



*City of Arts & Innovation*

# Governmental Affairs Committee Memorandum

**TO: GOVERNMENTAL AFFAIRS COMMITTEE** **DATE: MARCH 7, 2018**  
**FROM: CITY MANAGER'S OFFICE** **WARDS: ALL**  
**SUBJECT: FINANCE DEPARTMENT ACTION PLAN UPDATE FOR THE FISCAL YEAR  
2016 PERFORMANCE ASSESSMENT AND FINANCIAL EXPENDITURE AUDIT -  
DIRECT SUBMITTAL**

## **ISSUE:**

Receive, review, provide input on and forward to the City Council an update on the Action Plan of the Fiscal Year 2016 Performance Assessment and Financial Expenditure Audit of the Finance Department.

## **RECOMMENDATION:**

That the Governmental Affairs Committee receive, review, provide input on and forward to the City Council an update on the Action Plan of the Fiscal Year 2016 Performance Assessment and Financial Expenditure Audit of the Finance Department.

## **BACKGROUND:**

On July 26, 2016 a Performance Assessment and Financial Expenditure Audit prepared by Matrix Consulting Group for the Finance Department was presented to the City Council. The City Council accepted the report and directed the Finance Department staff to return in six months with a detailed Action Plan and timeline for implementing the recommendations from the audit, including the financial impact. On September 27, 2016 Finance Department staff presented to the City Council an Action Plan for implementing 27 recommendations. The City Council unanimously accepted the Action Plan and directed the Finance Department staff to return in six months with a status update on the Action Plan. On March 6, 2017 Finance Department staff presented to the Governmental Affairs Committee an Action Plan update; the update was approved and forwarded to the City Council on April 18, 2017. The City Council approved the Action Plan update and directed the Finance Department staff to return in twelve months with another status update on the Action Plan.

## **DISCUSSION:**

To date, 24 of the 27 recommendations from Matrix Consulting Group have been completed. The following three (3) recommendations will be completed by June 2018:

Recommendations	Action Plan
1.5 & 7.1 – Evaluate the Risk Management function; enhance claims management and enable reporting of claims status.	In FY2017, Council approved an in-house claims management system and in-house processing of claims. Staffing to be completed June 2018.
6.6 – Establish a formal vendor performance evaluation process to mitigate risks posed by known problem vendors.	Staff is working with the City Attorney's Office to identify any legal issues/challenges, process issues and how to best accomplish the vendor evaluation legislatively via the City's Municipal Code. To be completed June 2018.

**FISCAL IMPACT:**

There is no fiscal impact associated with review of the Action Plan update at this time.

Prepared by: Cheryl Johannes, Office of Organizational Performance & Accountability  
 Approved by: Marianna Marysheva, Assistant City Manager  
 Certified as to  
 availability of funds: Adam Raymond, Chief Financial Officer/City Treasurer  
 Approved as to form: Gary G. Geuss, City Attorney

**Attachments:**

1. Finance Department Action Plan Update
2. Presentation