators must carefully review each document, including the payroll information for each employee.</li> <li>▪ In most cases, multiple employee interviews must be conducted to determine if a violation occurred, especially if there are questions regarding the validity of the respondents' documents.</li> <li>▪ Investigators can put significant time and effort into reaching employees because of employees' fear of retaliation, disinterest, or outdated contact information.</li> <li>▪ In a significant number of cases, payroll records either do not exist, are incomplete, or are in various states of disarray. In these cases, investigators must gather ample evidence to recreate or fill in the gaps in the records.</li> <li>▪ When respondents do not provide documents or witnesses for interviews, investigators may need to draft a subpoena and declaration to the Hearing Examiner for signature. This process can take several weeks as the subpoena draft must be approved by the Supervising Investigator, Director, and the City Attorney before being submitted to the Hearing Examiner.</li> <li>▪ Because the ordinances OLS enforces are new, novel legal and policy issues often arise during investigations.<sup>6</sup> New questions of law and policy must be researched, briefed, and transferred to the City Attorney's office for approval.</li> <li>▪ Approximately 90% of OLS cases end in settlement. While OLS has found that settlement is the most successful and efficient means for getting back wages and other monetary damages to employees, negotiating the terms of settlement agreements often takes weeks. When violations are found, investigators calculate back wages, interest,</li> </ul>

<sup>5</sup> OLS sends a request for information (RFI) with the charge to initiate a case. Respondents have 10 days from the date of their receipt to comply with the RFI. However, because of the volume of documents and the fact that many employers have third-party payroll or accountants, most respondents request an extension of the 10-day deadline. Moreover, in almost all cases, additional RFIs are necessary to obtain all pertinent evidence from respondents. With each RFI, respondents must be allowed 10 days to provide the information per Seattle Human Rights Rules, Chapter 40-235(1).

<sup>6</sup> For instance, in the OLS v. Sky Chefs matter (case number SOCR15MW025) that recently closed, one investigator had to research federal preemption under the federal Railway Labor Act to determine if OLS had jurisdiction over the case. Then, the City Attorney's office had to approve OLS's legal analysis before the investigator could get to the substance of the allegations.

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Seattle's Paid Sick and Safe Time Ordinance Enforcement Audit (October 17, 2014), continued.				<p>and penalties for each impacted employee for every violation under each ordinance. These calculations are complex, often necessitating many hours of work.</p> <ul style="list-style-type: none"> <li>All settlements, dismissals, findings, and orders must be approved by the Supervising Investigator and the Director, and all reasonable cause findings must also be approved by the City Attorney. This process can take between seven to 14 days.</li> </ul> <p>Given the requisite steps involved in an average investigation, OLS has found that the 180-day metric provides investigators with the flexibility necessary to conduct thorough, multifaceted investigations on legally and factually complex allegations.</p> <p>We categorized this recommendation as "implemented" because we agree with OLS's response that the new labor standards laws adopted since we issued this audit require extensive investigation and that the 180-day goal is appropriate.</p>
Supporting a Future Evaluation of the Seattle Youth Violence Prevention Initiative (SYVPI) (October 24, 2014)	402	Clearly identify target population and evaluate community need based on available data.	No Further Follow-up Planned (Condition 1)	<p>The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018.</p> <p>In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.</p>
	403	Develop a coherent logic model that directly aligns with overarching initiative goals.	No Further Follow-up Planned (Condition 1)	<p>The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018.</p> <p>In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.</p>
	404	Identify feasible evaluation methods.	No Further Follow-up Planned (Condition 1)	<p>The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018.</p> <p>In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.</p>
	405	Identify an appropriate comparison group.	No Further Follow-up Planned (Condition 1)	<p>The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018.</p> <p>In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.</p>
	406	Develop robust data collection and methods.	No Further Follow-up Planned (Condition 1)	<p>The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018.</p> <p>In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.</p>
Audit of the Seattle Police Department's Public Disclosure Process (March 16, 2015)	417	For records maintained by SPD's Communications Center, such as 911 call recordings, assign a dedicated Communication Analyst to the Public Disclosure Unit (PDU) who reports to the PDU manager and understands Communication Center records and the Public Records Act.	Implemented May 2017	The Seattle Police Department reported that funding for this position was approved as part of the first quarter 2017 supplemental budget and SPD is in the process of hiring a Communication Analyst for the Public Disclosure Unit.
	418	For records maintained by SPD's Video Unit, such as in-car video recordings, assign a dedicated Video Specialist to the Public Disclosure Unit (PDU) who reports to the PDU manager and understands SPD's in-car video records and the Public Records Act.	Implemented May 2017	The Seattle Police Department reported that funding for this position was approved as part of the first quarter 2017 supplemental budget and SPD is in the process of hiring a Video Specialist.

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Audit of the Seattle Police Department's Public Disclosure Process (March 16, 2015), continued.	421	SPD should assign a sworn officer to act as a PDU liaison to help locate and obtain copies of records.	Implemented January 2016	Seattle Police Department (SPD) chose not to assign a sworn officer as a liaison to the Public Disclosure Unit (PDU). However, SPD reported that improvements have been made in the PDU's ability to obtain records from SPD units. For example, all SPD employees received mandatory online training in 2016 explaining their obligations under the Public Records Act. This has increased understanding about the need to respond to PDU inquiries. Additionally, implementation of the GovQA automated records system included identifying the sources of most records within SPD and designating a point of contact for each record type. GovQA sends automatic reminders if requests for records have not been completed within the designated timeframe. This has improved records holders' responsiveness. Finally, the Director of Transparency and Privacy can facilitate locating and obtaining records.
	422	Due to the potentially significant impact on the Public Disclosure Unit's (PDU) workload, the Seattle Police Department (SPD) should ensure that the PDU Manager and the SPD Records Manager are fully involved in planning related to management and retention of SPD records, including but not limited to, plans to manage video recordings and department-wide information technology system changes.	Implemented January 2016	The Seattle Police Department (SPD) re-organized its Public Disclosure Unit (PDU) and incorporated it into its Legal Unit. As part of that re-organization, SPD established a Director of Transparency and Privacy position with the responsibility of ensuring that disclosure and related issues are an integral part of information technology systems planning. The Director of Transparency and Privacy told us that she makes this coordination a priority and includes other PDU managers in relevant meetings as needed.
	423	In conjunction with the implementation of a new records request management system and improved access to records, the Public Disclosure Unit should redesign its process for handling public records requests to improve its efficiency and accountability, ensure that requests are fulfilled in compliance with the Public Records Act, and improve customer service. Key features of this process redesign should include: <ul style="list-style-type: none"> <li>• Categorizing and processing requests by complexity,</li> <li>• Prioritizing timely responses to all requests, and</li> <li>• Improving internal controls over the process.</li> </ul>	Implemented January 2016	The Seattle Police Department (SPD) has fully implemented the GovQA system for processing and organizing public records requests. SPD prioritizes requests by complexity by applying the Citywide Public Records Acts Program (CPRA) Interim Director's Rule on processing requests. The Rule provides tools for prioritizing simpler requests, group processing for multiple requests received from the same person, and fairly allocating time to requests and requestors. Getting additional staffing for the Legal Unit and Public Disclosure Unit (PDU) has allowed the Legal Unit and PDU Managers more time to improve internal controls over the process. This is an ongoing process. As part of the process, one of the goals for 2017 is to provide at least monthly Public Disclosure Officer training and to facilitate Washington Association of Public Records Officers certification for all interested employees who process requests.
	424	To improve the Public Disclosure Unit's (PDU) policies and procedures manual, we recommend that the Seattle Police Department (SPD) add a definition of the PDU's mission and goals and an overview of the PDU process; describe how each PDU staff position supports the Unit's overall goals and how staff performance will be measured; and specify the goals, process, and frequency of management review. Additionally, SPD should add detailed guidance on: <ul style="list-style-type: none"> <li>• How to interpret requests and communicate with requestors when clarification is necessary,</li> <li>• How requests for "any and all" documents should be handled,</li> <li>• How staff should apply common exemptions,</li> <li>• The purpose of weekly meetings with legal advisors and how staff should prepare for them, and</li> <li>• The expectations and process for tracking staff time and workload.</li> </ul> Finally, the PDU's policies and procedures should be continually updated as process improvements are made.	Implemented June 2017	Many of the policies and procedures have been incorporated into the procedures and templates associated with GovQA and through the implementation of the Citywide Public Records Acts Program Interim Director's Rule on processing requests. The weekly meetings with the legal advisor no longer occur because the Director of Transparency and Privacy position provides a position giving all staff direct access to someone in-house from whom they can seek advice at any time. The GovQA system enhances oversight because supervisors have access to every aspect of the processing of a response. This allows immediate feedback to Public Records Officers (PDO) for quality control. GovQA also provides a platform for tracking PDO time related to processing requests. A dedicated position within the Public Records Unit (PDU) performs the intake and triage function related to GovQA. This person assigns responsibility for processing each request based on the nature and complexity of the request and the expertise and workload of PDU staff members. This fairly distributes the work among staff and ensures that requests are assigned appropriately. Additionally, SPD provided training in 2017 to ensure that PDU staff conduct adequate searches for "any and all records" related to an incident and handle these types of requests consistently.
	425	Seattle Police Department management should establish performance and service delivery goals for the Public Disclosure Unit and monitor its performance, including consistently tracking workload and staff productivity.	Implemented February 2017	Consistent with the Citywide Public Records Acts Program Interim Director's Rule, the Seattle Police Department (SPD) has established the goal of responding to the greatest number of requests from the greatest number of requestors. SPD's Strategic Plan states that the Public Disclosure Unit's goal for the next two years is to leverage GovQA to increase percentage of request responses completed within 20 days by 10%. GovQA allows SPD to consistently track workload and staff productivity to ensure that resources are applied appropriately to achieve that goal.
	426	As the Public Disclosure Unit (PDU) begins to track its workload and performance data, it should develop a staffing model to enable Seattle Police Department (SPD) management to assess the PDU's staffing levels, determine the most appropriate mix of positions, and adjust staff as needed.	Pending	This is an ongoing effort. The Seattle Police Department (SPD) is using the data obtained from GovQA and other sources to create a staffing plan to meet its future needs. SPD's Director of Transparency and Privacy told us that she would like to review and revise the current job classifications (see recommendation #428 below) before conducting a staffing analysis.
	427	SPD should consider revising Public Disclosure Unit staffing to include a position with data analyst capabilities.	Pending	The Seattle Police Department plans to request funding for a dedicated Management System Analyst position for the Public Disclosure Unit in the next budget cycle.
	428	SPD should review the Public Disclosure Unit's current job classifications to ensure that they match job requirements and facilitate the efficient processing of public records requests.	Pending	One of the Director of Transparency and Privacy's 2017 goals is to conduct a review of the Public Disclosure Unit's current job classifications to ensure that they match job requirements and facilitate the efficient processing of public records requests.

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Audit of the Seattle Police Department's Public Disclosure Process (March 16, 2015), continued.	429	The Seattle Police Department should improve its website to clarify the types of records SPD maintains and the most appropriate routes to obtaining different types of information. Specifically, SPD should improve the Public Disclosure Unit's website to provide information about SPD records available through the Public Records Act, estimates about the time it typically takes to receive different types of records, and suggestions about how to receive records as quickly as possible.	Implemented September 2016	Responsibility for this has largely been subsumed by the City. The City has implemented GovQA for all departments. The City's Public Records Request Center website provides a single location for requestors. It describes the types of records maintained by all City departments, including the Seattle Police Department (SPD), and the most appropriate routes to obtaining different types of information from every City department. The City Public Records Request Center contains a detailed Frequently Asked Questions (FAQ) section that provides information to assist the public in understanding the request process including how to request records and what to expect. Additionally, SPD has updated its website to provide additional information on how to request records.
	432	The Seattle Police Department's (SPD) PDU's written communications with requestors should be improved. All of SPD's written communication with public records requestors should clearly articulate how each request was interpreted, how records systems were searched, and how a requestor can contact SPD's Public Disclosure Unit to request additional searches or provide additional information to facilitate the location of records. Additionally, SPD's letters should clearly reference each individual requested record when reporting on the status of a request. If any responsive records are redacted or exempt from disclosure, letters should state which records were redacted or are exempt and the particular exemption that applies to each.	Pending	GovQA incorporates templates and guidelines for all written communication with requestors. These templates and guidelines incorporate best practices for communicating with requestors that were identified in the audit. The Seattle Police Department (SPD) continues to improve its procedure for applying redactions, creating exemption logs and communicating with requestors. For example, SPD Legal Unit staff have developed an improved process using Adobe software for indicating exempt content in print-type records. Public Disclosure Officers from other City departments have expressed interest in having SPD personnel share information about the process and train them on it. Although SPD maintains that improving communication with requestors is an ongoing process that they do not foresee ever ending because of the dynamic nature of the work, technology, and the law, we consider this recommendation pending because SPD plans to provide training in 2017 to PDU staff. This will help ensure that PDU staff are including the following in their written communication with requestors: 1) which record systems were searched, and 2) in requests for more than one record, which record(s) are being provided, which could not be found, and which are forthcoming.
Process Evaluation of Seattle's School Emphasis Officer Program (September 22, 2015)	433	Develop a program manual that lays out clear expectations for operations and stakeholders.	Pending	The Seattle Police Department reported that it updated the job description for School Emphasis Officers but did not develop a program manual.
	434	Develop a systematic performance and outcome measurement and evaluation plan for the School Emphasis Officers (SEO) program and participating schools.	Pending	The Seattle Police Department reported that due to insufficient resources in 2016, this recommendation remains pending.
	435	Clearly articulate the program goals, structure, activities, and outcomes in the program manual and a logic model.	Pending	The Seattle Police Department reported that due to insufficient resources in 2016, this recommendation remains pending.
	436	Facilitate appropriate data sharing.	Pending	The Seattle Police Department (SPD) reported that the Human Services Department's (HSD) review of and reinvestment in its Community Safety Initiative that will conclude in 2018 will determine what kind of data-sharing will be required with the SPD School Emphasis Officers (SEO) program. SPD's SEO supervisor is participating in HSD's planning process.
	437	Develop a long-term evaluation plan.	Pending	The Seattle Police Department reported that due to insufficient resources in 2016, this recommendation remains pending.
	438	Articulate the program goals and training requirements.	Pending	The Seattle Police Department (SPD) reported that due to insufficient resources in 2016, this recommendation remains pending. However, in 2016, SPD provided training in adolescent brain development to 21 officers, and all the School Emphasis Officers received crisis intervention certification through a 40-hour course.
	439	Ensure that memoranda of understanding are developed with each individual school.	Pending	The Seattle Police Department (SPD) reported that due to insufficient resources in 2016, this recommendation remains pending.
The City of Seattle Could Reduce Violent Crime and Victimization by Strengthening Its Approach to Street Outreach (October 14, 2015)	441	Develop a more sophisticated focused approach for identifying Street Outreach clients to ensure that it is focused on those at highest risk for violence and victimization.	Pending	The Human Services Department's (HSD) review of and reinvestment in its Community Safety Initiative that will conclude in 2018 will include a determination about the role, function, and outcomes for Street Outreach. Through this process, HSD will also work with King County to explore the possibility of coordinating Street Outreach efforts regionally as appropriate. HSD funds currently directed to Street Outreach will be included in HSD's 2018 Community Safety Initiative reinvestment. In 2015, the City of Seattle's Street Outreach provider, Alive & Free, began to work with the Seattle Police Department to strengthen communications to help improve the City's ability to connect those most at risk for violence and victimization with appropriate supports and services. The Office of City Auditor and Alive & Free worked collaboratively on the elements of the Street Outreach Action Plan including the client tracking system and client service levelling system/manual.

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The City of Seattle Could Reduce Violent Crime and Victimization by Strengthening Its Approach to Street Outreach (October 14, 2015), continued.	442	Re-evaluate the age criteria for Street Outreach – consider providing Street Outreach to those most at need, regardless of age.	Pending	The Human Services Department’s (HSD) review of and reinvestment in its Community Safety Initiative that will conclude in 2018 will include a determination about the role, function, and outcomes for Street Outreach. Through this process, HSD will also work with King County to explore the possibility of coordinating Street Outreach efforts regionally as appropriate. HSD funds currently directed to Street Outreach will be included in HSD’s 2018 Community Safety Initiative reinvestment.
	443	Support and monitor continued efforts by the YMCA ‘s Alive & Free Street Outreach program to improve its procedures, practices, and staff development.	Pending	The Human Services Department’s (HSD) review of and reinvestment in its Community Safety Initiative that will conclude in 2018 will include a determination about the role, function, and outcomes for Street Outreach. Through this process, HSD will also work with King County to explore the possibility of coordinating Street Outreach efforts regionally as appropriate. HSD funds currently directed to Street Outreach will be included in HSD’s 2018 Community Safety Initiative reinvestment. In 2015, the City of Seattle’s Street Outreach provider, Alive & Free, began to work with the Seattle Police Department to strengthen communications to help improve the City’s ability to connect those most at risk for violence and victimization with appropriate supports and services. The Office of City Auditor and Alive & Free will continue to work collaboratively on the elements of the Street Outreach Action Plan including the client tracking system and client service levelling system/manual.
	444	Support efforts to strengthen relationships between Street Outreach and the Seattle Police Department, including clarifying roles and responsibilities and providing integrated training.	Pending	The Human Services Department’s (HSD) review of and reinvestment in its Community Safety Initiative that will conclude in 2018 will include a determination about the role, function, and outcomes for Street Outreach. Through this process, HSD will also work with King County to explore the possibility of coordinating Street Outreach efforts regionally as appropriate. HSD funds currently directed to Street Outreach will be included in HSD’s 2018 Community Safety Initiative reinvestment. In 2015, the City of Seattle’s Street Outreach provider, Alive & Free, began to work with the Seattle Police Department to strengthen communications to help improve the City’s ability to connect those most at risk for violence and victimization with appropriate supports and services. In 2016, under the direction of Assistant Chief Merner and Lieutenant Garth-Green, the Seattle Police Department has begun meeting with Street Outreach staff to begin to clarify roles. This work is anticipated to continue in 2017.
	445	Strengthen the ability of Street Outreach to connect their clients’ families with services that promote the importance of family as a protective factor.	Pending	This recommendation was considered by the Human Services Department (HSD) in 2016 and will be considered by HSD in 2017. Any potential action on this recommendation will take into consideration the City’s plans for investments in the new Community Safety Initiative that will replace the Seattle Youth Violence Prevention Initiative. HSD is also considering merging its Street Outreach efforts with King County.
	446	Support a rigorous evaluation of Street Outreach to ensure that the efforts are effective for reducing violent crime and victimization and do not unintentionally cause harm.	Pending	This recommendation was considered by the Human Services Department (HSD) in 2016 and will be considered by HSD in 2017. Any potential action on this recommendation will take into consideration the City’s plans for investments in the new Community Safety Initiative that will replace the Seattle Youth Violence Prevention Initiative. HSD is also considering merging its Street Outreach efforts with King County.
Department of Parks and Recreation’s Oversight of Lease and Concession Agreements (December 10, 2015)	447	Consider using Department of Finance and Administration (FAS) Treasury cashiers to process payments or, alternatively, implement increased cash handling controls at the Contracts Administration and Support Office (CASO) and Magnuson Park as described in the audit report.	Implemented May 2016	Both the Contracts Administration and Support Office and the Magnuson Park Office have revised their cash handling procedures to strengthen internal controls.
	448	Develop or update contract monitoring policies and procedures.	Pending	Contracts Administration and Support Office and Magnuson Park managers plan to work together in the next year to develop department wide policies. However, given the changes that will occur with the implementation of the Summit Accounts Receivable software (planned for January 2018), it is likely that these policies and procedures will be not be finalized until mid-2018.
	449	Automate contract management tasks and improve Parks contract monitoring capabilities.	Pending	Contract management tasks and financial tracking have been somewhat automated using CLASS and Excel, but these tools are not sufficient. Parks plans to start managing their tenant accounts through Summit/PeopleSoft beginning in January 2018.
	450	Improve internal controls over public benefit reporting.	Implemented March 2017	Parks managers are piloting a new Public Benefits Report in 2017. They will use this report and tenant discussions to gather baseline data on the distribution of public benefits. They will also be using the City’s Race and Social Justice Initiative (RSJI) Toolkit and process to assess and improve the way public benefits are tracked, measured, and targeted. Based on this information, they may make additional changes to improve oversight of public benefits.
	451	Meet with tenants annually to review public benefits requirements.	Pending	The Magnuson Park manager reported that he met with all tenants required to submit public benefit reports. The Contracts Administration and Support Office manager estimates that she and her staff will likely have met with 90 percent of the tenants by the end of 2017.

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Department of Parks and Recreation's Oversight of Lease and Concession Agreements (December 10, 2015), continued	452	Update the Parks Department public benefits webpage.	Pending	Contracts Administration and Support Office and Magnuson Park managers are working together to improve public benefit reporting and outreach. Progress on this will be based on what they learn from improving public benefit reporting and oversight (see Recommendation #450 above).
	453	Consider changing the payment basis on contracts that generate \$15,000 or less to the City annually and include the value of park activation in the calculation of appropriate rent.	Pending	In process. The Contracts Administration and Support Office manager has completed analyses of seasonal permit revenues by category and discussed the results with internal stakeholders. The next step is to obtain feedback from seasonal vendors about possible changes to the permitting process. In the meantime, 2017 seasonal permits are still revenue-based.
Seattle Police Department Overtime Controls Audit (April 11, 2016)	454	<p>SPD should develop and enforce a clear, detailed overtime usage policy that provides (a) management sufficient guidance on the appropriate uses of overtime,<sup>7</sup> including compensatory time, and (b) direction on the proper recording and coding of overtime in the City's payroll system. This policy should address the following:</p> <ul style="list-style-type: none"> <li>• the activities or service needs that may justify overtime;</li> <li>• the activities or service needs that do not justify overtime or require special management approval;</li> <li>• requirements for supervisory approvals and approval processes and documentation;</li> <li>• any maximum thresholds for overtime hours or total work hours (i.e., regular time plus overtime and off-duty work hours);</li> <li>• when compensatory time can be earned in lieu of payment for overtime;</li> <li>• how employees should record overtime to ensure it is paid accurately (e.g., when to record hours in the City's Employee Self Service system or use an Event Summary Form); and</li> <li>• how employees should code overtime to ensure accountability and transparency and to facilitate payroll and overtime monitoring processes.</li> </ul> <p>This policy should include an effective date and an approval signature.</p> <p><b>[Recommendation 1]</b></p>	Pending	The Seattle Police Department (SPD) reported that the new draft overtime policy has gone through a variety of review processes by groups that include operational staff, the department's Audit and Policy group, SPD Legal section review, and interaction with the unions. It was slated to become policy in April 2017.
	455	Additionally, SPD should train all employees on the policy and related procedures and monitor for compliance. <b>[Recommendation 1]</b>	Pending	This recommendation is dependent on recommendation #454 for implementation, and therefore is pending.
	456	<p>SPD should develop and enforce clear and detailed policies and procedures that address all overtime administrative processes, including the following:</p> <ul style="list-style-type: none"> <li>• payroll processes for the handling and monitoring of overtime;</li> <li>• authorization of overtime before it is worked;</li> <li>• approval of recorded overtime before payment;</li> <li>• review of recorded overtime for errors or improper entry (e.g., duplicate entry or incomplete coding);</li> <li>• review of recorded overtime for appropriateness and to help prevent and detect unnecessary or abusive overtime;</li> <li>• management reporting and monitoring of overtime;</li> <li>• planning and reconciliation of special event overtime;</li> <li>• billing of reimbursable overtime, including which overtime costs are reimbursable by event organizers; and</li> <li>• account delinquency follow-up processes for reimbursable overtime.</li> </ul> <p>Personnel should be trained in all overtime policies and procedures relevant to their job functions. Further, SPD's policies and procedures should be continually updated as process improvements are implemented.</p> <p><b>[Recommendation 2]</b></p>	Pending	According to the Seattle Police Department, the new overtime usage policy (see recommendation #454) will address this recommendation. They reported that the new draft overtime policy has gone through a variety of review processes by groups that include operational staff, the department's Audit and Policy group, SPD Legal section review, and interaction with the unions. It was slated to become policy in April 2017.

<sup>7</sup> For example, employees are required to obtain approval to work overtime but there is no clear guidance on how the approval is obtained and documented. There is also an exception where employees may work overtime without supervisory approval "when an operational need or work load requires the employee to work beyond their regular shift", but examples of circumstances where such exceptions may or may not apply are not provided.

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Seattle Police Department Overtime Controls Audit (April 11, 2016), continued.	457	SPD should develop a realistic overtime budget to fund its overtime needs. The overtime budget should reflect the input of SPD section leaders (i.e., primarily captains) who spend against the budget, the number of department vacancies, planning for special events, and should factor in reductions in overtime costs that result from improved controls, as outlined in this audit report. <b>[Recommendation 3]</b>	Implemented November 2016	The Seattle Police Department's (SPD) 2017 budget provides additional funding for overtime. The budget included: 1. Adding \$2 million of new funding. 2. Adding \$1.4 million for overtime related to the Department of Justice Settlement Agreement that has historically been held in a Finance General reserve. 3. Transferring approximately \$2.7 million of existing funding from existing salary accounts to overtime to better align budget with expenditures. The budget transferred funding to better reflect the department's vacancy rate and more closely align SPD's budget with historical spending. With these changes, the overtime budget is \$22.2 million, which is based on analysis of actual overtime usage from 2012-2015. SPD is now in the third month of the 2017 fiscal year and continues to work with the City Budget Office on the monitoring and analysis of its overtime use.
	458	SPD section management should explain and document any significant variances from the overtime budget to SPD senior management (i.e., Assistant Chiefs, Director of Finance, Chief Operating Officer, and Chief). <b>[Recommendation 4]</b>	Implemented January 2016	The Seattle Police Department reported that beginning in August of 2015, during biweekly fiscal meetings, it reviews overtime spending each month when the data becomes available. Captains and civilian equivalents and officials above these ranks are required to attend these meetings. The group reviews overtime use and allocation balances, and crafts strategies for reducing any overages and adhering to allocations.
	459	Additionally, SPD should work with the City Budget Office and the City's Office for Special Events to develop and implement strategies for adhering to the overtime budget. <b>[Recommendation 4]</b>	Pending	The Seattle Police Department (SPD) reported that overtime data are provided to the City Budget Office (CBO) each month and the SPD Budget Section discusses overtime use, areas of concern, and strategies with CBO personnel on a regular basis. Overtime data is also submitted monthly to City Council Central Staff. In addition, the Office of City Auditor is currently conducting an audit of Policing of Special Events and this audit will address special events overtimes issues in greater detail. The audit report is expected to be published during the summer of 2017.
	460	Each SPD section leader should verify that all overtime charged to his or her section is appropriate and reconcile overtime hours with the supporting overtime documentation (e.g., Overtime Request Forms, Event Summary Forms, or other documents). This monitoring should be done in coordination with the section-leader monitoring we describe in Recommendation 18. <b>[Recommendation 5]</b>	Implemented April 2016	The Seattle Police Department (SPD) reported that SPD section leaders are provided monthly with overtime data for their groups and are responsible for reviewing the data and challenging anything that does not look accurate. SPD senior management is holding captains accountable for overtime usage. In addition, SPD Payroll is employing a process that looks for timesheet anomalies (e.g., overtime hours during an employee's regularly scheduled shift) and opportunities that could lead to double payment.
	461	SPD should implement a process to ensure that overtime costs are accurately recorded and tracked by employee assignment. <b>[Recommendation 6]</b>	Implemented April 2016	Although the Seattle Police Department (SPD) is still using the same payroll system and Human Resource Information System (HRIS), the SPD Payroll Supervisor reported that the department has improved the management review process for overtime because they are now accurately tracking overtime to the correct work location. In addition, SPD's Payroll unit is employing a process that looks for timesheet anomalies (e.g., overtime hours during regular hours) and opportunities that could lead to double payment (i.e., entry of time on both electronic timesheet and paper overtime event forms).
	462	SPD should establish a central recordkeeping location for all overtime-related documents. <b>[Recommendation 7]</b>	No Further Follow-up Planned (Condition 3)	The Seattle Police Department (SPD) reported that overtime reports remain at the location of their origin. This recommendation was discussed within SPD, which decided to keep the records in their current locations.
	463	SPD should develop automated controls or processes for detecting payroll errors or non-compliance with key policies, such as: • duplicate payments for overtime; • entry of more than 24 hours in a single day; and • accrual of comp time in excess of maximum allowed. <b>[Recommendation 8]</b>	Pending	The Seattle Police Department (SPD) reported that they currently manually review payroll records for errors. The errors are individually researched and resolved. The process began in the 4 <sup>th</sup> quarter of 2015. The 2017 Adopted and 2018 Endorsed Budget provides funding for an automated work scheduling and timekeeping system that will allow for better automation of thresholds and controls. SPD plans to transition from their manual review process when automated work scheduling and timekeeping systems come on line.
	464	SPD needs to enforce current overtime and compensatory time policies and procedures, including those related to the following: • proper documentation of overtime authorization and approval; • accurate activity and assignment coding of overtime; • compensatory time thresholds; and • accurate recording of overtime and standby time. <b>[Recommendation 9]</b>	Pending	The Seattle Police Department reported that they are committed to enforcing its policies related to overtime and compensatory time. The department will use the issuance of its new overtime policy and the training that will accompany it to reinforce this effort and stress the importance of these policies and the procedures that go with them. The work scheduling and timekeeping system included in the proposed budget will allow for more accurate and more timely oversight of overtime coding and use.

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Seattle Police Department Overtime Controls Audit (April 11, 2016), continued.	465	SPD should develop a way to record supervisory approval of all overtime in the payroll system and not allow payment without proper approval. <b>[Recommendation 10]</b>	Pending	The Seattle Police Department reported that the new overtime policy, which is scheduled to be implemented in April 2017, will require this and the pending technological solution will provide better documentation of supervisory approval.
	466	SPD should track all work time, including off-duty time, and require management approval for hours beyond the maximum allowable level. <b>[Recommendation 11]</b>	Pending	The Seattle Police Department (SPD) reported that it is working towards gaining visibility into all secondary employment hours worked by department employees. The solution may be the use of a third party (e.g., Cops for Hire) to create the marketplace for department-approved customers to go to hire SPD police officers for various tasks. This would give the department full visibility into off-duty work activities and complete approval authority for any off-duty work. Secondary employment information could be imported into department scheduling/timekeeping software to provide a complete picture of how much officers are working by week and month. The marketplace could have maximum allowable hours set into it and not allow an officer to sign up for work that causes them to exceed the maximum. The Cops for Hire environment is now available for SPD and in use for some of the secondary employment opportunities. As this preferred method of securing a police officer to work off-duty becomes more widely used, it will provide a greater accounting of secondary employment.
	467	SPD should ensure that all overtime hours are properly coded to specific activities to provide SPD management with adequate information on the overtime worked for the department. <b>[Recommendation 12]</b>	Pending	The Seattle Police Department reported that part of the department's regular review of overtime pertains to the proper coding of its use. Fiscal discussions within the department often include this topic. Codes and their use are reviewed to ensure that there is consistent use throughout the department. The new overtime policy requires that all overtime be properly coded. This coding will be part of the policy training. The new work scheduling and timekeeping system, included in the 2017 Adopted and 2018 Endorsed Budget, will also provide greater insight into overtime coding.
	468	SPD should either (a) implement new scheduling and timekeeping systems or (b) enhance existing systems to include automated controls and to facilitate tracking and monitoring of overtime. <b>[Recommendation 13]</b>	Pending	The Seattle Police Department (SPD) reported that the 2017 Adopted and 2018 Endorsed Budget, provides funding for a work scheduling and timekeeping solution for the department. SPD is currently involved in the procurement process for such a system. The plan is to deploy it in the department's Communications Center and evaluate its performance before using it in the rest of the department.
	469	SPD should consider staffing some positions with civilians, rather than sworn officers, to reduce overtime expenses. SPD should consider civilian staffing in the Background Unit, the Office of Professional Accountability, and the Education and Training Section. <b>[Recommendation 14]</b>	Pending	Growing civilianization, where appropriate, continues to be an important goal of the department. With the advent of the Office of Inspector General, the Seattle Police Department hopes to gain an ally for making this happen. This continues to be a subject of bargaining with Seattle Police Officers Guild (SPOG). This recommendation is currently outside the department's purview due to the topic's reliance on other entities to make it happen.
	470	SPD should develop a report that provides a department-wide, comprehensive summary and breakdown of overtime use for all work activities. <b>[Recommendation 15]</b>	Implemented August 2015	The Seattle Police Department's (SPD) formal response included in the audit report stated that they had started implementing this recommendation in August 2015. SPD reported that managers receive a breakdown – in hours and dollars – of their section's overtime use each month. Supervisors have access to monthly reports for their staff's individual hours worked. An overall analysis of monthly overtime is also published by the Budget Section on the department's internal webpage. Budget and overtime use are standing topics on the weekly Command Staff agenda.
	471	We recommend that SPD Finance develop and regularly review (e.g., quarterly) the following types of reports to expand its current scope of overtime review and analysis: <ul style="list-style-type: none"> <li>• Overtime Trend Analysis – change in overtime spending and hours, in total and by section;</li> <li>• Comp Time Trend Analysis – change in overtime taken as comp time, in total and by section;</li> <li>• Comparative Activity Analysis – overtime by primary activity categories compared to prior periods;</li> <li>• Personnel with Highest Amounts of Overtime – overtime for all personnel over a certain amount (in hours and dollars) or for the top 10% or so;</li> <li>• Overtime Distribution Analysis – overtime distribution by days of the week or months of the year, and on the individual dates with highest overtime historically (e.g., 4th of July); and</li> <li>• Analysis of overtime caused by the need to backfill for staff out on leave (e.g., sick leave or vacation).</li> </ul> <b>[Recommendation 16]</b>	Implemented December 2015	The Seattle Police Department (SPD) reported that their Budget Section completes these analyses each month. The results are shared with the SPD Chief Operating Officer and City Budget Office (CBO). Individual issues are discussed with the relevant bureau chief. Overall issues are also discussed at SPD's biweekly fiscal meetings and Command Staff meetings.
	472	SPD should re-visit its overtime coding structure and provide regular training to all staff on how to code their overtime. <b>[Recommendation 17]</b>	Pending	SPD reported that their Budget Section reviews overtime and looks at how overtime is coded. Anomalies are elevated to the appropriate chief for review. Coding overtime correctly is part of the SPD fiscal meeting conversation. Proper coding of overtime will also be part of the new overtime policy training, which should begin after the policy roll-out in April 2017. In addition, implementation of a technology solution will address this recommendation by automating controls.

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Seattle Police Department Overtime Controls Audit (April 11, 2016), continued.	473	SPD should increase the level and frequency of overtime monitoring required of section leaders and should ensure such monitoring is documented. To do this, SPD senior management should set clear expectations for how and when section leaders should monitor overtime (e.g., monthly, quarterly, bi-annually, annually). At a minimum, section leaders should conduct monthly reviews of overtime use by individual and activity. SPD should also develop a one-page monthly overtime monitoring sign-off sheet that identifies the information each section leader is responsible for reviewing, and section leaders should use these forms to document their monthly reviews. <b>[Recommendation 18]</b>	Pending	The Seattle Police Department reported that their Budget Section provides overtime information monthly to section leaders and those individuals with the rank of captain and above. These commanders also participate in biweekly fiscal meetings and are held accountable at the Command Staff level. Clear expectations for monitoring are outlined in the new overtime policy. These will be emphasized during training about the new policy.
	474	SPD should ensure section leaders have the overtime reports needed to perform the overtime monitoring activities described in Recommendation 18. <b>[Recommendation 19]</b>	Implemented August 2015	The Seattle Police Department reported that their Budget Section has developed reports for section managers based on input from elements of the department. It continually solicits information on how to make them better for supervisors and managers. Please refer to recommendation #470.
	475	<p>SPD should consider assigning an analyst within SPD Finance or another area outside of SPD operations to monitor and research overtime. This proposed independent monitoring of overtime should supplement our recommended reviews by section leaders. This monitoring should assess whether overtime is being worked and paid in compliance with policies and procedures, and it should also be designed to prevent and/or detect unnecessary or abusive overtime. Any exceptions identified by the independent monitor should be followed up on by an administrative sergeant.</p> <p>Below are some overtime monitoring activities that should be conducted by someone independent of SPD's sworn field operations command structure:</p> <ul style="list-style-type: none"> <li>• Conduct routine audits of the sections and individuals with the highest overtime (e.g., top 10%) to review compliance with policies and necessity of overtime reported. Review the supporting payroll documents for these employees.</li> <li>• Conduct periodic audits of overtime worked for randomly selected employees and pull and review supporting payroll documentation.</li> <li>• Run queries and analyses of payroll data to look for overtime that does not comply with department policies. For example, the San Francisco Police Department has an exception report of personnel working more than 14 hours in a day (i.e., their maximum cap for a workday) and this report is reviewed and followed up on by an administrative sergeant.</li> <li>• Run queries and analyses of payroll data to identify patterns that may indicate unnecessary overtime or overtime abuse, for instance: <ul style="list-style-type: none"> <li>• overtime worked every day by the same employees;</li> <li>• employees consistently working overtime on certain days of the week;</li> <li>• employees who alternate sick leave (or other paid leave) with overtime on a repetitive basis; and</li> <li>• employees who work overtime at a certain time of day, day after day, when their schedule could possibly be altered to better accommodate the work time needs for their position</li> </ul> </li> <li>• Periodically review standby time.</li> </ul> <p><b>[Recommendation 20]</b></p>	Pending	<p>The Seattle Police Department (SPD) reported that their Budget Section currently does this. However, the 2016 First Quarter Supplemental Budget Ordinance added a new position to SPD's Budget Section. The Budget Section is currently in the process of hiring the referenced position. Once hired, the position will primarily focus on special events overtime. This individual will also do "deep dive" analyses of several areas that traditionally use significant amounts of overtime; analyses will range from focus on the individual level to analyses of larger patterns or systemic issues.</p> <p>Once secondary employment numbers are available to the department this analysis will be even more valuable – as it will include all hours worked.</p>
	476	SPD should ensure that events are charged for police services as required by Ordinance 124680. This will involve SPD working with the City's Office for Special Events to develop and implement procedures for carrying out the terms of the Ordinance for permitted events related to collecting deposits for estimated police services, tracking actual police hours associated with the events, and billing or refunding event organizers for any differences between actual and estimated police hours. <b>[Recommendation 21]</b>	Pending	The Seattle Police Department (SPD) reported that for reimbursable special events, there is a new policy that benefits expenses need to be included in all Memorandum of Understanding (MOU's) for police services. This requirement will be addressed as MOU's are negotiated or the annual MOU's are re-negotiated. For events issued a Special Event Permit, the recovery of costs associated with SPD's services for special events are codified in City ordinance 15.52. As written, the department is unable to use a total cost recovery model for events issued a Special Event Permit. In addition, the Office of City Auditor is currently conducting an audit of Special Events Policing and the audit report will include comments on this topic.

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Seattle Police Department Overtime Controls Audit (April 11, 2016), continued.	477	SPD should develop a consistent approach and criteria for planning event staffing and managing risk at special events. <b>[Recommendation 22]</b>	Pending	The Seattle Police Department (SPD) reported that: 1) most event staffing is done and/or reviewed during weekly special events meetings at the Seattle Police Operations Center (SPOC); 2) Staffing plans for each event are saved (as they have been for years) for future review; 3) After-action-reviews are also assessed and saved for use the next time the event or a similar event is permitted in the City. SPD Budget staff began participating in weekly SPOC meetings in 2016. Please note that the Office of City Auditor is currently conducting an audit of Special Events Policing that will include comments on this topic.
	478	SPD should identify a central entity that is responsible for conducting an in-depth review and evaluation of all special event plans. <b>[Recommendation 23]</b>	Pending	See Recommendation #477. Please note that the Office of City Auditor is currently conducting an audit of Special Events Policing that will include comments on this topic.
	479	SPD should compare actual hours worked to hours planned for all special events, and significant variances should be explained, evaluated, and documented for SPD management. <b>[Recommendation 24]</b>	Pending	Please note that the Office of City Auditor is currently conducting an audit of Special Events Policing that will include comments on this topic.
	480	SPD should improve documentation of time worked at special events by completing the Roll Call time, Event time, and Secure time on Event Summary Forms. Additionally, SPD officers working events should be required to sign in and out on Event Summary Forms, and SPD should ensure that these forms are signed by the approving sergeant. <b>[Recommendation 25]</b>	Pending	The Seattle Police Department reported that the department continues to emphasize properly filling out overtime sheets. Please note that the Office of City Auditor is currently conducting an audit of Special Events Policing that will include reporting on this topic.
	481	SPD should revise its billing practices so that it either (a) bills event organizers for estimated policing costs in advance of the event, and then bills for or refunds any variance of actual costs from estimated costs, or (b) at a minimum, checks organizers' credit histories before entering into an agreement for reimbursable police services. <b>[Recommendation 26]</b>	Pending	The Seattle Police Department (SPD) reported that events that require a City special events permit are handled in accordance with the applicable City ordinance through the Office of Economic Development so changes are outside of SPD's control. In addition, the Office of City Auditor is currently conducting an audit of Special Events Policing that will include comments on this topic. SPD also reported that for events that are contracted directly with SPD, SPD bills for actual costs – consistent with any Memorandum of Understanding (MOU) that the department has with an entity. Those event organizers who have not paid in the past are being asked to pay in advance in the form of a deposit or estimated costs. Whenever the department has control of the event planning through MOUs or other arrangements, SPD is billing for 100% of the actual direct wages cost. This recommendation has been completed for these MOU/reimbursable events.
	482	For reimbursable events, SPD should reconcile all overtime hours on Event Summary Forms with hours recorded into SPD's payroll system to ensure all overtime is accurately billed. <b>[Recommendation 27]</b>	Pending	The Seattle Police Department reported that it works to ensure that it is billing its customers correctly. In addition, the Office of City Auditor is currently conducting an audit of Special Events Policing that will include comments on this topic.
	483	SPD should contact event organizers to collect payment when debts are 30 days delinquent or earlier. <b>[Recommendation 28]</b>	Implemented April 2016	The Seattle Police Department (SPD) reported that they bill entities each month until accounts are 90 days delinquent. After that, the invoices are sent to the Department of Finance and Administrative Services, which oversees the City's collections process. SPD now makes personal contact by phoning entities each month to ensure that invoices get to the proper authority for payment. Because SPD found that some invoices were not making it to the proper party, it added a place on SPD's Memoranda of Understanding template to collect the proper contact information for billing.
	484	SPD should write off delinquent accounts for special event reimbursements in a timely manner. <b>[Recommendation 29]</b>	Implemented December 2015	The Seattle Police Department (SPD) reported that SPD Fiscal is now forwarding delinquent accounts to the Department of Finance and Administrative Services for write off in a timely manner, per City policy.
Audit of Services the Metropolitan Improvement District Provides in Belltown (June 8, 2016)	485	SPD should implement a process for tracking off-duty work hours so SPD management can monitor whether officers are a) complying with the department's maximum weekly and daily hours thresholds, b) taking high amounts of sick or other paid leave while also working a lot of off-duty hours, or c) underperforming for SPD work due to high amounts of off-duty time. SPD Policy 5.120 states that SPD personnel are required to log in and out by radio when working off duty, so this might be one option to consider for tracking off-duty time. SPD should also consider developing a plan and timeline for requiring employers of off-duty SPD officers to contract directly with SPD. <b>[Recommendation 30]</b>	Pending	The Seattle Police Department is working to bring this information into the department to allow this type of analysis. See Recommendation #466.
	486	The DSA/MID should ensure that the Belltown neighborhood is included in the Retail Recruitment program.	Implemented December 2016	In 2016, the Metropolitan Improvement District (MID) provided support to the Belltown neighborhood to help retain current businesses and attract the right mix of new businesses. For example, the MID analyzed opportunities and vacancies, and their retail recruitment manager met with local business owners, managers and brokers to discuss challenges and brainstorm solutions. In 2017, the MID will continue to refine its retail program. The Board President of Project Belltown, a Belltown community organizing effort, told us that while this group was satisfied with an initial exploratory meeting they had with the Downtown Seattle Association and MID staff in early 2016, they look forward to more support as they develop their retail strategy.

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Seattle City Light Billable Services Audit (August 10, 2016)	487	The City Light Engineer and Engineering Supervisor should verify that all tasks have been completed and have been updated to the "finished" status before approving the final bill review. The billing technician in City Light General Accounting should verify that all tasks in WAMS are in the finished status before generating the final bill invoice. These requirements should be documented in City Light policies and procedures. <b>[Recommendation 1a]</b>	Pending	Seattle City Light (SCL) management reported they agree with the recommendation that the work order task status be verified as finished before issuing the invoice and that it will be re-affirmed as part of standard procedure. They also reported that SCL Internal Audit will review a sample of transactions and validate how the procedures are working by the 3 <sup>rd</sup> quarter 2017. We requested that SCL provide us with a copy of the policies and procedures related to this recommendation when they are completed and approved by management.
	488	City Light should investigate projects from our test sample in which one or more tasks were not updated to the "finished" status and determine if all costs were appropriately billed to the customer and recorded in the Summit work order. <b>[Recommendation 1b]</b>	Pending	Seattle City Light (SCL) reported there were 13 work orders totaling \$14,087 that were under billed and SCL Internal Audit is currently reviewing the work and will inform us of the results when the review is complete.
	489	As part of the engineering review process, City Light management should require the reconciliation of tasks between the Summit work order, the WAMS work order, and the final bill review to help ensure that all billable project tasks are shown on all three records. Any discrepancies in billable tasks should be investigated and resolved before customer billing. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 2]</b>	Pending	Seattle City Light (SCL) reported they investigated the exceptions noted by the City Auditor and agree that through lack of oversight, approximately \$8,000 was under-billed. SCL agrees with the recommendation and will reaffirm reconciliation procedures with management. SCL Internal Audit will review a sample of transactions and validate how the procedures are working by the 3 <sup>rd</sup> quarter of 2017.  We also noted in our audit findings related to this recommendation that \$22,000 of project costs may have been under capitalized. While this is not a billing issue, we leave it to SCL's discretion whether to make a correction on their books to reflect this accounting error.  We requested that SCL provide us with a copy of the policies and procedures related to this recommendation when they are completed and approved by management.
	490	Require City Light General or Cost Accounting to reconcile all costs reported on the final bill review document with the Summit work order, both before forwarding the final bill review to the engineer and again after receiving it back from the engineer, and follow-up on any identified discrepancies before generating the final bill invoice. These requirements should be documented in City Light policies and procedures. <b>[Recommendation 3a]</b>	Pending	Seattle City Light (SCL) management stated they investigated 11 projects as suggested in paragraph "c" of the recommendation in which additional costs were recorded after the final billing was issued. Consequently, they agreed to perform the reconciliation as recommended and incorporate the activity in their policies and procedures. SCL Internal Audit stated they will review a sample of transactions and validate how the procedures are working by the 3 <sup>rd</sup> quarter of 2017. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	491	Enforce the policy to update the Summit work order to reflect cost adjustments recorded on the final bill review, when necessary and in accordance with dollar thresholds established by City Light Policy, to help ensure the accuracy of the project's capital cost. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 3b]</b>	Pending	Seattle City Light (SCL) agreed to enforce the policy to update the Summit work order to reflect cost adjustments recorded on the final bill review subject to the dollar thresholds established by City Light policy. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	492	Lower the current \$10,000 journal entry threshold for recording adjustments to the Summit work order to discourage smaller, potentially fraudulent adjustments to the final bill review. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 3b]</b>	Pending	Seattle City Light (SCL) agreed to lower the current \$10,000 journal entry threshold for recording adjustments to the Summit work order. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	493	Additionally, document reasons for journal entry adjustments in the Summit work order and ensure all adjustments are approved by management. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 3b]</b>	Pending	Seattle City Light (SCL) agreed to document reasons for journal entry adjustments in the Summit work order and ensure all adjustments are approved by management. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	494	Since the final bill invoices we tested were from 2014 or earlier, City Light should determine the reasons for the billing discrepancies identified in our testing and confer with the City Law Department about whether City Light can legally bill for additional costs. Based on advice from the City Law Department, generate additional billing or refunds to customers as appropriate for billing discrepancies of \$10,000 or more. <b>[Recommendation 3c]</b>	Pending	Seattle City Light stated this recommendation will need to be evaluated and discussed with the Law Department and that they will invite the Office of City Auditor to participate in those discussions. They reported that follow up meetings will be set up with the Law Department in early 2017. Our office intends to participate in these meetings.
	495	Require that both Work and Asset Management System (WAMS) and Summit work orders be closed once the final bill review has been prepared by General Accounting for all time and materials projects. Once the work orders are closed, no further costs can be posted to the Summit work order without first re-opening the work order, which can only be done by Cost Accounting. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 3d]</b>	Pending	Seattle City Light (SCL) management reported they are in the process of updating procedures to satisfy this recommendation. We requested that SCL provide us with a copy of the policies and procedures when they are completed and approved by management.

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Seattle City Light Billable Services Audit (August 10, 2016), continued.	496	Develop and document policies and procedures that allow for additional customer billing/refunds in the event and error is discovered after the true-billing has been generated. For example: <ul style="list-style-type: none"> <li>• City Light and City Law should determine a reasonable period of time during which such additional billings could be collected.</li> <li>• Update the customer service agreement to allow for the additional billing when required by policy;</li> <li>• Remove the word “final” from what is now known as the final bill invoice in which customers are billed or credited for the cost true-up of the project;</li> <li>• Print a notice on the true-up invoices stating that additional costs may be billed to correct the prior invoice if required.</li> </ul> <b>[Recommendation 3e]</b>	Pending	Seattle City Light (SCL) said they will invite the Office of City Auditor to participate in discussions with SCL and the Law Department about this recommendation, and that they expect the meetings to be set up in early 2017.
	497	Require manager or director level authorization in addition to the current authorizations provided by the engineer and engineering supervisor for all high dollar write-down adjustments of billable charges, subject to defined dollar thresholds set by policy. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 4a]</b>	Pending	Seattle City Light (SCL) management agrees with this recommendation and is in the process of updating their policies and procedures. Approval levels and dollar thresholds of adjustments will be determined by SCL. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	498	Require reasons for the adjustment and supporting evidence or analysis to be clearly documented either on the final bill review or on documents attached to it. The documentation should be reviewed and approved by the Engineering Supervisor, General Accounting, or both. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 4b]</b>	Pending	Seattle City Light (SCL) agreed to require reasons for billing adjustments to be clearly documented and approved. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	499	If electronic approvals are used, such as emails from engineers or supervisors, require the approvals to be conclusively linked to the final bill review by referencing the WAMS work order number. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 4c]</b>	Pending	Seattle City Light (SCL) agreed that if there are electronic approvals such as emails or Word documents from engineers or supervisors, such approvals will reference the Work and Asset Management System work order number. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	500	City Light management should investigate all high dollar adjustments noted in our testing, including the \$253,000 in adjustments noted above. <b>[Recommendation 4d]</b>	Pending	As a result of their investigation, Seattle City Light (SCL) management stated that they estimate the potential amount of unbilled project costs to be approximately \$43,000. SCL said they will discuss the collectability of these additional billable project costs with the Law Department. SCL reports that follow up meetings will be set up with the Law Department in early 2017. We look forward to participating in these discussions.
	501	Enforce the requirement to perform variance analysis in accordance with City Light’s department policies and procedures. The Engineering Supervisor should only sign off on the final bill review if the variance analysis, when required, is clearly documented and includes reasonable explanations as to the cause of the variance. In cases when the cause of variance can be identified, there should be supporting calculations. These requirements should be documented in City Light policies and procedures. <b>[Recommendation 5a]</b>	Pending	Seattle City Light (SCL) management stated they agree with the recommendation as it is a best practice and is already included in SCL’s policies. SCL said they will take steps to increase compliance with existing policy, including consideration of the specific steps recommended by the City Auditor or similar ones that achieve the same result. SCL Internal Audit will review a sample of transactions and validate how the procedures are working by the third quarter of 2017. We requested that SCL provide us with the existing policies and procedures referred to in their response and to identify the steps SCL will take to increase compliance with those policies and procedures.
	502	Require General Accounting to ensure variances are appropriately documented on the final bill review for all variances in excess of 10% before generating the final bill invoice. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 5b]</b>	Pending	Seattle City Light (SCL) agreed to require its General Accounting unit to ensure variances are appropriately documented on or attached to the final bill review for all variances in excess of 10% before generating the final bill invoice. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	503	Engineering management should independently investigate projects that our tests identified as resulting in a high dollar customer refund (e.g., \$10,000 or greater). For example, review both the prepared estimate and the as-built drawings to determine the completeness of the billing on each project and to rule out the possibility of billing improprieties that resulted in over refunding the customer. <b>[Recommendation 5c]</b>	Pending	Seattle City Light (SCL) informed us they are still in the process of reviewing the projects referred to in our recommendation to determine the propriety of the refunds. We requested that that SCL inform us about their investigation’s results when it is completed. Seattle City Light (SCL) management agrees with the main points of this recommendation as it is a best practice and is already included in SCL’s own existing policies. SCL reported they will take steps to increase the compliance with this existing policy, including consideration of the specific steps recommended by the City Auditor or similar ones that achieve the same result.

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Seattle City Light Billable Services Audit (August 10, 2016), continued.	504	Enforce the requirement for Engineering and Engineering Supervisory reviews for all time and materials projects. The requirement should include the specific attributes of project costs to be reviewed and approved by both the project engineer and the Engineering Supervisor. The reviews should be evidenced in the form of both signatures on the final bill review document or in electronic form (e.g., email) that can be conclusively linked to the final bill review through cross referencing (e.g., by providing the WAMS work order number). Examples of attributes to be reviewed could include whether the totals per the task details on the final bill review agree to summary totals on the final bill review cover sheet and whether the classification of non-billable versus billable charges is appropriate. These requirements should be documented in City Light policies and procedures. <b>[Recommendation 6a]</b>	Pending	Seattle City Light (SCL) agreed to enforce Engineering and Engineering Supervisory reviews for all time and materials projects. The specific requirements related to the reviews will be documented in policies and procedures. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	505	Require General Accounting to verify that <i>both</i> engineering signatures are present on the final bill review before generating the customer final bill invoice. The names of the engineers signing the final bill review should also be printed so General Accounting personnel can verify the appropriate project engineer and supervisor approved the final bill review. These requirements should be documented in City Light policies and procedures. <b>[Recommendation 6b]</b>	Pending	Seattle City Light (SCL) agreed to require General Accounting to verify that both the project engineer and engineering supervisor's signatures are present on the final bill review before generating the customer final bill invoice. This procedure will be documented in SCL's policies and procedures. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.
	506	City Light management should determine the reasons for significant delays identified in our test samples. In collaboration with Engineering, Customer Care, Technical Metering, Energy Delivery Operations, and General Accounting, identify all conditions that may cause unnecessary delays and implement solutions to minimize delays. For example, to address delays in vendor billing that require vendors to bill City Light within 30 days following delivery of goods or services in contractual agreements. <b>[Recommendation 7A]</b>	Pending	Seattle City Light (SCL) stated that taking as much as 120 days to bill the customer following completion of the work is reasonable and will evaluate whether to take further action addressing this concern. However, given that 19% of the projects we tested exceeded 200 days from completion of the work to billing, we strongly encourage SCL management to determine the reasons for the delays and to implement controls to help reduce the risk of collection of any payment balances. SCL management reported that it will continue to evaluate and make a final determination.
	507	City Light should develop timeliness goals for each of the process steps identified below to monitor performance and implement controls to help ensure goals are achieved in the billing process. The steps are identified as follows: <ul style="list-style-type: none"> <li>• From the completion of the project to the generation of the final bill review for engineering;</li> <li>• From the generation of the final bill review to the approval from both the engineer and the engineering supervisor;</li> <li>• From engineering approval to the generation of the final bill invoice.</li> </ul> <b>[Recommendation 7B]</b>	Pending	Seattle City Light reported that its management will continue to evaluate this recommendation and make a final determination about its implementation.
	508	Implement controls to help ensure the timeliness of Action List follow-up, thereby improving the effectiveness of the control. For example, the Cost Accounting Manager could review the Action List periodically to ensure the documentation of timely follow-up. Alternatively, implement other controls in place of the Action List to help ensure timely follow-up by General Accounting. Update policies and procedures to reflect these controls. <b>[Recommendation 8a]</b>	Pending	Seattle City Light (SCL) stated the Action List is a temporary "work-around" tool that is being effectively used until the Summit re-implementation project has been completed, at which time the deficiencies as identified in our audit will be remedied. Further, SCL reported that it plans on reviewing a sample of transactions in the third quarter of 2017 to validate the effectiveness of the Action List. We requested that SCL provide our office with the results of their evaluation and inform us as to whether they plan to make any changes as recommended in the audit report.
	509	Implement controls to help ensure that all time and materials invoices are properly alpha coded. For example, consider a second review by General Accounting personnel of the invoice number coding during both the initial and final billing process. Update policies and procedures to reflect these controls. <b>[Recommendation 8b]</b>	Pending	Seattle City Light (SCL) agreed to implement controls to help ensure that all time and materials invoices are properly alpha-coded, and agreed to document process changes in their policies and procedures to include these controls. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management
	510	City Light management should enforce current procedures for timely follow-up of past due balances and document the requirement in written policies and procedures. <b>[Recommendation 9]</b>	Pending	Seattle City Light (SCL) said that existing procedures regarding follow-up of past due balances will be better documented and that SCL Internal Audit will review a sample of transactions by the third quarter of 2017 to validate how the procedures are working. We requested that SCL provide us with the documentation of policies and procedures that satisfy this recommendation when they are completed and approved by management. The documentation should include a description of any controls to help ensure procedures are followed.
	511	Enforce the requirement for project managers to verify payment before completion or connection to the service. Document this requirement in policies and procedures. <b>[Recommendation 10a]</b>	Pending	Seattle City Light (SCL) agreed to document the requirement for project managers to verify receipt of customer payment before completion or connection to the service. We requested that SCL provide us with a copy of the documented policies and procedures that satisfy this recommendation when they are completed and approved by management.
	512	In cases when the estimated payment was not collected in full as required, General Accounting should notify the Electrical Service Engineer/Electrical Service Representative (ESE/ESR) manager at the time the final bill review document is prepared. The ESE/ESR manager should follow-up with the appropriate ESEs or ESRs to immediately collect any balances. This requirement should be documented in policies and procedures. <b>[Recommendation 10b]</b>	Pending	Seattle City Light (SCL) will discuss with staff instances of when the estimated payment was not collected, and it agreed to document in their policies and procedures the requirement to collect such payments when they are due. We requested that SCL provide us with a copy of the policies and procedures that satisfy this recommendation when they are completed and approved by management.

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Seattle City Light Billable Services Audit (August 10, 2016), continued.	513	For mail-in payments, enforce the current policy that requires customer payments to be directed to the appropriate post office box. In-person payments should be accepted only by Department of Finance and Administrative Services (FAS) cashiers or City Light cashiers. This requirement should be documented in City Light policies and procedures. <b>[Recommendation 11a]</b>	Pending	Seattle City Light (SCL) management agreed with the recommendations and further stated they intend to expand existing policies to allow for other electronic forms of payment. SCL reported that SCL Internal Audit will review by the third quarter of 2017 a sample of transactions and validate how the procedures are working. We requested that SCL provide us with updated policies and procedures that satisfy this requirement when completed and approved by management.
	514	Ensure that all City Light employees involved in providing new and related services and billing for such services are made aware of the required payment handling policies and procedures. This should include project engineers, field crews, metering crews, and project managers. <b>[Recommendation 11b]</b>	Pending	As noted in the recommendation, Seattle City Light (SCL) will communicate about its payment handling policies to personnel involved with billable services, including project engineers, field crews, metering crews, and project managers. We requested that SCL provide our office with evidence of this communication.
	515	Update the construction service agreements to direct any mail-in payments to the required City Light post office lock box or to FAS/City Light cashiers when payments are made in person. <b>[Recommendation 11c]</b>	Pending	Seattle City Light (SCL) reported they will update the construction service agreements as noted in the recommendation. We requested that SCL provide us with a copy of the updated agreement when completed and approved by management.
	516	City Light should amend its refund policy so that all refund checks are mailed from the City Treasury, as is currently done for other checks issued by City Light's Accounts Payable unit. <b>[Recommendation 12]</b>	Pending	Seattle City Light (SCL) stated they have adopted this recommendation and will have SCL Internal Audit review a sample of transactions by the third quarter of 2017 to validate how the procedures are working. We requested that SCL forward us a copy of their written refund policy reflecting this change as recommended when it is completed and approved by management.
	517	City Light management should require tracking and monitoring of the refunds for all 3-phase customers. <b>[Recommendation 13]</b>	Pending	Seattle City Light (SCL) management said they agree with the recommendation and SCL's Electrical Service Engineering unit will incorporate procedures whereby, for a period of three years after a 3-phase service has been established, customers who make subsequent connections to the service will be billed the pro-rata share of the original connector's charges, with an accompanying refund payment to be delivered to the original connector of the line. SCL's Internal Audit team reported that they will review a sample of transactions by the third quarter of 2017 to validate how the procedures are working by. We requested that SCL provide us with a copy of the new procedures as soon as they are completed and approved by management.
	518	City Light should identify all new or enlarged service installations that were subject to this ordinance and bring any such installations into compliance as necessary by either refunding customer deposits, canceling letters of credit, or billing customers as appropriate. <b>[Recommendation 14]</b>	Pending	Seattle City Light (SCL) stated their Internal Audit team is reviewing the implementation of the new amp fee. Internal Audit will also examine work completed under the previous Seattle City Ordinance 122282 addressed by this recommendation to ensure that customers subject to the ordinance were either billed, refunded, or had their letter of credit canceled as appropriate. They also said that a report would be issued in the 1 <sup>st</sup> quarter of 2017. We requested that SCL provide us with a copy of the report when it is completed, as well as inform us of any actions that will be taken to comply with the ordinance.
	519	City Light management should conduct periodic risk assessments in connection with billing and collection activities to identify relevant risks to be controlled. Management should then determine if controls are already in place to mitigate identified risks or if new controls need to be designed and implemented. The risk assessment process should be collaborative across the affected business units to ensure all key risks are identified and addressed and to eliminate any duplication of internal control activities. <b>[Recommendation 15]</b>	Pending	Seattle City Light (SCL) stated they are including billable service activities in its program to document internal controls and to certify their ongoing application. They also said the City Auditor's extensive work in this area provided management with feedback about the effectiveness of existing controls for billing and collection activities. SCL's Internal Audit function coordinates a utility-wide risk assessment program that will include this area in their ongoing work. A report will be issued by the third quarter of 2017. We requested that SCL provide us with their risk assessment documentation that includes risks, controls, and monitoring activities associated with the billable services process when the documentation is completed and approved by management.
	520	All control activities identified as a result of the risk assessment in recommendation # 519 should be documented and approved by management. <b>[Recommendation 15]</b>	Pending	Seattle City Light (SCL) agrees that all control activities implemented because of the risk assessment addressed in #519 above will be documented and approved by management. We requested that SCL provide us with this documentation when it is completed and approved by management.
	521	All key control activities identified in recommendation #520 should be monitored periodically for effectiveness. <b>[Recommendation 15]</b>	Pending	Seattle City Light (SCL) agrees with this recommendation and will periodically monitor key control activities. We requested that SCL provide us with their plan for monitoring these activities.
	522	City Light management should implement a plan to regularly communicate to all of its employees the details of the City's Whistleblower program and encourage its use. For example: <ul style="list-style-type: none"> <li>• City Light should post information about the program in kitchens, lunchrooms, and other conspicuous places where employees gather.</li> <li>• Managers should periodically discuss the program at staff meetings.</li> </ul> <b>[Recommendation 16]</b>	Pending	Seattle City Light (SCL) agrees with this recommendation and said they will look for ways to increase awareness of the City's whistleblower program to all City Light Employees. We requested that SCL provide us with details of their communication with employees that satisfy this recommendation.

Report Title (publication date)	Rec # <sup>4</sup>	Description	Status as of December 31, 2016	2016 Update Comments
Seattle City Light Billable Services Audit (August 10, 2016), continued.	523	City Light should also consider adopting a City Light Code of Conduct that encourages use of the City's Whistleblower program. <b>[Recommendation 16]</b>	Pending	Seattle City Light (SCL) will consider adopting a City Light Code of Conduct that will encourage the use of the City's whistleblower program. We requested that SCL provide us with a copy of the Code of Conduct when it is completed and approved by management, or alternatively, provide us with an explanation as to why a Code of Conduct was not adopted.
	524	City Light management should enforce the Department Policies and Procedures (DPP) requirements to develop department operating procedures relating to new and related services billing and collections and update them as necessary in January of each year. At a minimum, operating procedures should developed for the following business units: <ul style="list-style-type: none"> <li>• Cost Accounting</li> <li>• General Accounting</li> <li>• Network and Distribution Engineering</li> <li>• Energy Delivery Operations</li> <li>• Technical Metering</li> </ul> In addition, department policies and procedures should be written to include the Customer Care Business Unit. <b>[Recommendation 17]</b>	Pending	Seattle City Light (SCL) reported they will update existing Department Policies & Procedures (DPP) and create the Customer Care Business Unit DPP as recommended. SCL stated they will also take steps to ensure all DPP's are well understood by personnel who are affected by them. We requested that SCL provide us with the updated and newly created DPP's when they are completed and approved by management.
	525	Document policies and procedures and implement them to prevent any personnel from deleting WAMS service requests or work orders, including system administrators. Include in such policies and procedures that work orders and service requests should be canceled or voided rather than deleted, with reasons for the cancelation or void documented. <b>[Recommendation 18a]</b>	Pending	Seattle City Light (SCL) said their Internal Audit team is in the process of verifying the inability of personnel to delete work orders. We requested that SCL inform us about the results of this process.  In our audit report, we noted 365 service request numbers and 106 work orders numbers missing between 2001 and 2014. If SCL finds that either work orders or service requests can be deleted by anyone, including system administrators, then we request that SCL document in their policies and procedures that under no circumstances should service requests or work orders be deleted and that SCL provide us with a copy of the policies and procedures when completed and approved by management.
	526	Assign responsibility to the appropriate business unit to perform a periodic review of sequential numbers for both work orders and service requests to ensure that all WAMS service requests and work orders are accounted for. Any missing numbers should be investigated. Document this responsibility in policies and procedures. <b>[Recommendation 18b]</b>	Pending	If Seattle City Light determines that service requests or work orders can be deleted by any personnel, then we request they document the periodic review requirement as recommended in their policies and procedures, and provide our office with a copy of the policies and procedures when completed and approved by management.

## Appendix A

We reviewed the status of recommendations from the following 51 reports our office issued from January 2007 through December 2016:

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)

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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)
36. Seattle City Employees' Retirement System Retirement Benefit Calculations (August 8, 2013)
37. Seattle Public Utilities: New Water Services (Taps): Internal Controls Review and Fraud Risk Audit (September 24, 2013)
38. Review of City of Seattle's Civil Rights Enforcement and Outreach (November 20, 2013)
39. Assessment of Consolidated Customer Service System (CCSS) Transaction Controls, Policies and Procedures, and Associated Results from CCSS Data Mining Project (April 29, 2014)
40. City of Seattle RFP Process for Vehicle Impound Management Services (May 20, 2014)
41. Seattle City Light Salvage Unit Fraud Risk Audit (June 6, 2014)
42. Seattle's Paid Sick and Safe Time Ordinance Enforcement Audit (October 17, 2014)
43. Supporting a Future Evaluation of the Seattle Youth Violence Prevention Initiative (SYVPI) (October 24, 2014)
44. Seattle Department of Transportation Bonds Management Audit (December 22, 2014)
45. Audit of the Seattle Police Department's Public Disclosure Process (March 16, 2015)
46. Process Evaluation of Seattle's School Emphasis Officer Program (September 22, 2015)
47. The City of Seattle Could Reduce Violent Crime and Victimization by Strengthening Its Approach to Street Outreach (October 14, 2015)
48. Department of Parks and Recreation's Oversight of Lease and Concession Agreements (December 10, 2015)
49. Seattle Police Department Overtime Controls Audit (April 11, 2016)
50. Audit of Services the Metropolitan Improvement District Provides in Belltown (June 8, 2016)
51. Seattle City Light Billable Services Audit (August 10, 2016)

## Appendix B

The following charts list the recommendations in this report in the four categories for “No Further Follow-up Planned”:

**Condition 1:** The recommendation is no longer relevant.

Report Title	Rec #	Description	Comments
Supporting a Future Evaluation of the Seattle Youth Violence Prevention Initiative (SYVPI) (October 24, 2014)	402	Clearly identify target population and evaluate community need based on available data.	The Human Services Department (HSD) reported that the SYVPI program will cease to exist after September 2018, that it has stopped accepting new referrals to the program, and is in the process of safely closing out all enrolled youth from the program. HSD reported that SYVPI will be replaced by a new Community Safety Program for which a Request for Proposal (RFP) is scheduled for 2018. In early 2018, the Office of City Auditor intends to publish a memo addressed to the City Council and Mayor on lessons learned from the SYVPI program and how these lessons can apply to the new Community Safety Program.
	403	Develop a coherent logic model that directly aligns with overarching initiative goals.	Same as above.
	404	Identify feasible evaluation methods.	Same as above.
	405	Identify an appropriate comparison group.	Same as above.
	406	Develop robust data collection and methods.	Same as above.

**Condition 2:** The recommendation’s implementation is not feasible due to factors such as budget and/or staffing limitations, contractual issues, etc.

Report Title	Rec #	Description	Comments
Seattle Public Utilities (SPU) Billing and Accounts Receivable (AR) – Drainage Fees, Internal Controls Review (February 8, 2007)	21	SPU’s memorandum of agreement (MOA) with King County for drainage billing and collection services requires updating.	Seattle Public Utilities reported that it has been negotiating with King County on this drainage-related issue for several years with no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
Seattle Public Utilities (SPU)	244	SPU wastewater rates are high compared to similar municipalities.	Seattle Public Utilities reported that it has been negotiating with King County on this wastewater processing-related

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Revenue Cycle Audit – Wastewater: Internal Controls (April 11, 2011)			issue for several years, along with King County’s 38 other wholesale wastewater customers, and this consortium of customers has made no apparent progress. Therefore, we categorized the follow up status for this recommendation as “No further follow-up planned.”
	245	There are issues with King County's sewer processing rates that are resulting in somewhat higher wastewater charges for SPU customers.	Same as above.
	257	There are problems with SPU's contract with King County for sewer processing services and related authoritative wastewater guidance.	Same as above.

**Condition 3:** The audited entity’s management does not agree with the recommendation and is not planning to implement the recommendation.

Report Title	Rec #	Description	Comments
Seattle Police Department Overtime Controls Audit (April 11, 2016)	462	SPD should establish a central recordkeeping location for all overtime-related documents.	The Seattle Police Department (SPD) reported that overtime reports remain at the location of their origin. This recommendation was discussed within SPD, which decided to keep the records in their current locations.

**Condition 4:** The recommendation was considered by the City Council but not adopted.

There were no recommendations in this category.

## Appendix C

The following charts show the implementation status of recommendations by year of audit report publication.

Audits Published in 2007	Number of Tracked Recommendations	Status Percentage
	57	88%
	0	0%
	8	12%
	65	

Audits Published in 2008	Number of Tracked Recommendations	Status Percentage
	87	94%
	0	0%
	6	6%
	93	

2009	Number of Tracked Recommendations	Status Percentage
	21	58%
	2	6%
	13	36%
	36	

2010	Number of Tracked Recommendations	Status Percentage
	35	71%
	1	2%
	13	27%
	49	

2011	Number of Tracked Recommendations	Status Percentage
	17	71%
	0	0%
	7	29%
	24	

2012	Number of Tracked Recommendations	Status Percentage
	38	86%
	6	14%
	0	0%
	44	

2013	Number of Tracked Recommendations	Status Percentage
	37	95%
	2	5%
	0	0%
	39	

2014	Number of Tracked Recommendations	Status Percentage
	46	72%
	1	1%
	17	27%
	64	

2015	Number of Tracked Recommendations	Status Percentage
	16	41%
	23	59%
	0	0%
	39	

2016	Number of Tracked Recommendations	Status Percentage
	10	14%
	62	85%
	1	1%
	73	



## Appendix D

### Office of City Auditor Mission Statement

#### 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, 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 Seattle residents.

#### 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 has a four-year term to ensure her/his 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, efficiently, and equitably 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, fieldwork, 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.