

**REPLY AND IMPLEMENTATION SUMMARY  
FOLLOW-UP REVIEW OF FIDUCIARY RISK**

#	RECOMMENDATION	RESPONSE	CURRENT STATUS	IMPLEMENTATION DATE	COMMENTS
1.	Request that the City staff representative at the unaudited external organization ask the organization to consider establishing a Board “audit” committee.	Concur	Implemented	June 2004	The external organization established an Audit Committee. Additional actions to ensure ongoing Policy adherence need to be evaluated.
2.	Send a letter to Department Directors requesting they remind staff members serving as City representatives with outside organizations that Section 800.5 of the City Policies & Procedures is applicable to their fiduciary relationships with other organizations.	Concur	Implemented	May 20,2004	A memorandum was sent to all Department Directors addressing the situation at that time. Additional actions to ensure ongoing Policy adherence need to be evaluated.
3.	Request that each internal organization utilize an appropriate Department Fiscal Manager to annually review its activities and report the results to the Board, or, alternatively, the organization establish a Board “audit” committee.	Concur	Implemented	May 20,2004	A memorandum was sent to Families, Parks and Recreation, Human Relations and Public Works Directors. A review of the purpose and continuing need for these organizations is currently in process; the results of that review will be considered in any future actions.