



## THE CITY OF SAN DIEGO

DATE: October 19, 2017  
TO: Audit Committee Members, Honorable Mayor and Members of the City Council  
FROM: Eduardo Luna, City Auditor  
SUBJECT: Performance Audit of the Communications Department's Charges for Services to Enterprise Funds

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Transmitted herewith is an audit report on the Communications Department's Charges for Services to Enterprise Funds. This report was conducted in accordance with the City Auditor's Fiscal Year 2017 Audit Work Plan, and the report is presented in accordance with City Charter Section 39.2. The Audit Results are presented on page 6 of the report. A detailed Audit Objective, Scope, and Methodology is presented in Appendix C. Management's responses to our audit recommendations are presented after page 17 of this report.

We would like to thank both the Communications Department, as well as management and staff within the City's Enterprise Fund Departments, for their assistance and cooperation during this audit. All of their valuable time and efforts spent providing us information are greatly appreciated. The audit staff responsible for this audit are Greg Cleary, Shawnee Pickney, and Kyle Elser.

### Results In Brief

Established in Fiscal Year (FY) 2015, the Communications Department (CommD) provides strategic outreach, public engagement, and creative services to various City departments. CommD provides services to General Fund Departments, such as Library, Fire-Rescue, and Park and Recreation. It receives reimbursement for its services from Enterprise Funds such as the Public Utilities Department and the Environmental Services Department.

As a centralized service department, it is important that CommD has mechanisms in place to ensure accurate and timely billing to Enterprise Fund Departments for services provided. We found that CommD uses various tools for tracking and billing for services. According to the Enterprise Fund Departments, most expressed that charges seemed reasonable for the services received. However, we found that CommD can strengthen these mechanisms to include employee work activity detail for Enterprise Fund projects to better track project costs.

In addition, we assessed if there was an increase in the use of consultants by Enterprise Fund Departments for communications-related services following the establishment of CommD. We found that while Enterprise Fund Departments procure contracts for a variety of services, there was not a major increase in the use of consultants explicitly for communications-related services.

We recommend that CommD improves billing accuracy by requiring staff to maintain project logs for Enterprise Fund work that tie to labor detail reports. We also recommend that CommD provide Enterprise Fund Departments detailed and timely reports on a periodic basis to justify charges for services and enhance billing accuracy. With CommD's continued efforts, and with the implementation of the recommendations provided in this report, CommD can continue to make improvements in its operations as the City's central voice.

We made two recommendations to address the issues identified, and management agreed to implement both recommendations.

## **Background**

In accordance with the City Auditor's Fiscal Year (FY) 2017 Audit Work Plan, we performed an audit of the Communications Department's (CommD) Charges for Services to Enterprise Funds. Specifically, our objectives were to answer the following questions:

- Does the Communications Department accurately bill and receive funds for communications-related services provided to Enterprise Funds? and
- Was there an increased use of consultants by Enterprise Fund Departments for communications-related services following the consolidation in Fiscal Year 2015?

Prior to FY 2015, various City departments staffed in-house Public Information Officers (PIOs). In total, there were approximately 21 Full Time Equivalents (FTEs) staffed at a personnel cost of \$2.2 million. In addition to the in-house PIOs, the Media Services Department staffed 5 FTE's at a personnel cost of approximately \$576,000. Effective FY 2015, the City re-titled the Multimedia Services Department and consolidated all of the City's existing communications-related functions and staff into the Communications Department. Consolidated functions include the Cable Office, City TV, Multimedia Services, and Public Information.

In total, after the consolidation of staff resources and after staff and salary adjustments, CommD budgeted for 30 FTEs totaling approximately \$3.2 million in personnel costs.<sup>1</sup> Between FY 2015 and FY 2017, budgeted FTEs for CommD increased from 30 to 33.5, while the FY 2018 adopted budget has 31 FTEs.

CommD provides strategic outreach, public engagement campaigns and creative services to client departments. Through its services, CommD improves the City's image and reputation by delivering the City's messages and information to the public. CommD, with responsibility and authority over all City external and internal communications:

- Helps ensure consistent and effective management of information;
- Improves the ability of the Mayor and Council to reach the public and the workforce; and
- Places focus on how the City communicates internally and externally.

### **CommD Provides Services for General Fund and Enterprise Fund Departments**

According to CommD, a majority of its time and efforts are spent working for General Fund Departments such as Library, Fire-Rescue, or Park and Recreation, although no revenue is collected for the work performed on behalf of General Fund client departments. CommD is funded by the General Fund, although it receives reimbursement from Enterprise Funds for services provided. **Exhibit 1** shows CommD's Revenues and Expenses for FY 2015 – FY 2017.

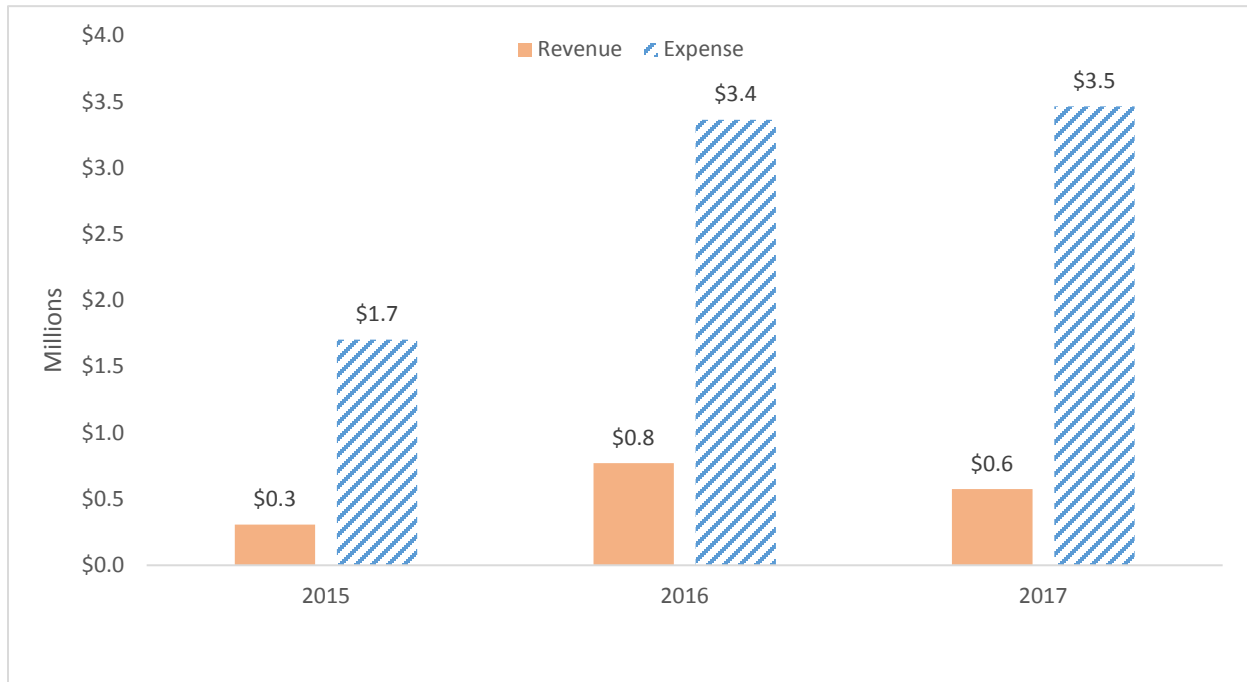
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<sup>1</sup>Based on FY 2015 Adopted Budget and the addition of a Department Director, a Senior PIO, a Graphic Designer, salary adjustments, and non-standard hour personnel funding.

**Exhibit 1**

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**Communication Department Revenues and Expenses for FY 2015 - FY2017**



Source: OCA generated based on SAP Business Objects Reporting.

Note: Revenues above depict Enterprise Fund Revenue and Other Revenue.

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While CommD provides services to both General and Enterprise Fund Departments, for the purposes of our review, we focused on Enterprise Funds.<sup>2</sup> These funds include:

- The Airports Fund within the Real Estate Assets Department;
- The Development Services Fund;
- The Golf Course Fund within the Park and Recreation Department;
- The Recycling and Refuse Disposal Funds within the Environmental Services Department; and
- The Water Utility Operating Fund and Sewer Funds within the Public Utilities Department.

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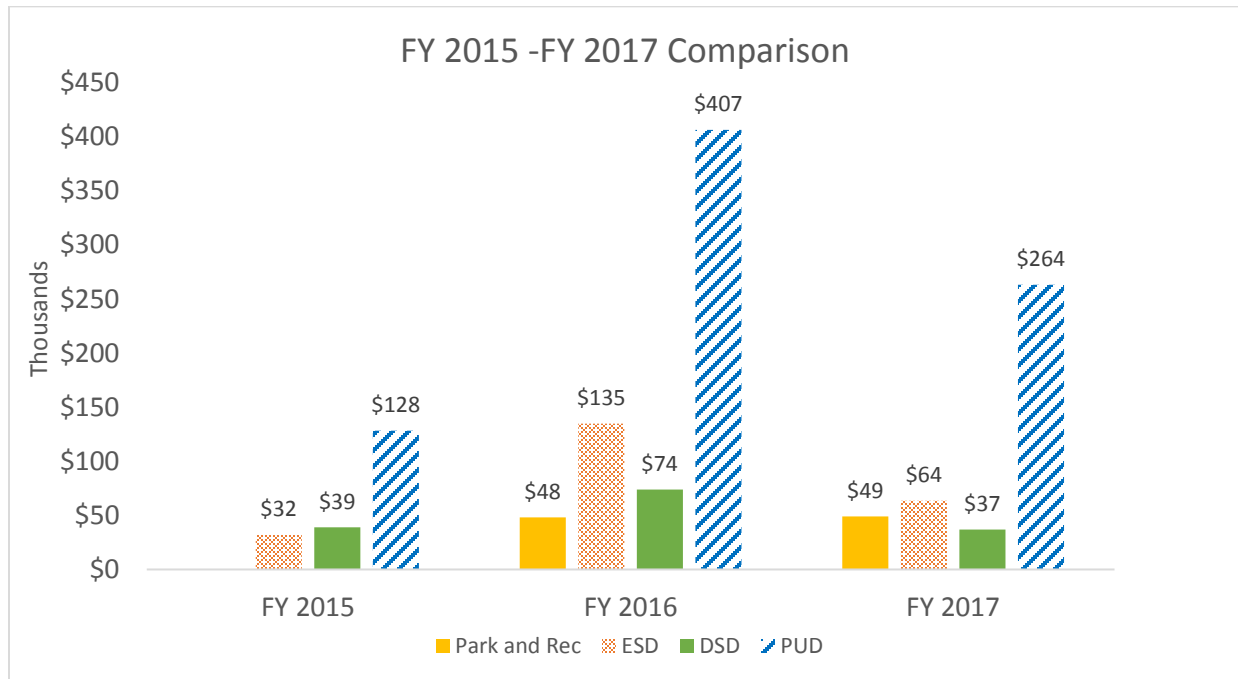
<sup>2</sup> The General Fund is used to provide core services that are primarily supported by property tax, sales tax, transient occupancy tax, and franchise fees. Enterprise Funds account for specific services that are funded directly through user fees. Typically, these funds are intended to be fully self-supporting and are not subsidized by the General Fund.

**Exhibit 2** presents the funds collected from Enterprise Funds between FY 2015 and FY 2017, with PUD contributing the most in revenue during the three year period.

***Exhibit 2***

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**The Communications Department's Revenue by Enterprise Fund for FY 2015- FY 2017**



Source: OCA generated based on SAP Business Objects Reporting.

Note: Airports is not included in this chart because the Communications Department did not charge the Airport Fund between FY 2015 – FY 2017.

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CommD has completed a number of projects for Enterprise Fund Departments since consolidation. Examples include, but are not limited to:

- Recycling: What Goes Where Recycling Video (ESD);
- Media Advisory for Development Professional Training (DSD); and
- FAQ Brochure related to Water Conservation (PUD).

# Audit Results

## **Question #1: Does the Communications Department accurately bill and receive funds for communications-related services provided to enterprise funds?**

Established in Fiscal Year (FY) 2015, the Communications Department (CommD) functions as the City's central voice, providing a variety of services to City departments. As a centralized service department, it is important that CommD has mechanisms in place to ensure accurate and timely billing to Enterprise Funds for services provided. We found that CommD uses various tools for tracking and billing for services. According to the Enterprise Fund Departments, most expressed that charges seemed reasonable for the services received. However, we found that CommD can strengthen these mechanisms to include more detail about the specific projects associated with staff time billed.

According to guidance and standards, entities should establish policies and procedures to communicate key information needed by management to support decision making. In addition, entities should institute a practice of recording charges at a detailed level and should perform these activities routinely and consistently.

The lack of detail is due to CommD not following its internal policy requiring employees to track their work on a project management spreadsheet. Additionally, CommD does not have a standardized procedure for billing and project activity reporting. Due to this, Enterprise Fund Departments conduct their own internal reviews using SAP Labor Reports, which do not provide sufficient detail to determine the accuracy of charges. As a result, Enterprise Fund Departments cannot ensure they received the services funded.

To address the lack of detail and the lack of a reporting structure, we recommend CommD establish a mechanism to ensure charges are accurately billed, and by providing Enterprise Fund Departments timely and detailed reports. With these changes, CommD can continue to make improvements in its operations as the City's central voice.

### **What We Found**

We found that CommD uses Service Level Agreements (SLAs), internal order numbers, SAP labor reports, and internal activity work logs for tracking and billing Enterprise Funds for services provided.

CommD uses SLAs for Public Utilities Department (PUD) and Environmental Services Department (ESD). SLAs formalize the scope of services between CommD and client departments and include information such as reporting requirements, service provider responsibilities, scope of work, and billing and accounting information. The SLA content is similar for the two departments, with the exception of PUD requesting that CommD provide quarterly billing reports. CommD has finalized the FY 2018 agreements for ESD and PUD.

Additionally, CommD uses internal order numbers, SAP labor reports, and internal activity work logs, for tracking and billing. All Enterprise Funds, except Airports, have internal order numbers established that allow fund transfers between departments. CommD uses these internal order numbers as groupings in labor reports pulled from SAP. These labor reports can include time charged, and the employee initiating the charge. CommD, as well as Enterprise Fund Departments, use these labor reports to assess the reasonableness of the charges. As for internal work logs, only PUD requires CommD to maintain employee logs.

However, while CommD has methods for tracking and billing as mentioned above, these methods do not provide sufficient detail to confirm that Enterprise Fund Departments received the services funded. In addition, there is no way to reconcile projects to charges for service without labor detail reports that tie to employee project logs. To that end, there is no mechanism to trace whether the projects billed by CommD reflect those expected per the Scope of Work agreed upon in the SLAs.

### **What Should Have Occurred**

According to the United States Government Accountability Office's Standards for Internal Control in the Federal Government (GAO Standards), entities should establish policies and procedures to assist in the gathering and communicating of information needed by management to support decision making and evaluation of the entity's performance. Moreover, the GAO Standards advise entities to institute a practice of recording charges at a more detailed level. The GAO Standards also state that entities should perform these activities routinely and consistently.

### **Why This Occurred**

The detail is lacking for supporting the charges to internal order numbers because CommD does not follow its internal policy requiring employees to track their work on a project management spreadsheet. As for expectations from Enterprise Fund Departments regarding billing details, as noted earlier, only PUD requires CommD to maintain employee logs. To that end, the logs provided to PUD do not include internal order numbers which aid in tying project tasks completed by CommD staff, to specified projects funds. For a detailed explanation, see **Attachment B**.

Secondly, we found that CommD does not have a standardized procedure for billing and project activity reporting. As a result, Enterprise Fund Departments conduct their own internal review, using the SAP Labor Reports, which lack detail.

### **If Uncorrected, What Could Occur**

By not enhancing controls related to billing accuracy, CommD cannot ensure that it charges Enterprise and General Fund Departments accurately. This is relevant because CommD splits staff time between funds supported by user fees (Enterprise Funds) and funds supported by taxes (General Funds). Typically, these funds should not be commingled. As an example, CommD did not charge the Airports Fund for a recent video. According to CommD, it assumed the project was a General Fund activity. Moving forward, CommD has expressed that it will be more mindful in differentiating billing of Enterprise Fund and General Fund Departments. In addition, by not providing timely and detailed reports, client department management cannot track the progress of CommD's projects, and cannot verify the accuracy of charges.

### **Recommendation #1**

To ensure billing accuracy, the Communications Department should require activity logs for all employees who are assigned to and/or who assist with Enterprise Fund projects. Moreover, the activity log should include internal order numbers and a description of project activities completed, to provide sufficient detail to justify charges. (Priority 3)

### **Recommendation #2**

The Communications Department should provide Enterprise Fund Departments detailed and timely activity reports on a periodic basis, to justify charges for services. Detailed reports, at minimum, should include employee information, time charged, internal order number charged, and work or deliverable associated with the charge. (Priority 3)



## **Question #2: Was there an increase in the use of consultants by enterprise fund departments for communications-related services following the consolidation in fiscal year 2015?**

While Enterprise Fund Departments procure contracts for a variety of services, we did not observe a major increase in the use of consultants explicitly for communications-related services. Based on our review, we found that Enterprise Fund Departments procure contracts for a variety of services, which may contain communication components.

We reviewed City contracts to identify communications-related services completed by outside vendors for Enterprise Fund Departments. Although Public Utilities Department (PUD) and the Golf Division have contracts in place, CommD provides communications services to the departments. PUD and the Golf Division used contracts specifically for communications services, although these contracts were related to specific projects or initiatives that require specialization beyond CommD's purview.

Beginning in Fiscal Year (FY) 2015, PUD procured three of its contracts in an effort to meet City Council, Mayoral, or other stakeholder project initiatives.<sup>3</sup> In FY 2017, the Golf Division continued a contract procured for customer satisfaction surveys that began prior to FY 2015.<sup>4</sup> The Golf Division also secured an additional contract for specialized outreach related to an event at Torrey Pines. According to the Golf Division, it used the consultant as an industry expert, reaching golfing magazines, golf news outlets, and even travel magazines. The consultant collaborated with CommD for event coordination and logistics. The practice of seeking CommD's support and input is in alignment with the City's internal policies and procedures that ensure that outside consultants do not perform work under CommD's purview, or the purview of any other City department.<sup>5</sup>

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<sup>3</sup> Between FY 2013 – FY 2015, PUD procured two contracts approximating \$201,000. Post-consolidation, FY 2015 – FY 2017, PUD procured three contracts for approximately \$404,000. While there was an increase in contract cost, the increase is attributed to City project initiatives and not a result of dissatisfaction with CommD's services. During both periods, communications contract costs accounted for less than 10 percent of all PUD contracts tested in the sample.

<sup>4</sup> The consultant's services are beyond CommD's capacity due to the fact that they conduct this survey with an advanced level of statistical analysis, sampling, and polling.

<sup>5</sup> City of San Diego Process Narrative 0113 (PN-0113) requires City departments to comprehensively complete a Labor Relations Form and explain if the contract will displace City employees or if classified employees can provide the proposed contractor services. In addition to PN-0113, City of San Diego Administrative Regulation 25.70 (AR 25.70) establishes procedures and guidelines for the selection and hiring of consultants. AR 25.70, in adherence to Council Policy 300-07, requires City departments to provide comprehensive explanations showing that requested services are beyond the scope of City employee responsibilities.

### ***CommD Develops Communications Plans to Explain Scope of Work***

To address department needs and expectations of communications services, beginning in FY 2017, CommD, in consultation with client departments, develops a communications plan for the fiscal year. While these plans provide a general framework, they can be modified as priorities change. Ultimately, these plans are intended to ensure that departments understand CommD's available services.

The client department communications plans highlight the topics of focus for the year, including key messages, campaigns, initiatives, or department goals that will require CommD support. For example, the PUD Communications Plan presents strategies to seek opportunities for strategic partnerships and community engagement and collaborate with water agencies and cities in the region to promote awareness.

### **Enterprise Fund Departments Generally Find the Services of the Communications Department Satisfactory**

Most of the Enterprise Funds expressed satisfaction with the level of service received by CommD. Generally, Enterprise Fund Departments have benefitted from improvements in the capabilities, resources, expertise, and options for communications services, such as having access to graphic designers and video production. There has been a disadvantage in that most of the Public Information Officers (PIOs) are no longer dedicated to one department, and to that end, some of the institutional knowledge is lost. However, in a few departments, CommD's liaisons visit client departments on a set schedule and on an as-needed basis. With CommD's continued efforts, and with the implementation of the recommendations provided in this report, CommD can continue to make improvements in its operations as the City's central voice.

## Conclusion

Established in Fiscal Year 2015, the Communications Department (CommD) functions as the City's central voice, providing a variety of services to City departments. As a centralized service department, it is important that CommD has mechanisms in place to ensure accurate and timely billing to Enterprise Fund Departments for services provided. According to the Enterprise Fund Departments, most expressed that charges seemed reasonable for the services received.

However, CommD can strengthen these mechanisms to include more detail about the specific projects associated with staff time billed. Moreover, CommD can strengthen procedures for billing and project activity reporting. To address these observations, CommD should require staff working on Enterprise Fund projects to maintain work logs that track activity by internal order numbers. CommD should also provide Enterprise Fund Departments timely and detailed reports.

While Enterprise Fund Departments procure contracts for a variety of services, we did not observe a major increase in the use of consultants explicitly for communications-related services. Enterprise Fund Departments procure contracts for a variety of services, which may contain communication components. To that end, Citywide contract procurement policies and procedures ensure that outside consultants do not perform work under CommD's purview, or the purview of any other City department. Additionally, to address department needs and expectations, CommD, in consultation with client departments, develops a communications plan outlining its scope of services for the year.

Enterprise Fund Departments expressed satisfaction with the level of service they receive from CommD. Some expressed that communications services have been enhanced following the consolidation. Through improvements to its billing and report practices, CommD can continue to make improvements in its operations as the City's central voice.

## **Recommendations**

### **Recommendation #1**

To ensure billing accuracy, the Communications Department should require activity logs for all employees who are assigned to and/or who assist with Enterprise Fund projects. Moreover, the activity log should include internal order numbers and a description of project activities completed, to provide sufficient detail to justify charges. (Priority 3)

### **Recommendation #2**

The Communications Department should provide Enterprise Fund Departments detailed and timely activity reports on a periodic basis, to justify charges for services. Detailed reports, at minimum, should include employee information, time charged, internal order number charged, and work or deliverable associated with the charge. (Priority 3)

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## ATTACHMENT A: Definition of Audit Recommendation Priorities

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### DEFINITIONS OF PRIORITY 1, 2, AND 3 AUDIT RECOMMENDATIONS

The Office of the City Auditor maintains a priority classification scheme for audit recommendations based on the importance of each recommendation to the City, as described in the table below. While the City Auditor is responsible for providing a priority classification for recommendations, it is the City Administration's responsibility to establish a target date to implement each recommendation taking into considerations its priority. The City Auditor requests that target dates be included in the Administration's official response to the audit findings and recommendations.

Priority Class <sup>6</sup>	Description
1	Fraud or serious violations are being committed. Significant fiscal and/or equivalent non-fiscal losses are occurring. Costly and/or detrimental operational inefficiencies are taking place. A significant internal control weakness has been identified.
2	The potential for incurring significant fiscal and/or equivalent non-fiscal losses exists. The potential for costly and/or detrimental operational inefficiencies exists. The potential for strengthening or improving internal controls.
3	Operation or administrative process will be improved.

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<sup>6</sup>The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation which clearly fits the description for more than one priority class shall be assigned the higher number.

## ATTACHMENT B: Labor Report Testing

We reviewed the accuracy of the labor reports and found that sufficient detail is lacking to verify charges for services and work performed because not all employees keep a record of their activities. Moreover, for the employee(s) that keep a work log, it does not include the internal order that corresponds to tasks completed. For example, the Public Utilities Department (PUD) has six internal order numbers for each of the following funds:

- PUD – Pressure Reduction Valve;
- PUD – Muni;
- PUD – Metro;
- PUD – Water;
- PUD – Pure Water Project (PWP) Water; and
- PUD – Pure Water Project (PWP) Metro.

However, as shown in **Exhibit 3**, while Employee #1 kept an activity log for the pay period reviewed, the work log does not include internal order numbers.

### *Exhibit 3:*

#### Employee #1 Communications Department Work Log for Public Utilities Does Not Include Internal Order Numbers

Date	Weekday	Hours Worked	Hours Tracked	Tasks
12/5/2016	Monday	Vacation		
12/6/2016	Tuesday	Vacation		
12/7/2016	Wednesday	Vacation		
12/8/2016	Thursday	Vacation		
12/9/2016	Friday	Vacation		
12/12/2016	Monday	8		2 Lead in water research 2 PUD Comm Plan meeting/follow-up 2 Water Reuse award nomination 2 PRV fact sheet
12/13/2016	Tuesday	8		3.5 PRV ad campaign meeting/follow-up 1.5 Customer inquiries, web updates 1.5 Pure Water research 1.5 Operations doorhanger
12/14/2016	Wednesday	8		3 Inside SD photo shoot (PUD staff) 3 PPT presentation edit, PRV fact sheet 2 Web updates, social media
12/15/2016	Thursday	8		4 MyWaterEasy app planning and collateral development 1 Photograph PUD award for newsletter, presentation 1 Conservation web updates 2 PRV ad campaign
12/16/2016	Friday	8		3 FOG meeting, outreach Conservation - tree watering outreach, rainwater harvesting 3 application 1 Pure Water Annual Rpt edits 1 Staff meeting

Source: December 2016 Work Log provided by the Communications Department.

Therefore, it is difficult to verify the hours charged to specific internal order numbers in the labor report shown in **Exhibit 4** for Pay Period Ending December 16, 2016. **Exhibit 4** reflects work completed as reported in the **Exhibit 3** log. While it is possible to associate the Pressure Reducing Valve (PRV) items with the Water Program, items such as customer inquiries and web updates, are not as obvious.

***Exhibit 4:***

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**Employee #1 Communications Department Labor Report for Pay Period Ending  
December 16, 2016 Shows 36 Hours of Billable Work**

<b>Internal Order Number</b>	<b>Fund Name</b>	<b>Hours Charged</b>
21003635	Metro Sewer Utility	9
21003636	Water Utility Operations	27
None	Other – Includes Leave Time and Administrative Time	44

Source: OCA generated based on SAP Business Objects Reporting.

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## **ATTACHMENT C: Objectives, Scope, and Methodology**

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### **Objectives**

In accordance with the City Auditor's Fiscal Year (FY) 2017 Audit Work Plan, we performed an audit of the Communication Department's (CommD) Charges for Services to Enterprise Funds. Our audit scope period focused primarily on charges from FY 2015 through FY 2017, and was extended as-needed for testing. Specifically, the objectives of this audit were to answer the following questions:

- Does the Communications Department accurately bill and receive funds for communications-related services provided to Enterprise Funds? and
- Was there an increased use of consultants by Enterprise Fund Departments for communications-related services following the consolidation in Fiscal Year 2015?

### **Scope and Methodology**

To assess the mechanisms in place that ensure CommD accurately bills Enterprise Fund Departments for services, we reviewed how staff time is entered and tracked by CommD. In doing so, we analyzed Service Level Agreements, internal orders, SAP Labor Reports, and staff work logs that facilitate the fund transfers between departments.

To determine if Enterprise Fund Departments use outside consultants for communications-related services, we tested a judgmental sample of contracts to evaluate whether the primary scope of work included communications-related services, before and after the establishment of CommD. Additionally, we reviewed CommD's procedures for communicating its scope of work and available services to client departments, and citywide policies and procedures related to contracting.

In addition, we conducted interviews with all Enterprise Fund Departments to gain a sense of the working relations between client departments and CommD, how CommD supports the client departments, how charges for services are billed and tracked, if there are existing communications-related contracts in place, and to gain insight on the overall level of satisfaction with CommD's services.



## Internal Controls

We limited internal control testing to determine if CommD has mechanisms in place to accurately bill Enterprise Fund Departments for services. We also tested whether the City has controls in place that ensure that outside consultants do not perform work under CommD's purview.

## Compliance Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Respectfully submitted,



Eduardo Luna  
City Auditor

cc: Scott Chadwick, Chief Operating Officer  
Stacy LoMedico, Assistant Chief Operating Officer  
Rolando Charvel, Chief Financial Officer  
Scott Clark, Interim City Comptroller  
Tracy Morales, Deputy Director, Communications  
Susan LaNier, Deputy Director, Public Utilities  
Mara Elliott, City Attorney  
Ken So, Deputy City Attorney



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: October 18, 2017

TO: Eduardo Luna, City Auditor

FROM: Katie Keach, Director, Communications Department *Katie Keach*

SUBJECT: Management Response to Performance Audit of the Communications Department's Charges for Services to Enterprise Fund Departments

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This memorandum is management's response to the audit recommendations within the Performance Audit of the Communications Department's Charges for Services to Enterprise Fund Departments.

The Audit's primary objectives were to:

- Determine if the Communications Department accurately bills and receives funds for services provided to Enterprise Fund Departments; and
- Determine if there was an increased use of consultants by Enterprise Fund Departments for communications-related services since the Communications Department was formed in Fiscal Year 2015.

Below are Management's responses to the audit recommendations. There were no recommendations related to consultant use by Enterprise Fund Departments.

**Recommendation 1:** To ensure billing accuracy, the Communications Department should require activity logs for all employees who are assigned to and/or who assist with Enterprise Fund projects. Moreover, the activity log should include Internal Order numbers and a description of project activities completed, to provide sufficient detail to justify charges. (Priority 3)

**Management Response: Agree.**

Communications team members have tracked projects and other work using a variety of tools. The Communications Department welcomes the recommendation for more consistent daily activity tracking for all team members and will implement a new tracking mechanism in November 2017.

It should be noted that the need for an overall project management and work tracking tool is recognized, and the Communications Department has been working with the Department of Information Technology since October 2016 to identify an appropriate resource. Until such a program can be identified and procured, Communications team members will use a more rudimentary but consistent form.

**Target Implementation Date: November 2017**

**Recommendation 2:** The Communications Department should provide Enterprise Fund Departments detailed and timely activity reports on a periodic basis, to justify charges for services. Detailed reports, at minimum, should include employee information, time charged, internal order number charged, and work or deliverable associated with the charge. (Priority 3)

**Management Response: Agree.**

As noted above, the Communications Department is implementing a tracking mechanism for all work in November 2017. Reports will be shared on a monthly basis with Enterprise Fund Departments starting in December 2017.

**Target Implementation Date: December 2017**



Katie Keach  
Director, Communications Department

cc: Scott Chadwick, Chief Operating Officer  
Stacey LoMedico, Assistant Chief Operating Officer  
Rolando Charvel, Chief Financial Officer  
Marshall Anderson, Director of Council Affairs, Office of the Mayor  
Scott Clark, Interim City Comptroller  
Vic Biances, Interim Director, Public Utilities Department  
James Nagelvoort, Director, Public Works Department  
Herman Parker, Director, Park and Recreation Department  
Mario X. Sierra, Director, Environmental Services Department  
Cybele Thompson, Director, Real Estate Assets Department  
Robert Vacchi, Director, Development Services Department  
Kenneth So, Deputy City Attorney, City Attorney's Office  
Kyle Elser, Assistant City Auditor, Office of the City Auditor