

AUDITING FOR RESULTS

KING COUNTY AUDITOR'S OFFICE

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King County

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RECENT PUBLICATIONS:

- County Vehicle Replacement Performance Audit
- Sheriff's Office Performance Audit Follow-up
- Roads Concurrency Follow-up Study
- 2005 Audit Findings of the Washington State Auditor and Deloitte and Touche
- Capital Project Oversight Update

COUNTY VEHICLE REPLACEMENT

www.metrokc.gov/auditor/2007/CVRRpt.pdf

This audit evaluated the county's management of its vehicle replacement programs. We examined whether the county uses lifecycle cost analysis to determine the most cost-effective vehicle replacement schedule, manages cost recovery successfully, and uses fleet vehicles efficiently.

We concluded that the county has developed strong replacement criteria for most vehicles. However, the county does not monitor whether it adheres to these criteria. Additionally, while the method used to calculate rental rates is consistent with best practices, it is not transparent to agencies using motor pool vehicles. Finally, we found that most vehicles are underutilized and therefore not used cost-effectively. The audit recommends ways to improve lifecycle cost analyses, strengthen cost recovery accounting, and ensure more efficient vehicle utilization.

SHERIFF'S OFFICE PERFORMANCE AUDIT FOLLOW-UP

www.metrokc.gov/auditor/2007/KCSOFIwup.pdf

This follow-up reviewed the King County Sheriff's Office's (KCSO) progress in implementing recommendations from three prior audits of the Communications (Comm) Center and KCSO patrol operations, overtime, strategic planning, contract cost recovery, and federal grants management.

We found that the KCSO has implemented many of our recommendations and has made progress on others that require significant changes to agency practices. In addition, KCSO's efforts to shift its management approach to one that is more strategic are evident in its new strategic plan.

However, KCSO has not yet revised the Comm Center and patrol staffing plans and continues to rely on plans that are not consistent with best practices. Progress in updating the plans has been delayed by management and staff turnover and resource limitations. As a result, KCSO's ability to ensure that personnel are used cost-effectively and performance goals are met is limited. For example, without a sound

staffing model, Comm Center management cannot determine the staffing levels needed to meet the 911 call-answering standard. Therefore, our follow-up recommends that KCSO dedicate a permanent position for ensuring that staffing plans are soundly designed and consistently managed.

ROADS CONCURRENCY FOLLOW-UP STUDY

www.metrokc.gov/auditor/2007/ConcurrencyFU.pdf

The Roads Concurrency program is intended to ensure that adequate transportation infrastructure is in place concurrent with new development. Under contract with our office, Mirai Transportation Planning and Engineering conducted both the original 2006 study and this follow-up review.

The 2006 study found that the program was too complex, used questionable modeling practices, and did not have sufficient quality controls. The study also questioned whether the county is complying with the intent of the state's Growth Management Act.

This follow-up found that modeling transparency and accuracy has improved. Additionally, although some significant recommendations have not been acted upon, there has been progress implementing many of the recommendations. The follow-up includes 10 new recommendations to promote further improvements. The review also identifies a new issue—current practices may deny residential development in rural areas due to congestion in urban areas using the more stringent rural standards. This means that the county applies two standards (rural and urban) to the same area.

About the Auditor's Office:

The King County Auditor's Office is an independent agency within the legislative branch. The office was established in 1969 under Section 250 of the County Charter. Its mission is to conduct independent audits and studies to improve county government.

The County Auditor develops an annual work program, which is adopted by the County Council. Outcomes considered in selecting audit projects include the potential for:

- Significant cost impact.
- Improvement in public policies and operational practices.
- Increased efficiency, effectiveness, and performance of public services.
- Enhanced accountability systems and transparency of county operations.

CAPITAL PROJECTS OVERSIGHT UPDATE

The council's 2007 budget funded a Capital Projects Oversight Pilot Program within the auditor's office. The council identified four major projects for oversight during Phase I of this project:

- Brightwater Wastewater Treatment Plant
- Accountable Business Transformation (ABT)
- Jail Integrated Security Project (ISP)
- Harborview Ninth and Jefferson Building

Early this year, our office contracted with PMA Consultants and Saybrook Associates to develop a legislative oversight model for our office based on industry best practices. We will present to the council the consultant's recommendations this summer.

In our Phase I contract with PMA/Saybrook, we also asked the firm to provide interim recommendations on the four major projects. During its review of the second phase of the Jail Health Services portion of the ISP, PMA/Saybrook identified the following issues:

- Stakeholders were not always clear on the project team's responsibilities for the construction phase;
- Supervisory changes led to lost institutional knowledge of design and construction plans and agreements; and
- Communication within the project team was not sufficient to maintain the project schedule.

To address these issues, PMA/Saybrook recommended that key stakeholders perform a scope review of all remaining contract work and additional pending work necessary to complete the second phase of the ISP. Our office will follow up on the implementation of these recommendations.

Other Phase I legislative oversight accomplishments include amending and strengthening the original contract with the council's Brightwater project oversight consultant, R.W. Beck. In May, R.W. Beck also presented to the council a design wrap-up report and analysis of updated cost trends for the \$1.76 billion wastewater facility. Beck's report recommended that the Wastewater Treatment Division analyze major risk areas, implement cost containment strategies, eliminate potential gaps between the treatment plant construction packages, and integrate schedules to manage milestones among construction projects.

In addition, we recently selected a Phase I oversight consultant for the Harborview Ninth and Jefferson Building project. Oversight of this capital project will begin once the oversight contract is finalized and approved by the council.

2005 AUDIT FINDINGS OF THE WASHINGTON STATE AUDITOR AND DELOITTE AND TOUCHE

www.metrokc.gov/auditor/2007/SAOMgmtLtr.pdf

This spring, we reviewed external audits of the county's financial practices. The State Auditor's Office audited the county's financial systems and compliance with applicable legal requirements. Deloitte and Touche audited the financial statements of the county's Public Transportation and Water Quality enterprises.

These audits reported a total of three findings, one concerning the use of real estate excise tax funds, one concerning internal controls, and one concerning compliance with federal grant programs.

Planned Presentation Dates for 2007 Work Program

Summer	Fall	Winter	2008
Jail Health Pharmacy and Medication Administration Performance Audit	Performance Reporting for Capital Improvement Plans	Sheriff's Office Internal Investigations Unit Performance Audit	
Economic Analysis of Capital Projects Follow Up	Facilities Management Division Capital Planning and Budgeting Performance Audit	DDES Code Enforcement Performance Audit	
		Capital Acquisitions Alternatives Study	
		Jail Overtime Audit Follow Up	
		Environmental Health Division Internal Controls/Fund Management Audit	
Ongoing Oversight:	Capital Projects Oversight Coordination of State Auditor's Local Government Performance Audits Countywide Performance Measurement and Management Program		