

AUDITING FOR RESULTS

KING COUNTY AUDITOR'S OFFICE

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King County

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PERFORMANCE AUDIT OF CODE ENFORCEMENT

A performance audit recommended that current Code Enforcement management, policies, procedures, and practices be strengthened to promote greater consistency, transparency, and accountability. Above all, the report recommended the development of a strategic plan for Code Enforcement. A strategic plan will provide the section with a mission and goals that articulate the section's priorities and performance measures that allow Code Enforcement to evaluate its success in meeting its objectives.

The executive concurred with all of the audit's recommendations and believed the audit identified opportunities to improve Code Enforcement's procedures in several areas. The department has already begun implementation of several recommendations. Code Enforcement has committed to periodically update the auditor's office on their progress in 2009. The auditor's office will perform a formal follow-up review to ensure that the report's recommendations have been implemented.

<http://www.metrokc.gov/auditor/2008/CodeEnforRpt.pdf>

ALTERNATIVE CAPITAL PROJECT DELIVERY METHODS

This study measured the performance of King County construction projects which used a variety of project delivery methods including alternatives to the traditional Design-Bid-Build process. Our analysis of 20 construction project case studies found that the availability of alternatives for delivering capital projects provided valuable flexibility to the county and that existing Facilities Management Division's public-private partnerships often resulted in completing quality buildings on time and within budget. The county's experience with the traditional Design-Bid-Build method and other project delivery methods, however, has been mixed. The study recommends that agencies with little experience using alternative capital project delivery methods consult with the Facilities Management

Division; that agencies develop policies and procedures for selecting an appropriate delivery method; and that our Capital Projects Oversight Program work with the council to identify high-risk projects for oversight.

NEW AUDIT PROJECTS UNDERWAY

- A pre-audit survey was recently completed of various issues associated with King County's Animal Care and Control Section.
- A pre-audit survey examining the efficiency and effectiveness of Metro Transit's operations is nearly complete.
- A compliance audit of historic preservation funding is nearing completion and will be presented to the County Council in December.

CAPITAL PROJECTS OVERSIGHT PROGRAM

The Capital Projects Oversight Program (CPO) seeks to improve accountability related to the scope, schedule, and cost of the county's capital projects. Current projects receiving oversight include:

- Brightwater wastewater treatment system with current emphasis on construction schedule delays and potential cost increases. With an oversight consultant, we are advising the council with independent cost estimates and have recommended that additional risk analysis be conducted in 2009.
- Ninth and Jefferson Building at Harborview Medical Center with current emphasis on tenant improvement completion for occupancy in fall 2009.
- Accountable Business Transformation program. We recently recommended quarterly reporting on the project status and the achievement of estimated benefits resulting from implementation of the new information technology system estimated to cost \$84 million.
- Data Center Relocation was recently added to the oversight program. It involves moving the county's data center from downtown Seattle to a leased facility in Tukwila.

A due diligence analysis of the replacement of the county administration building concluded with an independent review of the Facilities Management Division's cost/benefit analysis as well as evaluating alternatives to meet the operational needs of the jail and court systems. Our analysis informed the decision to not pursue replacing the administration building at this time.

COUNTYWIDE COMMUNITY FORUMS

The Countywide Community Forums are a network of periodic public forums where small groups of citizens gather at various county locations to discuss current issues and provide feedback to public officials. This program offers a unique opportunity to engage citizens in, and educate them about, county government and citizenship. The program is overseen by the Countywide Community Forums Program Manager in the auditor's office with program activities largely coordinated by volunteers with input from an Advisory Steering Committee. The first round of community forums, held June 28 – July 20, 2008, addressed: "Transportation: Public Priorities, Choices and Funding." Citizens hosted 114 forums throughout King County. Reports based on 549 completed surveys from forum participants are posted on the auditor's Web site. The next round of forums, planned for February 2009, will address the topic of "Citizen Priorities for County Government: Strategic and Budget Options." For further information or to participate in an upcoming forum, please visit: <http://www.metrokc.gov/auditor/CCF>

COUNTYWIDE PERFORMANCE MANAGEMENT

The development of a countywide system of performance measurement, management, and reporting achieved a major milestone this summer with the passage of Ordinance 16202 that requires a strategic plan and performance report for King County in 2009. The legislation also requires all King County agencies and departments to prepare strategic plans every five years, annual business plans, and relevant performance measures. These new requirements resulted from the Performance Management Work Group recommendations made to the King County Council. The work group, which the auditor's office has facilitated since 2004, includes participants from all three branches of county government. It supports establishing a countywide system of performance management by implementing a multi-year implementation plan approved by the council. The work group will next propose steps for developing the first countywide strategic plan.

PEER REVIEW

The auditor's office underwent its second peer review in March 2008. The objective of the review was to determine whether the office was in compliance with applicable Government Auditing Standards during calendar years 2005-2007. The peer review team concluded that our quality control system is suitably designed and operating effectively to provide reasonable assurance of compliance with audit standards. The team commended the diversity of issues our reports address and the thoroughness and depth of our analysis. The peer review team also received positive feedback from the office's stakeholders. The reviewers suggested the office further strengthen its quality control system and continue to maintain audit independence as we implement new oversight responsibilities—actions the office has already begun to address.

AUDITOR'S OFFICE RECEIVES SPECIAL RECOGNITION



The King County Auditor's Office was recognized by the Seattle Chapter of the Association of Government Accountants (AGA), who presented Cheryle Broom, County Auditor, with the organization's "Emerald Award," given annually to recognize substantial and sustained contributions to improve government accountability and transparency. In presenting the award, Elizabeth Naftchi, Seattle AGA's Chapter President, remarked that the auditor's office was deserving of the award not only for the quality of its audit work, but also for advancing performance measurement in King County and for more recent initiatives involving capital project oversight and citizen engagement. "From my experience, the auditor's office with three lines of business on top of very solid audit reporting is unique among local government audit organizations and, therefore, worthy of recognition," Naftchi said. Cheryle Broom accepted the award on behalf of the entire auditor's office and acknowledged the commitment and support of the King County Council and other officials in advancing county government's performance and accountability.

PRIOR AUDIT REPORT RECOMMENDATIONS LEAD TO AGENCY COST SAVINGS

- A 2007 County Vehicle Replacement Performance Audit found that the "Runzheimer" program, which reimburses Assessor's Office employees for personal vehicle use on business, was not cost effective and recommended that the Assessor's Office identify more cost-effective alternatives. As a result, the 2009 proposed budget reduces the Assessor's Office budget by \$150,000, in part, by eliminating employees with low vehicle usage from the Runzheimer program. The audit also found that many county motor pool vehicles were underutilized and recommended that Fleet Administration develop and enforce vehicle usage standards. These changes resulted in a 2009 budget proposal with a more modest increase in motor pool rates than would have resulted without the new standards.
- The 2004/2005 Workers' Compensation Financial and Performance Audits recommended improvements in how workers' compensation claims are handled, and that the Safety and Claims Management Fund balance be increased to reflect the full liability of unpaid claims. Consistent with the audit's recommendations, the 2009 proposed budget reduced workers' compensation rates paid by county agencies, due to lower workers' compensation costs and changes in the fund balance.