

# Fiscal Year 2017 Follow-Up



## Objective

To test the implementation of selected high-risk recommendations from the past five years of the Office of the City Auditor audit reports.

## Background

- City Code requires that City management provide a response to each audit report recommendation, either agreeing or disagreeing, and describing the actions, if any, they will take in response to the recommendations.
- The City Manager is responsible for establishing a process to ensure timely implementation of audit recommendations.
- The City Manager assigned the Controller's Office the responsibility of maintaining a database to track management actions to address the audit recommendations.
- The Controller's Office biannually requests from City management the implementation status of audit recommendations, and tracks the status.

## What We Found

From fiscal year (FY) 2012 to FY 2016, the Office of the City Auditor issued 61 audit reports with 155 recommendations. In previous follow-up projects, we tested 50 of these recommendations, and confirmed that 33 were implemented by management.

In the last six months, we tested 21 additional recommendations. Twenty of 21 recommendations selected for review were reported as implemented by management. We were able to verify the implementation of 18 of them. Three remaining recommendations were not fully implemented at the time of our review.

Examples of areas where improvements were made as a result of implementing our recommendations are:

- cost allocation practices and interdepartmental reimbursements in the City;
- performance measurement system implementation;
- patron safety at City parks;
- storage of hazardous materials kept by Public Works Department; and
- Austin Water's Capital Improvement Projects financial policies.

### Testing Results to Date

for the 71 tested

**51**

Implemented

**18**

Underway

**2**

No longer tracked

### Testing Results From the 6 Months Period (included in the results to date above)

for the 21 tested during the last 6 months

**18**

Implemented

**3**

Underway

As shown above, to date, we have tested approximately half of the 155 recommendations we issued. We will continue our ongoing follow-up program and will work with management to ensure the improvement opportunities identified by our Office are incorporated in the City's operations.