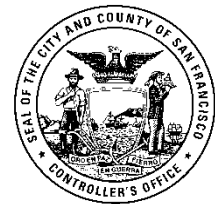


# City and County of San Francisco

Office of the Controller – City Services Auditor

## **CITY AND COUNTY OF SAN FRANCISCO:**

**Recommendations Not  
Implemented After Two Years on  
June 30, 2014**



July 17, 2014

**OFFICE OF THE CONTROLLER  
CITY SERVICES AUDITOR**

The City Services Auditor Division (CSA) was created in the Office of the Controller through an amendment to the Charter of the City and County of San Francisco (City) that was approved by voters in November 2003. Charter Appendix F grants CSA broad authority to:

- Report on the level and effectiveness of San Francisco's public services and benchmark the City to other public agencies and jurisdictions.
- Conduct financial and performance audits of city departments, contractors, and functions to assess efficiency and effectiveness of processes and services.
- Operate a whistleblower hotline and website and investigate reports of waste, fraud, and abuse of city resources.
- Ensure the financial integrity and improve the overall performance and efficiency of city government.

CSA may conduct financial audits, attestation engagements, and performance audits. Financial audits address the financial integrity of both city departments and contractors and provide reasonable assurance about whether financial statements are presented fairly in all material aspects in conformity with generally accepted accounting principles. Attestation engagements examine, review, or perform procedures on a broad range of subjects such as internal controls; compliance with requirements of specified laws, regulations, rules, contracts, or grants; and the reliability of performance measures. Performance audits focus primarily on assessment of city services and processes, providing recommendations to improve department operations.

For questions regarding the report, please contact Director of City Audits Tonia Lediju at [Tonia.Lediju@sfgov.org](mailto:Tonia.Lediju@sfgov.org) or 415-554-5393 or CSA at 415-554-7469.



# City and County of San Francisco

## Office of the Controller – City Services Auditor

City and County of San Francisco:

July 17, 2014

Recommendations Not Implemented After Two Years on June 30, 2014

### Purpose of the Report

The Office of the Controller's City Services Auditor Division (CSA) conducts audits and assessments of city departments and makes recommendations to improve effectiveness and efficiency of operations and mitigate the risk of fraud, abuse, and error. The value in CSA's work is not in the recommendations themselves, but in the corrective actions implemented by city departments to address those recommendations. Although departments implement the majority of CSA's recommendations within one year of their issuance, some recommendations remain outstanding for longer. This report is the first of what will be annual reports of the recommendations not implemented two years after their issuance.

### Highlights

Departments implemented 96 percent of the 689 recommendations CSA issued between July 1, 2010, and June 30, 2012, including:

- 48 percent implemented within six months.
- 67 percent implemented within one year.
- 83 percent implemented within two years.

Seven departments have a total of 28 CSA recommendations that remain outstanding more than two years after they were issued, as shown below.

<i>Department</i>	<i>Number of Outstanding Recommendations</i>
Public Utilities Commission	14
Municipal Transportation Agency	5
Human Services Agency	4
Department of Human Resources	2
Arts Commission	1
Department of Public Health	1
Police Department	1
<b>Total</b>	<b>28</b>

Copies of the full report may be obtained at:

Office of the Controller • City Hall, Room 316 • 1 Dr. Carlton B. Goodlett Place • San Francisco, CA 94102 • 415.554.7500  
or on the Internet at <http://www.sfgov.org/controller>

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**CITY AND COUNTY OF SAN FRANCISCO**  
**OFFICE OF THE CONTROLLER**

**Ben Rosenfield**  
**Controller**

**Monique Zmuda**  
**Deputy Controller**

July 17, 2014

Government Audit and Oversight Committee  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102

Dear Committee Chair and Members:

The Office of the Controller's City Services Auditor Division (CSA) presents its first annual report of recommendations not implemented more than two years after issuance.

This report summarizes the departments' progress in implementing recommendations that CSA issued between July 1, 2010, and June 30, 2012. Although departments report having implemented 96 percent of the 689 recommendations issued in that period, 28 recommendations from nine reports and memorandums remain open across seven departments.

CSA appreciates the assistance and cooperation of department staff in responding to implementation status update requests. For questions about the report, please contact me at [Tonia.Lediju@sfgov.org](mailto:Tonia.Lediju@sfgov.org) or 415-554-5393 or CSA at 415-554-7469.

Respectfully,

A handwritten signature in black ink, appearing to read "Tonia Lediju".

Tonia Lediju  
Director of City Audits

cc: Board of Supervisors  
Budget Analyst  
Citizens Audit Review Board  
City Attorney  
Civil Grand Jury  
Mayor  
Public Library

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# Abbreviations and Acronyms

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Airport	Airport Commission, governing body of the San Francisco International Airport
Arts	Arts Commission
Controller	Office of the Controller
Fire	Fire Department
General Services	General Services Agency
Human Resources	Department of Human Resources
Human Services	Human Services Agency
Police	Police Department
Public Health	Department of Public Health
Public Works	Department of Public Works (under the General Services Agency)
SFMTA	San Francisco Municipal Transportation Agency
SFPUC	San Francisco Public Utilities Commission



## Introduction

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### Purpose

*CSA reports out recommendations that departments have not implemented two years or longer after their initial issuance.*

The City Services Auditor Division (CSA) of the Office of the Controller (Controller) conducts audits and assessments of city departments and makes recommendations to improve effectiveness and efficiency of operations and mitigate the risk of fraud, abuse, and error. The value in CSA's work is not lay in the recommendations themselves, but in the corrective actions implemented by city departments to address those recommendations. Although departments implement the majority of recommendations within one year of their issuance, some recommendations remain outstanding for longer. This is the first of what will be annual reports of the recommendations not implemented two years after their issuance.

### Follow-up Process

*CSA follows up by soliciting recommendation implementation status updates from responsible departments at 6, 12, and 24 months after it issues the recommendations and conducting selected field follow-up assessments.*

CSA follows up on all recommendations it issues as a result of audits and assessments at six months, one year, and two years after issuance, known as regular follow-up, and selects some recommendations for field follow-up. For regular follow-up, CSA relies on the department's reported actions. In a field follow-up, CSA auditors gather evidence and attest to whether the department fully addressed the issues underlying the recommendations.

The regular follow-up process begins with CSA sending a questionnaire to the responsible department requesting an update on the implementation status of each outstanding recommendation from a specific report or memorandum. Based on its review of the department's response, CSA assigns an audit determination status to each recommendation. A status of:

- **Open** indicates that the recommendation has not yet been fully implemented.
- **Contested** indicates that the department has chosen not to implement the recommendation for some reason.
- **Closed** indicates that the response described sufficient action to fully implement the recommendation or an acceptable alternative, or that

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Recommendations Not Implemented After Two Years on June 30, 2014**

some change occurred to make the recommendation no longer applicable.

*CSA reports the implementation status of recommendations to the Government Audit and Oversight Committee.*

CSA periodically reports on recommendation implementation status determined during the follow-up process to the Board of Supervisors' Government Audit and Oversight Committee (GAO). This process fulfills the requirement of the San Francisco Charter, Section F1.105, for the auditee to report on its efforts to address the Controller's findings, report any costs or savings attributable to recommendation implementation reflected in the department's proposed budget, and, if relevant, report the basis for deciding not to implement one of the Controller's recommendations.

CSA conducts field follow-ups for selected recommendations based on risk. In a field follow-up, CSA auditors gather evidence to assess whether the department's corrective actions adequately resolved the problems underlying the recommendations. CSA publishes the results of field follow-ups in a public memorandum addressed to the subject department and includes a summary of the results in its quarterly report to GAO.

Also, starting with this report, CSA will report annually to GAO on recommendations with open or contested statuses that have not been implemented two years after their issuance.

**Scope of This Report**

*This report covers recommendations CSA issued from July 1, 2010, through June 30, 2012.*

This report summarizes the status of all recommendations CSA issued in fiscal years 2010-11 and 2011-12 and lists those that were still outstanding on June 30, 2014.

CSA omitted four open recommendations directed to the General Services Agency (General Services) from this report because they were issued on June 28, 2012, with their 24-month follow-up scheduled for June 28, 2014, and CSA did not receive the department's status update by the time it issued this report.

CSA will issue this report each year with an updated list of recommendations not implemented two years after original issuance. Departments can submit to CSA an update on implementation status at any time. As long as a recommendation remains unresolved, CSA will

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continue to include it in this annual report.

**Implementation  
Overview**

*Departments implement most recommendations within two years.*

Departments implemented 96 percent of the recommendations CSA issued in fiscal years 2010-11 and 2011-12. Nearly half were implemented before CSA's six-month follow-up request (49 percent) and most before CSA's two-year regular follow-up process concluded (83 percent). In those fiscal years, CSA issued 689 recommendations to 12 departments in 49 reports or memorandums. Exhibit 1 shows each departments' progress in implementing those recommendations.

**EXHIBIT 1: Departments Have Implemented 96 Percent of Recommendations Made by CSA in Fiscal Years 2010-11 and 2011-12**

Department	Recommendations Made by CSA in FY 2010-11 and FY 2011-12						
	Total Made	Recommendations Closed					Total Closed
		Before Issuance	Within 6 Mos.	Within 12 Mos.	Within 24 Mos.	After 24 Mos.	
Airport	161	5	107	36	12	1	161 100%
Arts	62	9	35	5	11	1	61 98%
Controller <sup>1</sup>	33	2	6	14	10	1	33 100%
Fire	31	3	17	0	6	5	31 100%
General Services <sup>2</sup>	20	0	10	0	10	0	20 100%
Human Resources	3	0	0	0	1	0	1 33%
Human Services	55	5	15	11	13	7	51 93%
Police	31	0	3	12	14	1	30 97%
Public Health	28	2	23	0	2	0	27 96%
Public Works	11	0	5	4	0	2	11 100%
SFMTA	102	8	51	17	18	1	95 93%
SFPUC	152	5	25	28	13	69	140 92%
<b>All Departments</b>	<b>689</b>	<b>39</b>	<b>297</b>	<b>127</b>	<b>110</b>	<b>88</b>	<b>661 96%</b>

Notes: <sup>1</sup> Includes recommendations for the following Controller divisions: Budget and Analysis, Accounting Operations and Systems, Payroll and Personnel Services, and eMerge.

<sup>2</sup> Includes recommendations for the Office of Contract and Administration and General Services' Contract Monitoring Division.

Source: CSA Records.

*Recommendations still outstanding come from nine reports that CSA issued during July 1, 2010, through June 30, 2012.*

Exhibit 2 lists the CSA reports and memorandums with recommendations still outstanding, the responsible departments, and the number of outstanding recommendations in each. A total of 28 recommendations remain unimplemented after two years by the Arts Commission (Arts), Department of Human Resources (Human Resources), Human Services

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Agency (Human Services), Police Department (Police),  
Department of Public Health (Public Health), San  
Francisco Municipal Transportation Agency (SFMTA),  
and San Francisco Public Utilities Commission (SFPUC).

**EXHIBIT 2: CSA Reports Issued in Fiscal Years 2010-11 and 2011-12 With  
Recommendations Outstanding Two Years After Issuance**

Issue Date	Report Title	Responsible Department (Number of Outstanding Recommendations)
8/17/10	San Francisco Public Utilities Commission: Wastewater Enterprise Could Improve Its Inventory Management	SFPUC (3)
8/18/10	Police Department: The Department Needs to Improve Its Controls Over Overtime and Premium Pay	Police (1)
12/1/10	San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.	SFPUC (6)
3/16/11	Fire Department Payroll Audit: Undefined Pay Practices Increased Department Expenditures	Human Resources (2)
4/12/11	San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management	SFPUC (5)
6/9/11	San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations	SFMTA (5)
7/12/11	San Francisco Arts Commission: The Street Artists Program Should Improve Its Internal Controls and Accounting Practices	Arts (1)
2/29/12	Human Services Agency: The Department Can Better Use Global Positioning System Data to Improve Fleet Management	Human Services (4)
6/28/12	Audit of \$6 Million Citywide Konica Minolta Business Solutions USA, Inc., Contract	Public Health (1)

Source: CSA Records.

The following section details the recommendations still outstanding and their last known status.

## Recommendations Not Implemented After Two Years by Department

Arts Commission			
Issue Date	Document Title	Recommendation	Status
7/12/11	<a href="#">San Francisco Arts Commission: The Street Artists Program Should Improve Its Internal Controls and Accounting Practices</a>	8. The Street Artists Program should implement its planned Internet-based payment systems, which will allow for the acceptance of credit and debit cards and for automatic recording of revenue into the Program's bank account.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/13/14):</i> The City's current vendor, FIS, offers a data encryption service only and does not have the capability to provide a robust online point-of-sale system. Street artists licensing requires a time-limited unique identifier link be sent to qualified applicants. The scope of work is included in our plans for an overall Web site redesign, which we have included in our budget proposal annually, but which has not yet been funded. In the meantime, we are exploring using Bank of America's mobile point-of-sale system, which will allow approved artists to purchase or renew a license using a credit card payment in our offices.</p>

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 Recommendations Not Implemented After Two Years on June 30, 2014

Department of Human Resources			
Issue Date	Document Title	Recommendation	Status
3/16/11	<a href="#">Fire Department Payroll Audit: Undefined Pay Practices Increased Department Expenditures</a>	<p>1. Fire should discontinue the unofficial practice of adjusting accruals for employees in non-suppression positions. Retirement payout amounts should be calculated without any special adjustments. Formal guidance should be developed with partnering organizations such as the San Francisco Employees' Retirement System, the Department of Human Resources, and the respective unions.</p> <p><i>Note: Human Resources has some responsibility for implementing this recommendation because it facilitates labor negotiations.</i></p>	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/19/14):</i> Human Resources agrees with this recommendation but notes that changes in this established practice may not be made unilaterally by the City because they are subject to the meet and confer process pursuant to state and local law. Human Resources delayed the meet and confer process on this issue due to the size and scope of the labor negotiations project that just concluded. This project included negotiating 29 miscellaneous memorandums of understanding. That process has now concluded, and Human Resources will schedule the meet and confer associated with this recommendation within 30 days.</p>

Office of the Controller, City Services Auditor  
 Recommendations Not Implemented After Two Years on June 30, 2014

Department of Human Resources			
Issue Date	Document Title	Recommendation	Status
3/16/11	<a href="#">Fire Department Payroll Audit: Undefined Pay Practices Increased Department Expenditures</a>	<p>2. Fire should determine whether vacation accruals for suppression employees should be limited based on proportional days or proportional hours to non-suppression employees. The department should formally document the limit to ensure consistent practices throughout the department. The department should work with the employee unions to create formal documentation that addresses the agreed upon vacation accrual limit.</p> <p><i>Note: Human Resources has some responsibility for implementing this recommendation because it facilitates labor negotiations</i></p>	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/19/14):</i> Vacation accruals and caps are set forth in Charter Section A8.440 and Administrative Code sections 16.11 and 16.12. In addition, Local 798's two memorandums of understanding with the City contain language on the subject. As a result, changing existing accrual rates and caps requires meeting and conferring with Local 798 as required by state and local law. Human Resources delayed the meet and confer process on this issue due to the size and scope of the labor negotiations project that just concluded. This project included negotiating 29 miscellaneous memorandums of understanding. That process has now concluded, and Human Resources will schedule the meet and confer associated with this recommendation within 30 days.</p>

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<b>Human Services Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
2/29/12	<a href="#">Human Services Agency: The Department Can Better Use Global Positioning System Data to Improve Fleet Management</a>	5. Human Services should regularly monitor and enforce compliance with the vehicle usage policy. For example, Human Services should compare check-out times to the GPS data on when the vehicle is started, and reassign vehicles when appropriate.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/16/14):</i> Human Services provided CSA with policies and procedures for Fleet Management's internal process for monitoring compliance with vehicle usage policies to go into effect July 1, 2014. The procedures indicate that Fleet Management, using GPS data, will review long idling stops, excessive speed, and overnight vehicle usage weekly. Each month Fleet Management will review usage of out-stationed vehicles and select a sample of reservations to assess whether the vehicle was used for appropriate and stated purposes with efficient routing.</p> <p><i>CSA Comments:</i> CSA will continue to consider this recommendation open until Human Services has fully implemented the new policies and procedures.</p>



**Office of the Controller, City Services Auditor  
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<b>Human Services Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
2/29/12	<a href="#">Human Services Agency: The Department Can Better Use Global Positioning System Data to Improve Fleet Management</a>	10. Human Services should create a process that regularly uses GPS data and create reports to monitor the efficient routing of vehicles. It should appropriately follow up on potential irregularities, excessively inefficient trips, and employees who regularly take inefficient routes.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/16/14):</i> Human Services provided CSA with policies and procedures for Fleet Management's internal process for monitoring compliance with vehicle usage policies to go into effect July 1, 2014. The procedures indicate that Fleet Management, using GPS data, will review long idling stops, excessive speed, and overnight vehicle usage weekly. Each month Fleet Management will review usage of out-stationed vehicles and select a sample of reservations to assess whether the vehicle was used for appropriate and stated purposes with efficient routing.</p> <p><i>CSA Comments:</i> CSA will continue to consider this recommendation open until Human Services has fully implemented the new policies and procedures.</p>
2/29/12	<a href="#">Human Services Agency: The Department Can Better Use Global Positioning System Data to Improve Fleet Management</a>	24. Human Services should clearly define how the GPS information should be used and train Human Services Fleet Administration staff and unit managers on using it. For example, Human Services should clarify who should monitor the duration between vehicle check-out and engine start time and how frequently this should be done.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/16/14):</i> Human Services provided CSA with policies and procedures for Fleet Management's internal process for monitoring compliance with vehicle usage policies to go into effect July 1, 2014. Human Services reports that it is training staff to perform the monitoring procedures.</p>

**Office of the Controller, City Services Auditor  
Recommendations Not Implemented After Two Years on June 30, 2014**

<b>Human Services Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
2/29/12	<a href="#">Human Services Agency: The Department Can Better Use Global Positioning System Data to Improve Fleet Management</a>	28. Human Services should require units to submit completed, electronic reservation logs and should regularly use these electronic reservation logs to monitor its fleet by comparing reservations to GPS information for unused vehicles and analyzing routing efficiency of individual reservations.	<b>OPEN</b> <i>Last Reported Status (3/14/14):</i> In process. Fleet Management is working with the Information Technology unit to implement a fully electronic system. The initial phase of implementation is complete. Implementation of the second and third phases will automate reservations and help Fleet Management staff analyze routing efficiency and usage.

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<b>Police Department</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
8/18/10	<a href="#">Police Department: The Department Needs to Improve Its Controls Over Overtime and Premium Pay</a>	25. Police should require commanding officers to review each officer's voluntary overtime and/or secondary employment to verify whether an anticipated voluntary overtime work schedule is required.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/5/14):</i> Officers are required to notify their commanding officer or his/her designee to review anticipated voluntary overtime. Officers provide documentation on anticipated voluntary overtime to the commanding officer. However, given the nature of police enforcement, situations change rapidly and a 90-day prospective schedule is not always possible. In addition, the Fiscal Division now provides detailed overtime reports that identify officers who have exceeded overtime limits. This report is distributed to all command staff.</p> <p>The department is in the process of drafting a new departmental bulletin regarding overtime limits to incorporate changes in the scheduling system and the interface to payroll. This bulletin is expected to be finalized and distributed by October 2014.</p>

**Office of the Controller, City Services Auditor  
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<b>Department of Public Health</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
6/28/12	<a href="#">Department of Public Health: Results of the Audit of the \$6 Million Citywide Konica Minolta Business Solutions USA, Inc., Contract</a>	5. The Department of Public Health should implement overall contract monitoring procedures, such as quarterly and annual trend analyses, and formally document its contract monitoring system to ensure consistency in its application.	<p><b>OPEN</b></p> <p><i>Last Reported Status (7/3/14):</i> The current citywide contract with Konica Minolta includes a provision that requires the contractor to provide the City with quarterly reports detailing service calls and down time for each machine. Public Health confirmed with Konica that the report will also include monthly usage.</p> <p><i>CSA Comments:</i> Although the provision Public Health describes will provide the department with valuable information to facilitate its monitoring of the contract, the department has not yet fully implemented a comprehensive contract monitoring program to apply to all of its contracts.</p>

<b>San Francisco Municipal Transportation Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	4. SFMTA should develop a standard or minimum job description for the nonprofit parking corporations' corporate manager positions that clearly defines the position's duties and responsibilities. SFMTA should then seek the agreement of each corporation's board of directors to implement the job description.	<p><b>OPEN</b></p> <p><i>Last Reported Status (6/13/14):</i> SFMTA continues to work with the remaining nonprofit corporations to finalize a standard job description. A staffing shortage within the Parking group has slowed progress on this item. Completion is expected by September 2014.</p>

**Office of the Controller, City Services Auditor  
Recommendations Not Implemented After Two Years on June 30, 2014**

<b>San Francisco Municipal Transportation Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	5. SFMTA should develop a compensation scale for the corporate manager position at the non-profit parking corporations. The scale should tie the value of each manager's salary and benefits to the size and complexity of the garage managed. SFMTA should then seek the agreement of each corporation's board of directors to conform to the compensation scale.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA continues to work with the remaining non-profit corporations to finalize a standard job description. A staffing shortage in the Parking group has slowed progress on this item. Completion is expected by September 2014.
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	7. SFMTA should adopt a sign reflectivity assessment or management method as required by the Federal Highway Administration's Manual on Uniform Traffic Control Devices by January 2012.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA is undertaking a 3-year agency-wide project to configure an Enterprise Asset Management (EAM) product for SFMTA's specific application. Each SFMTA work unit will be undertaken individually as software requirements are developed specific to each unit. The schedule anticipates Sustainable Streets, including the Sign Shop, integrated into the agency-wide EAM system by the end of 2015. The system requirement to record and manage reflectivity assessments will be included in this process.

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<b>San Francisco Municipal Transportation Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	8. SFMTA should plan for a scheduled preventive maintenance program that will allow the Sign Shop to replace, by 2015 or 2018, depending on the type of sign, all signs that do not meet federal minimum reflectivity levels.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA is undertaking a 3-year agency-wide project to configure an Enterprise Asset Management (EAM) product for SFMTA's specific application. Each SFMTA work unit will be undertaken individually as software requirements are developed specific to each unit. The schedule anticipates Sustainable Streets, including the Sign Shop, integrated into the agency-wide EAM system by the end of 2015. The system requirement to schedule preventative maintenance to comply with reflectivity mandates will be included in this process.
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	9. SFMTA should establish a systematic, documented method to periodically inspect, assess, and maintain traffic signs to ensure the safety of motorists and other road users. This method should not be limited to considerations of sign reflectivity.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA is undertaking a 3-year agency-wide project to configure an Enterprise Asset Management (EAM) product for SFMTA's specific application. Each SFMTA work unit will be undertaken individually as software requirements are developed specific to each unit. The schedule anticipates Sustainable Streets, including the Sign Shop, integrated into the agency-wide EAM system by the end of 2015. The system requirement to enable the Sign Shop to periodically inspect, assess, and maintain traffic signs in a proactive manner will be included in this process.

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<b>San Francisco Municipal Transportation Agency</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	16. SFMTA's Sustainable Streets Division should acquire and implement a database that would allow the Traffic Paint Shop to capture the City's inventory of installed pavement markings, including their age and/or condition, to comply efficiently with proposed federal reflectivity requirements.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA is undertaking a 3-year agency-wide project to configure an Enterprise Asset Management (EAM) product for SFMTA's specific application. Each SFMTA work unit will be undertaken individually as software requirements are developed specific to each unit. The schedule anticipates Sustainable Streets, including the Sign Shop, integrated into the agency-wide EAM system by the end of 2015.
6/9/11	<a href="#">San Francisco Municipal Transportation Agency: The Sustainable Streets Division Could Improve Its Operations</a>	24. SFMTA should develop an operations manual for projects that details staff duties and responsibilities, including the reporting of project status.	<b>OPEN</b> <i>Last Reported Status (6/13/14):</i> SFMTA hired a consultant to conduct a project management evaluation of Sustainable Streets for inclusion in the Agency's Capital Program Control System (CPCS) to meet this recommendation. Requirements gathering has begun, and configuration and customization of the system will follow and shall be completed by the Spring of 2015.

**Office of the Controller, City Services Auditor  
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<b>San Francisco Public Utilities Commission</b>			
<b>Issue Date</b>	<b>Document Title</b>	<b>Recommendation</b>	<b>Status</b>
8/17/10	<a href="#">San Francisco Public Utilities Commission: Wastewater Enterprise Could Improve Its Inventory Management</a>	12. SFPUC's Wastewater Enterprise should establish policies and procedures that guide staff on how to formally report inventory discrepancies to the Materials Coordinator.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> Warehouse staff identifies discrepancies during inventory counts and reports them to the senior storekeeper who resolves such discrepancies. SFPUC is contracted with a consultant to revise policies and procedures to reflect the process.
8/17/10	<a href="#">San Francisco Public Utilities Commission: Wastewater Enterprise Could Improve Its Inventory Management</a>	20. SFPUC's Wastewater Enterprise should develop and document procedures to provide guidance on inventory organization and add them to its policies and procedures manual.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC has contracted with a consultant to revise its policies and procedures to reflect appropriate guidance and practice.
8/17/10	<a href="#">San Francisco Public Utilities Commission: Wastewater Enterprise Could Improve Its Inventory Management</a>	25. SFPUC's Wastewater Enterprise should develop procedures to determine what tools the craft shops should order and what tools the tool room should order and document these in the policies and procedures manual.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC is developing procedures that consider ergonomic safety and engineering solutions for tool selection, deployment, and installation.
12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	5. Compute the percentage rent due during lease term to date, and collect any amount due from Crystal Springs Golf Partners, L. P.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section calculated the base rent and percentage rent due from inception to date. However, the Real Estate Section is missing information for certain years and is working with the tenant to fill in the gaps in billing information. SFPUC expects a full resolution of the issue by the end of July 2014.



**Office of the Controller, City Services Auditor  
Recommendations Not Implemented After Two Years on June 30, 2014**

<b>San Francisco Public Utilities Commission</b>			
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12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	6. Calculate the late charge and default interest on the percentage rent owed in accordance with the terms of the lease and collect this amount from Crystal Springs Golf Partners, L. P.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section calculated the late fees and default interest. The tenant disputes that unpaid late charges are due. The Real Estate Section intends to negotiate at least a partial collection of late fees as part of an upcoming lease modification.
12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	9. Calculate the late charge and default interest on the percentage rent Crystal Springs Golf Partners, L. P., paid late during the audit period in accordance with the terms of the lease and collect this amount.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section calculated the late fees and default interest. The tenant disputes that unpaid late charges are due. The Real Estate Section intends to negotiate at least a partial collection of late fees as part of an upcoming lease modification.
12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	20. Issue a water rate credit of \$2,073 to Crystal Springs Golf Partners, L. P., for excess water rates charged in 2008.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section expects a full resolution of this issue by the end of July 2014.
12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	21. Calculate the water rate credit from 2002 to 2007 and credit the amount due to Crystal Springs Golf Partners, L. P., towards base rent.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section expects a full resolution of this issue by the end of July 2014.

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12/1/10	<a href="#">San Francisco Public Utilities Commission: Audit of Crystal Springs Golf Partners, L.P.</a>	22. Prepare and provide annual water rate statements to Crystal Springs Golf Partners, L. P., within 30 days of the end of each lease year.	<b>OPEN</b> <i>Last Reported Status (7/7/14):</i> SFPUC's Real Estate Section expects a full resolution of this issue by the end of July 2014.
4/12/11	<a href="#">San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management</a>	4. SFPUC's Water Enterprise should work with the department's Information Technology unit to resolve discrepancies and ensure that MAXIMO keeps an accurate account of all fuel inventory carried by enterprise warehouses.	<b>OPEN</b> <i>Status Determined in CSA's Field Follow-up (7/10/14):</i> SFPUC acknowledges that this issue needs to be address across the department and is actively pursuing resolution of systemic problems with the E J Ward Fuel View software suite.
4/12/11	<a href="#">San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management</a>	5. SFPUC's Water Enterprise should implement an electronic inventory issue process at the City Distribution Division (CDD), Hetch Hetchy Water and Power Division (HHWP), and Water Supply and Treatment Division (WST).	<b>OPEN</b> <i>Status Determined in CSA's Field Follow-up (7/10/14):</i> SFPUC acknowledges that this issue needs to be addressed across the department. SFPUC piloted one system with the HHWP warehouse, but SFPUC's Information Technology Services (ITS) did not recommend the system based on the pilot program data. Full resolution of this recommendation is pending an ITS proposal for a department-wide solution.

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 Recommendations Not Implemented After Two Years on June 30, 2014

San Francisco Public Utilities Commission			
Issue Date	Document Title	Recommendation	Status
4/12/11	<a href="#">San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management</a>	10. SFPUC Water Enterprise's City Distribution Division (CDD) should improve its tool management practices by doing the following: <ol style="list-style-type: none"> <li>a. Conduct annual inventories of its tools to update the current inventory list.</li> <li>b. Keep a record of its tool inventory in MAXIMO.</li> <li>c. Assign responsibility for the tool inventories and management to the shop supervisors.</li> <li>d. Develop policies and procedures for tool management.</li> </ol>	<b>OPEN</b>  <i>Status Determined in <a href="#">CSA's Field Follow-up (7/10/14)</a>: CDD has implemented parts a, b, and d of this recommendation and anticipates fully implementing the recommendation by September 2014.</i>
4/12/11	<a href="#">San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management</a>	12. SFPUC Water Enterprise's Water Supply and Treatment Division (WST) should improve its tool management practices by doing the following: <ul style="list-style-type: none"> <li>• Perform an inventory of all tools in shops and on trucks and record the inventory in MAXIMO.</li> <li>• Conduct an annual inventory thereafter to update the tool inventory.</li> <li>• Assign responsibility for the tool inventory and management of tools to its shop supervisors.</li> <li>• Develop policies and procedures for tool management.</li> </ul>	<b>OPEN</b>  <i>Status Determined in <a href="#">CSA's Field Follow-up (7/10/14)</a>: WST has developed policies and procedures for materials management and begun electronic tracking of its tools and equipment. However, WST reported that it is conducting a tool inventory as it sets up new facilities for tool storage. WST expects to fully implement the recommendation by September 2014.</i>

San Francisco Public Utilities Commission			
Issue Date	Document Title	Recommendation	Status
4/12/11	<a href="#">San Francisco Public Utilities Commission: Water Enterprise Should Continue to Improve Its Inventory Management</a>	13. SFPUC's Waste Enterprise should develop a dollar threshold for determining which tools need to be secured both in the tool room and at the division shops. To deter theft, tools above the threshold should be kept in locked cabinets or drawers until needed.	<p><b>OPEN</b></p> <p><i>Status Determined in <a href="#">CSA's Field Follow-up (7/10/14)</a>: This recommendation is closed for the Hetch Hetchy Water and Power Division of SFPUC's Water Enterprise. However, the City Distribution and Water Supply and Treatment divisions have not implemented this recommendation and report that they are awaiting a city or departmental policy establishing a threshold.</i></p>