



# CITY OF ORLANDO

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## Office of Audit Services and Management Support

### MEMORANDUM

To: Alan Oyler, Public Works Director

From: Beryl H. Davis, Director, Audit Services and Management Support

Re: Follow-Up of Public Works Department Project Management Audit  
(Report No. 06-08)

Date: February 16, 2006

Attached is a summary of the status of recommendations as determined from our follow-up of the Public Works Department Project Management Audit (*Report No. 05-15*), issued February 16, 2005. Our procedures consisted of an assessment of management's indicated status of the recommendations through staff inquiries and review of selected documentation. Our follow-up was made in accordance with generally accepted government auditing standards, except that we did not perform substantial tests of evidence supporting all replies from the officials responsible for resolving audit findings and recommendations.

**Ten of the 22 recommendations in the original report were implemented, seven were partially implemented and five are planned for implementation.**

### **Recommendations Partially Implemented**

Staff is in the process of gathering data to complete our recommendation (#4) regarding identifying acceptable ranges of internal service charges. A mechanism to identify group deficits at an earlier stage has been developed and discussed with the project managers in response to our recommendation (#9) regarding instituting controls and tools to reduce the number of group deficits and our recommendation (#10) to hold project managers accountable for these deficits; the latter will be enforced once the managers have become more comfortable with the process.

For two other recommendations, the Division Manager has orally communicated guidelines for tasks that should be completed within a certain amount of time after substantial project completion (#12) and has instructed Project Managers to increase the frequency of their progress reports after the date of substantial completion (#13). The Division Manager has also held a meeting of the parties involved in Local Agency Program projects as we recommended (#14), and plans to memorialize the necessary steps to administer the program. Staff is currently reviewing previous projects in response to our recommendation (#18) to establish appropriate guidelines for use by Project Managers to determine the most effective construction delivery methods.

The preceding partially implemented recommendations are scheduled for completion by June 2006 or earlier.

### **Recommendations Planned For Implementation**

We have clarified our recommendation (#2) regarding the selection and use of Continuing Service Contractors and management now plans to develop a process to document the use of Continuing Service Contractors. Management has not yet had time or staff to address two other recommendations regarding the development of a form to show calculations used to determine amounts budgeted for internal services (#5) as well as a uniform method to file project records and documentation (#19). The Division Manager also plans to address two other recommendations by generating a spreadsheet to track administrative time (#7) and by requesting assistance from the City's Web Development Coordinator to make the project information on the website more user friendly (#21). Management intends to implement these recommendations by May 2006.

We would also like to call your attention to our recommendation (#8) suggesting that discussions be held with key City staff in an effort to eliminate manual record keeping during the annual budget closeout process. Those discussions were held and a determination made that process changes are not practical in the current environment. We would like to now suggest that the environment be monitored so that should it become more favorable in the future, the manual record keeping process would be revisited.

We wish to thank the officials and personnel of the Public Works Department for their cooperation and prompt response to the follow-up request.

Andrea Wilson, Senior Auditor, performed this follow-up review, under the supervision of Jack Sirak, Audit Program Manager.

BHD/ajw

Attachment

c:     Honorable Buddy Dyer, Mayor  
       Byron W. Brooks, Chief Administrative Officer  
       Cheryl J. Henry, Chief of Staff  
       Kevin J. Edmonds, General Administration Department Director  
       Rebecca W. Sutton, Chief Financial Officer  
       Conrad C. Cross, Chief Information Officer  
       Thomas Connery, Capital Improvement & Infrastructure Development Div. Mgr.  
       Worth Busbee, Public Works Fiscal Manager