



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 10, 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

ISSUE:

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

RECOMMENDATION:

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

COMMITTEE RECOMMENDATION:

The Governmental Affairs Committee met on March 7, 2018, with Chair Melendrez, Vice-Chair Gardner, and Member Conder in attendance. The committee received, and unanimously recommended 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 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, the Finance Department 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 to return in six months with a status update on the Action Plan. On March 6, 2017, the Finance Department 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 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

Concurs with:



Andy Melendrez, Chair
Governmental Affairs Committee

Attachments:

1. Finance Department Action Plan Update
2. Presentation