



**CARSON CITY CONSOLIDATED MUNICIPALITY
NOTICE OF MEETING OF THE
CARSON CITY AUDIT COMMITTEE**

Day: Monday
Date: March 9, 2015
Time: Beginning at 1:00 p.m.
Location: Community Center, Sierra Room
851 East William Street
Carson City, Nevada

Agenda

- 1. Call to Order**
- 2. Roll Call**
- 3. Public Comments and Discussion:**

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of, the Carson City Audit Committee. In order for members of the public to participate in the Committee's consideration of an agenda item, the Committee strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.
- 4. For Possible Action: Approval of Minutes - August 12, 2014 & November 19, 2014.**
- 5. For Possible Action: Adoption of Agenda**
6. Discussion Only: Regarding audit findings from the June 30, 2014 Comprehensive Annual Financial Report (CAFR).

Summary: City staff will be discussing audit findings from the June 30, 2014 CAFR and corrective actions that have been done.
7. For Possible Action: Regarding the Audit Committee's role to review the City's Comprehensive Annual Financial Report (CAFR) and to make possible recommendations to the Board of Supervisors.

Summary: Carson City Municipal Code, Section 1: Title 2, Chapter 2.14, Section 2.14.040 states "1. The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit,..."

8. For Possible Action: Approve the Finance Review and Selection Committee’s (consisting of the City Manager, a member of the Audit Committee, and staff from the Finance Department including the Finance Director, the Deputy Finance Director and an Accounting Manager) recommendation for contract award to Eide Bailly LLP for the Carson City External Audit Function and authorize staff to prepare a Contract and Board Action Form for Board of Supervisors approval.

Summary: Carson City received sealed Statement of Qualifications (SOQ) to perform the City’s Audit function on February 6, 2015 at 11:00 a.m. The SOQ was e-mailed to Certified Public Accountants that performed Municipal Audits, published in the Nevada Appeal and posted on Carson City’s website on January 9, 2015. The SOQ’s were opened at approximately 11:10 a.m. on February 6, at 201 North Carson Street, Carson City, Nevada 89701, and sent for review by the Finance Review and Selection Committee. Final selection will be made by the Carson City Board of Supervisors and is tentatively set for Thursday, March 19, 2015.

9. For Possible Action: Discussion and possible action to discuss the Audit Work Program Update.

Summary: Staff would like to discuss and get direction from the Audit Committee regarding the Audit Work Program.

10. For Possible Action: Discussion and possible action regarding monitoring of the Audit Findings Response Tracking Report and possible direction to the internal auditor to report and discuss the monitoring with the Board of Supervisors.

Summary: Representatives from Moss Adams and city staff will discuss Audit Findings Monitoring.

11. For Possible Action: To schedule the next meeting of the Carson City Audit Committee.

12. **Public Comment** - The public is invited at this time to comment on any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under this item of the agenda.

13. For Possible Action: To Adjourn

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Agenda Management Notice - Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.
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Titles of agenda items are intended to identify specific matters. If you desire detailed information concerning any subject matter itemized within this agenda, you are encouraged to call the responsible agency or the City Manager’s Office. You are encouraged to attend this meeting and participate by commenting on any agenda item.
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Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the City Manager’s Office in writing at 201 North Carson Street, Carson City, NV, 89701, or by calling (775) 887-2100 at least 24 hours in advance.
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This meeting can be viewed on Channel 226. For specific dates and times - www.bactv.org.
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*To request a copy of the supporting materials for this meeting contact
Rachael Porcari at rporcari@carson.org or call (775) 887-2100.*
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*This agenda and backup information are available on the City’s website at www.carson.org,
and at the City Manager’s Office - City Hall, 201 N. Carson Street, Ste 2, (775) 887-2100.*

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This notice has been posted at the following locations:
Community Center 851 East William Street
Public Safety Complex 885 East Musser Street
City Hall 201 North Carson Street
Carson City Library 900 North Roop Street
Business Resource & Innovation Center (BRIC) 108 East Proctor Street

Date: March 3, 2015

CARSON CITY AUDIT COMMITTEE
Minutes of the August 12, 2014 Meeting
Page 1

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A regular meeting of the Carson City Audit Committee was scheduled for 3:00 p.m. on Tuesday, August 12, 2014 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Michael Bertrand
Vice Chairperson William Prowse
Member John Bullis
Member John McKenna
Member Mary Sanada

STAFF: Nick Providenti, Finance Department Director
Marena Works, Deputy City Manager
Joseph Ward, Senior Deputy District Attorney
Kathleen King, Chief Deputy Clerk

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the committee, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (3:00:36) - Chairperson Bertrand called the meeting to order at 3:00 p.m. Roll was called; a quorum was present.

3. PUBLIC COMMENTS AND DISCUSSION (3:00:57) - Chairperson Bertrand noted that there were no other citizens present in the meeting room.

4. POSSIBLE ACTION ON APPROVAL OF MINUTES - April 22, 2014 (3:01:05) - Chairperson Bertrand entertained a motion. **Vice Chairperson Prowse moved to approve the minutes, as presented. Member McKenna seconded the motion. Motion carried 4-0-1, Member Sanada abstaining.**

5. POSSIBLE ACTION ON ADOPTION OF AGENDA (3:02:13) - Chairperson Bertrand entertained a motion to adopt the agenda. **Vice Chairperson Prowse so moved. Member Sanada seconded the motion. Motion carried 5-0.**

6. PRESENTATION AND DISCUSSION ONLY REGARDING THE EMPLOYEE EFFICIENCY STUDY WORK PLAN THAT WAS APPROVED BY THE CARSON CITY BOARD OF SUPERVISORS ON JULY 17, 2014 (3:02:44) - Chairperson Bertrand introduced this item. Moss-Adams, LLP Planning and Policy Director Mark Steranka provided background information, and reviewed the agenda materials. He responded to questions of clarification, and discussion ensued. Chairperson Bertrand entertained additional questions or comments; however, none were forthcoming.

7. DISCUSSION AND POSSIBLE ACTION TO DISCUSS THE OVERALL AUDIT WORK PROGRAM SCHEDULE AND POSSIBLY RECOMMEND BUDGET MODIFICATIONS TO THE BOARD OF SUPERVISORS REGARDING THE JUNE 30, 2015 BUDGET TO ACCOMMODATE THE EMPLOYEE EFFICIENCY STUDY REQUESTED BY THE BOARD OF SUPERVISORS (3:18:38) - Chairperson Bertrand introduced this item, and Moss-Adams, LLP Planning and Policy Director Mark Steranka reviewed the agenda materials. Mr. Steranka and Mr. Providenti responded to questions of clarification, and extensive discussion ensued. Vice Chairperson Prowse offered a motion. **Vice**

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Chairperson Prowse moved that the Board of Supervisors authorize funding, totaling \$52,000, needed to fund the employee efficiency study, including \$20,000 from the FY2014 / 2015 audit plan; \$7,000 from the Sheriff's Office; and \$25,000 from citywide contingency resources. Member Sanada seconded the motion. Chairperson Bertrand entertained discussion on the motion and, when none was forthcoming, called for a vote.

RESULT:	Approved [5 - 0]
MOVER:	Vice Chair Bill Prowse
SECOND:	Member Mary Sanada
AYES:	Vice Chair Prowse, Members Sanada, Bullis, McKenna, Chair Bertrand
NAYS:	None
ABSENT:	None
ABSTAIN:	None

8. DISCUSSION AND POSSIBLE ACTION REGARDING MONITORING THE AUDIT FINDINGS RESPONSE TRACKING REPORT, AND POSSIBLE DIRECTION TO THE INTERNAL AUDITOR TO REPORT AND DISCUSS THE MONITORING WITH THE BOARD OF SUPERVISORS (3:36:13) - Chairperson Bertrand introduced this item, and extensive discussion took place regarding plans to implement the audit findings. Consensus of the committee was to take no formal action on this item.

9. POSSIBLE ACTION TO SCHEDULE THE NEXT MEETING OF THE CARSON CITY AUDIT COMMITTEE (3:47:36) - Chairperson Bertrand introduced this item, and Mr. Steranka referred to page 5 of the Internal Audit Program included in the agenda materials for item 7. Following discussion, consensus of the committee was to tentatively schedule the next meeting for Tuesday, November 18th.

10. PUBLIC COMMENT (3:54:56) - Chairperson Bertrand noted, for the record, there were no other citizens present in the meeting room.

11. ACTION TO ADJOURN (3:55:02) - Member Sanada moved to adjourn the meeting at 3:55 p.m. Vice Chairperson Prowse seconded the motion. Motion carried 5-0.

The Minutes of the August 12, 2014 Carson City Audit Committee meeting are so approved this _____ day of March, 2015.

MICHAEL BERTRAND, Chair

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Minutes of the November 19, 2014 Meeting

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DRAFT

A regular meeting of the Carson City Audit Committee was scheduled for 3:00 p.m. on Wednesday, November 19, 2014 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Vice Chairperson Bill Prowse
Member John Bullis
Member John McKenna

STAFF: Nick Providenti, Finance Department Director
Joseph Ward, Senior Deputy District Attorney
Kathleen King, Chief Deputy Clerk

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (2:59:38) - Vice Chairperson Prowse called the meeting to order at 2:59 p.m. Roll was called; a quorum was present. Chairperson Bertrand and Member Sanada were absent.

3. PUBLIC COMMENTS AND DISCUSSION (3:00:23) - Vice Chairperson Prowse entertained public comment; however, none was forthcoming.

4. POSSIBLE ACTION ON ADOPTION OF AGENDA (3:01:14) - Vice Chairperson Prowse entertained modifications to the agenda and, when none were forthcoming, a motion. **Member McKenna moved to adopt the agenda, as published. Member Bullis seconded the motion. Motion carried 3-0.**

5. DISCUSSION ON THE AUDIT COMMITTEE'S ROLE TO REVIEW THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT ("CAFR") WITH THE CITY'S EXTERNAL AUDITOR AND THE AUDIT COMMITTEE LIAISON, AND POSSIBLE ACTION TO MAKE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS (3:01:27) - Vice Chairperson Prowse introduced and provided background information on this item, and reviewed the agenda materials. In reference to CCMC Chapter 2.14.050(3)(c), Mr. Providenti pointed out that the Comprehensive Annual Financial Report is "Kafoury, Armstrong's report. It's not our report." He suggested that "after that report is accepted [by the Board of Supervisors], then, if there are any issues, ... we should bring the issues to you and you should accept or reject our answers to the issues and then we forward those to the Board of Supervisors." Mr. Providenti expressed objection to making the CAFR public "until the Board accepts the document. ... it's [the external auditor's] opinion of our financial statements so there's really not anything we can do or not do. ... we can't really sway them. We can't say, 'We don't believe you.' It's their opinion on our financial statements. And then if there are issues that they believe need addressing, ... I think then maybe we come back to the audit committee and say, 'This is what our plan is to deal with these issues.' Because, typically, we have to address those issues to the Department of Taxation, pursuant to the statutes, within 30 days. We have to have a plan of corrective action on all those issues that our external auditors tell us." Extensive discussion followed.

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Vice Chairperson Prowse entertained public comment; however, none was forthcoming. In response to a question, Mr. Providenti advised of clear direction. "Basically, we'll go through the process. Once we get the document at the next meeting, we'll try to agendaize something to discuss the comprehensive annual financial report with the committee and then ... we can have the discussion at that time on what you'd like to see or if you have questions on any of the numbers ..." Consensus of the committee was to take no formal action on this item.

6. DISCUSSION AND UPDATE ON THE ASSESSMENT OF INTERNAL CONTROLS (3:25:15) - Vice Chairperson Prowse introduced this item. Moss-Adams, LLP Planning and Policy Director Mark Steranka provided the update, and responded to questions of clarification. Discussion ensued, and Vice Chairperson Prowse entertained public comment. When no public comment was forthcoming, Vice Chairperson Prowse thanked Mr. Steranka for his report.

7. DISCUSSION AND UPDATE ON THE EMPLOYEE EFFICIENCY STUDY (3:32:45) - Vice Chairperson Prowse introduced this item, and Moss-Adams, LLP Planning and Policy Director Mark Steranka provided the update. Vice Chairperson Prowse entertained public comment; however, none was forthcoming. In response to a question, Mr. Steranka discussed possible effects of reconfiguration.

8. DISCUSSION REGARDING MONITORING OF THE AUDIT FINDINGS RESPONSE TRACKING REPORT AND POSSIBLE ACTION TO DIRECT THE INTERNAL AUDITOR TO REPORT ON AND DISCUSS THE MONITORING WITH THE BOARD OF SUPERVISORS (3:47:03) - Vice Chairperson Prowse introduced this item, and Moss-Adams, LLP Planning and Policy Director Mark Steranka responded to questions of clarification regarding the agenda materials. Public Works Department Director Darren Schulz introduced Public Works Operations Manager Curtis Horton and Fleet Supervisor Zach Good, and provided an overview of the presentation. Mr. Good and Mr. Schulz reviewed the implementation status of the Fleet Efficiency Study recommendations, as outlined in the agenda materials, and responded to corresponding questions of clarification. In response to a question, consensus of the committee was to request periodic status reports. In response to a question, Mr. Steranka discussed the purpose for and recommendations implemented from the Fleet Utilization Study. Vice Chairperson Prowse entertained public comment; however, none was forthcoming.

Discussion took place regarding the Community Facilities Study report which was included in the agenda materials. In response to a question, Mr. Steranka provided a status report on complaints received via the fraud, waste, and abuse hotline.

9. POSSIBLE ACTION TO SCHEDULE THE NEXT MEETING OF THE CARSON CITY AUDIT COMMITTEE (4:30:36) - Vice Chairperson Prowse introduced this item and, following discussion, consensus of the committee was to schedule the next meeting for Tuesday, February 17, 2015 at 3:00 p.m. Following additional discussion, consensus of the committee was to discuss scheduling the meetings for the remainder of 2015 at the next committee meeting.

10. PUBLIC COMMENT (4:33:45) - Vice Chairperson Prowse entertained public comment; however, none was forthcoming.

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11. ACTION TO ADJOURN (4:33:56) - Member McKenna moved to adjourn the meeting at 4:33 p.m. The motion was seconded and carried unanimously.

The Minutes of the November 19, 2014 Carson City Audit Committee meeting are so approved this _____ day of March, 2015.

WILLIAM PROWSE, Vice Chair

**Carson City Audit Committee
Agenda Report**

Date Submitted: 02/24/2015

Agenda Date Requested: 03/09/2015

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion regarding audit findings from the June 30, 2014 Comprehensive Annual Financial Report (CAFR).

Summary: City staff will be discussing audit findings from the June 30, 2014 CAFR and corrective actions that have been done.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Discussion Only)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: No action needed – for discussion only.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

A. Summary of Auditor's Results

- Kafoury, Armstrong & Co. issued an unmodified opinion on the basic financial statements of Carson City, Nevada for the year ended June 30, 2014.
- No significant deficiencies or material weaknesses were disclosed during the audit of the financial statements.
- The audit disclosed no instances of noncompliance, which were material to the financial statements of Carson City, Nevada.
- Significant deficiencies, not identified as material weaknesses, were disclosed during the audit and are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular-A-133.
- Kafoury, Armstrong & Co. issued an unmodified opinion on compliance for major federal award programs of Carson City, Nevada.
- An audit finding relative to a major federal award program for Carson City, Nevada, which is required to be reported under Section .510(a) of the OMB Circular A-133, is reported in the following pages.
- Carson City, Nevada had four major federal award programs for the year ended June 30, 2014, as follows:
 - Federal Transit Cluster – CFDA 20.507
 - Family Planning Services – CFDA 93.217
 - PPHF Capacity Building Assistance to Strengthen Public Health
Immunization Infrastructure and Performance financed in part by
Prevention and Public Health Funds – CFDA 93.539
 - National Bioterrorism Hospital Preparedness Program – CFDA 93.889
- The dollar threshold used to distinguish between Type A and Type B programs for the year ended June 30, 2014, was \$300,000.
- Carson City, Nevada qualified as a low risk auditee for the year ended June 30, 2014 under the criteria set forth in section .530 of OMB Circular A-133.

B. Findings Relating to the Financial Statement Audit Reported in Accordance with Generally Accepted Governmental Auditing Standards (GAGAS):

There were no findings relating to the financial statement audit.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

C. Findings and Questioned Costs for Major Federal Award Programs:

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 2014-001:

Federal Transit Cluster, CFDA 20.207:

Grant Award Number: Potentially affects all grant awards under CFDA 20.207 on the Schedule of Expenditures of Federal Awards.

Criteria: The OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*, compliance requirements state that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports that reflect an after-the-fact distribution of the actual activity, be prepared at least monthly, and must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards.

Condition and Context: The Carson City Public Works Department allocates salary and benefit charges to Federal programs according to hours worked each pay period using personnel activity reports (time cards). However, the employees do not consistently identify the Federal programs on their time cards.

During our testing of payroll amounts charged to this program, we examined 13 time cards of employees who work on multiple activities or Federal programs, including the Federal Transit Cluster. It was noted that five of the 13 time cards tested did not identify which Federal program the employee's time was being charged to. In addition, the time cards were not signed by the employee. Because those time cards did not identify the Federal programs the employee's time was charged to and the employee's signature was not present, the time cards did not meet the standards for documentation.

Questioned Costs: Undetermined. The potential for variances in the hours charged to the Federal program exists.

Effect: Unallowable costs could be charged to the Federal program.

Cause: Procedures were not in place at the Carson City Public Works Department to ensure that the documentation of time and effort by all employees was adequate to support salary and benefit charges to the Federal Transit Cluster.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

Recommendation: We recommend that the Carson City Public Works Department implement procedures to ensure that the documentation of time and effort by all employees is adequate to support salary and benefit charges to the Federal Transit Cluster.

Management's Response: See management's response on page 178.

CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 2014-002:

Federal Transit Cluster, CFDA 20.207:

Grant Award Number: Affects the grant award NV-90-X061-01 included under CFDA 20.507 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Circular A-133* requires that reports submitted to the Federal awarding agency include all activity of the reporting period, and are presented in accordance with program requirements. Per the SF-425 Federal Financial Report instructions, the department submitting the report should report the "amount of program income that was used to reduce the Federal share of the total project costs" in the line titled "Program Income Expended in Accordance with the Deduction Alternative."

Condition and Context: The Carson City Public Works Department submits SF-425 Federal Financial Reports (SF-425) for Federal Transit Cluster awards.

As part of our audit procedures we tested three SF-425 reports submitted during fiscal year 2014, including the SF-425 report submitted for the quarter ended March 31, 2014 for grant award NV-90-X061-01. The Carson City Public Works department did not report the amount of program income used to reduce the federal share of project costs on the aforementioned report.

Questioned Costs: None.

Effect: Incomplete information was reported to the Federal awarding agency.

Cause: Carson City Public Works Department personnel did not have adequate procedures in place to ensure that the SF-425 Federal Financial Reports for the Federal Transit Cluster submitted to the Federal awarding agency included all the required information, specifically program income.

Recommendation: We recommend the Public Works Department personnel enhance the procedures over preparation of the SF-425 Federal Financial Reports for Federal Transit Cluster to ensure the reports include all the required information prior to submission.

Management's Response: See management's response on page 178.

**PUBLIC WORKS
DEPARTMENT**

ADMINISTRATION
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

CONTRACTS
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

FLEET SERVICES
3303 Butti Way, Building 2
Carson City, NV 89701-3498
Ph: 775-887-2356
Fx: 775-887-2258

OPERATIONS
(Water, Sewer, Wastewater,
Streets, Landfill, Environmental)
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

TRANSPORTATION/
CAPITAL PROJECTS
3505 Butti Way
Carson City, NV 89701-3498
Ph: 775-887-2355
Fx: 775-887-2112

**DEVELOPMENT
SERVICES**

BUILDING and SAFETY
PERMIT CENTER
2621 Northgate Lane, Suite 6
Carson City, NV 89706-1319
Ph: 775-887-2310
Fx: 775-887-2202

DEVELOPMENT ENGINEERING
2621 Northgate Lane, Suite 54
Carson City, NV 89706-1319
Ph: 775-887-2300
Fx: 775-887-2283

PLANNING
2621 Northgate Lane, Suite 62
Carson City, NV 89706-1319
Ph: 775-887-2180
Fx: 775-887-2278

CARSON CITY NEVADA
Consolidated Municipality and State Capital



November 24, 2014

Dear Grantor Agency:

The following is a discussion of our corrective action plan in response to the findings noted by Kafoury, Armstrong and Co. in the Schedule of Findings and Questioned Costs for the year ended June 30, 2014

U.S. DEPARTMENT OF TRANSPORTATION:

Finding 2014-001:

Federal Transit Cluster, CFDA 20.207:

Criteria:

The OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*, compliance requirements state that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports that reflect an after-the-fact distribution of the actual activity, be prepared at least monthly, and must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards.

Recommendation:

We recommend that the Carson City Public Works Department implement procedures to ensure that the documentation of time and effort by all employees is adequate to support salary and benefit charges to the Federal Transit Cluster.

Management's Response:

In the future, the City will take corrective action by developing a timesheet which includes an area for the employee to sign and date the form as well as identify the federal program to which their time is being billed. These timesheets will be kept in a file for a minimum of three years.

Finding 2014-002:

Federal Transit Cluster, CFDA 20.207:

Criteria:

The *OMB Circular A-133* requires that reports submitted to the Federal awarding agency include all activity of the reporting period, and are presented in accordance with program requirements. Per the SF-425 Federal Financial Report instructions, the department submitting the report should report the "amount of program income that was used to reduce the Federal share of the total project costs" in the line titled "Program Income Expended in Accordance with the Deduction Alternative."

Recommendation:

We recommend the Public Works Department personnel enhance the procedures over preparation of the SF-425 Federal Financial Reports for Federal Transit Cluster to ensure the reports include all the required information prior to submission.

Management's Response:

In the future, the City will take corrective action by including on the FS-425 report submitted to the Federal awarding agency the amount of program income that was used to reduce the Federal share of the total project costs, effectively providing all information necessary in the report.

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

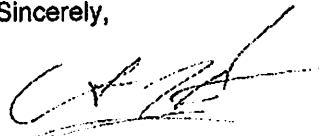
Implementation CFDA # 20.207

Graham Dollarhide
Transit Coordinator
3505 Butti Way, Carson City, NV 89701
E-mail: gdollarhide@carson.org
775-283-7583

Management Official

Patrick Pittenger
Transportation Manager
3505 Butti Way, Carson City, NV 89701
E-mail: ppittenger@carson.org
775-283-7396

Sincerely,



Curtis Horton
Acting Public Works Director

CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 2014-003:

Prevention and Public Health Fund Affordable Care Act – Immunization Program, CFDA 93.539
National Bioterrorism Hospital Preparedness Program, CFDA 93.889:

Grant Award Number: Potentially affects all grant awards under CFDA 93.539 and CFDA 93.889 on the Schedule of Expenditures of Federal Awards.

Criteria: The OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*, compliance requirements state that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having firsthand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports that reflect an after-the-fact distribution of the actual activity, be prepared at least monthly, and must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards.

Condition and Context: The City allocates salary and benefit charges to the Prevention and Public Health Fund Affordable Care Act – Immunization Program and the National Bioterrorism Hospital Preparedness Program according to percentages assigned to the employee positions. The personnel activity reports (time cards) signed by employees are exception-only reports, and by including a notation of the percent of time worked on each program on the time cards, they effectively support the amount of salary and benefit costs charged to the program.

During our testing of payroll amounts charged to the Prevention and Public Health Fund Affordable Care Act – Immunization Program, we examined 14 time cards for both employees who work solely on the program and employees who work on multiple activities or Federal programs, including the Prevention and Public Health Fund Affordable Care Act – Immunization Program. It was noted that four of the 14 time cards tested did not identify which Federal program the employee's time was charged to. In addition, three of the four aforementioned time cards were for employees who worked solely on the program. However the periodic certifications required by OMB Circular A-87 were not prepared for these employees. Because the four aforementioned time cards did not identify which Federal program the employee's time was charged to, the time cards did not meet the standards for documentation. In addition, since periodic certifications were not prepared for employees who worked solely on the program, the requirements of OMB Circular A-87 were not met.

During our testing of payroll amounts charged to the National Bioterrorism Hospital Preparedness Program, we examined 14 time cards for both employees who work solely on the program and

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

employees who work on multiple activities or Federal programs, including the National Bioterrorism Hospital Preparedness Program. It was noted that three of the 14 time cards tested did not identify which Federal program the employee's time was charged to. Because the aforementioned time cards did not identify which Federal programs the employee's time was charged to, the time cards did not meet the standards for documentation.

- Questioned Costs:* Undetermined. The potential for variances in the hours charged to the Federal program and actual hours spent working on the Federal program exists.
- Effect:* Unallowable costs could be charged to the Federal program.
- Cause:* Procedures were not in place at the City to ensure that the documentation of time and effort by all employees was adequate to support salary and benefit charges to the Prevention and Public Health Fund Affordable Care Act – Immunization Program and the National Bioterrorism Hospital Preparedness Program.
- Recommendation:* We recommend that the City implement procedures to ensure that the documentation of time and effort by all employees is adequate to support salary and benefit charges to the Prevention and Public Health Fund Affordable Care Act – Immunization Program and the National Bioterrorism Hospital Preparedness Program.
- Management's Response:* See management's response on page 185.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 2014-004:

Family Planning - Services, CFDA 93.217:

Grant Award Number: Potentially affects all grant awards under CFDA 93.217 on the Schedule of Expenditures of Federal Awards.

Criteria: The *OMB Circular A-133* requires that reports submitted to the Federal awarding agency include all activity of the reporting period, and are presented in accordance with program requirements. Per the SF-425 Federal Financial Report instructions, the transactions reported on Line 10 should be reported using cumulative amounts from the date of inception of the award through the end date of the reporting period. The instructions also state that the report should include the recipient share of actual cash disbursement or outlays including payments to sub-recipients and contractors. This amount may include the value of allowable third party in-kind contributions and recipient share of program income used to finance the non-Federal share of the project or program.

Condition and Context: The Carson City Department of Health and Human Services submits SF-425 Federal Financial Reports (SF-425) for the Family Planning – Services program.

As part of our audit procedures, we tested two SF-425 reports submitted during fiscal year 2014. During our testing of the SF-425 report submitted for grant award FPHPA096011-05-00 for the period ending March 31, 2014, we noted that the recipient share of actual cash disbursements did not agree to the underlying accounting records. In relation to testing this report, we also noted that the reports submitted for the two previous quarters did not report the cumulative amount of transactions on Line 10.

During our testing of the SF-425 report submitted for grant award FPHPA096077-01-00 for the period ended June 30, 2014, we noted that the recipient share of expenditures did not agree to the underlying accounting records.

Questioned Costs: None.

Effect: Inaccurate and incomplete information was reported to the Federal granting agency.

Cause: The Carson City Department of Health and Human Services did not have adequate procedures in place to ensure that financial amounts included in the SF-425 reports were complete and supported by the underlying accounting records.

Recommendation: We recommend the Carson City Department of Health and Human Services enhance the procedures to ensure that financial amounts included in the SF-425 reports are complete and supported by the underlying accounting records.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

Management's Response: See management's response on page 185.

**CARSON CITY, NEVADA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 2014-005:

National Bioterrorism Hospital Preparedness Program, CFDA 93.889:

Grant Award Number: Potentially affects all grant awards under CFDA 93.889 on the Schedule of Expenditures of Federal Awards.

Criteria: The OMB Circular A-133 Compliance Supplement requires that amounts claimed as matching contributions must be necessary and reasonable for the proper and efficient accomplishment of project and program objectives and are allowed under the applicable cost principles.

Condition and Context: The Carson City Department of Health and Human Services claimed as matching contributions for the National Bioterrorism Hospital Preparedness Program an allocated portion of costs recorded in the City's General Fund that included equipment repair and maintenance, vehicle repair and maintenance, vehicle fuel and oil, utility costs, fleet management costs and depreciation.

During our testing of the amounts that comprised the total matching contribution for the National Bioterrorism Hospital Preparedness Program, we noted that certain amounts were not necessary and reasonable for the proper and efficient accomplishment of the program's objectives. The program's objectives did not require the use of the City's equipment and vehicles. Therefore the allocated costs associated with these assets, including maintenance, fuel, depreciation, and fleet management costs did not constitute allowable matching contributions.

Questioned Costs: Undetermined.

Effect: Matching contributions for the program did not meet the requirements of the OMB Circular A-133 Compliance Supplement.

Cause: Procedures were not in place at the Carson City Department of Health and Human Services to ensure that the matching contributions for the National Bioterrorism Hospital Preparedness Program were comprised of amounts that were necessary and reasonable for the proper and efficient accomplishment of the program's objectives.

Recommendation: We recommend that the Carson City Department of Health and Human Services implement procedures to ensure that amounts used for matching contributions for the National Bioterrorism Hospital Preparedness Program are reviewed to ensure they are necessary and reasonable for the proper and efficient accomplishment of the program's objectives.

Management's Response: See management's response on page 185.



CARSON CITY, NEVADA
CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

November 24, 2014

Dear Grantor Agency:

The following is a discussion of our corrective action plan in response to the findings noted by Kafoury, Armstrong and Co. in the Schedule of Findings and Questioned Costs for the year ended June 30, 2014

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:

Finding 2014-003:

Prevention and Public Health Fund Affordable Care Act – Immunization Program, CFDA 93.539
National Bioterrorism Hospital Preparedness Program, CFDA 93.889:

Criteria:

The OMB Circular A-87 *Cost Principles for State, Local, and Indian Tribal Governments*, compliance requirements state that where employees are expected to work solely on a single Federal award or cost objective, charges for their salaries and wages will be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee. Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports that reflect an after-the-fact distribution of the actual activity, be prepared at least monthly, and must be signed by the employee. Budget estimates or other distribution percentages determined before the services are performed do not qualify as support for charges to Federal awards.

Recommendation:

We recommend that the City implement procedures to ensure that the documentation of time and effort by all employees is adequate to support salary and benefit charges to the Prevention and Public Health Fund Affordable Care Act – Immunization Program and the National Bioterrorism Hospital Preparedness Program.

Management's Response:

Carson City Health & Human Services will develop a procedure for documenting time and effort of employees' work, reflecting an after-the-fact distribution of the actual activity.

Carson City Health & Human Services

900 East Long Street • Carson City, Nevada 89706 • (775) 887-2190 • Hearing Impaired–Use 711

Clinic Services (775) 887-2195 Fax: (775) 887-2192	Public Health Preparedness (775) 887-2190 Fax: (775) 887-2248	Human Services (775) 887-2110 Fax: (775) 887-2539	Disease Prevention & Health Promotion (775) 887-2190 Fax: (775) 887-2248
--	---	---	---

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

Implementation CFDA # 93.539/93.889
Ana J. Jimenez
Department Business Mgr.
900 East Long St., Carson City
E-mail: ajjimenez@carson.org

Management Official
Nicola Aaker, Director, MSN, MPH, RN
Carson City Health & Human Services
900 East Long St., Carson City
E-mail: naaker@carson.org

Finding 2014-004:

Family Planning - Services, CFDA 93.217:

Criteria:

The *OMB Circular A-133* requires that reports submitted to the Federal awarding agency include all activity of the reporting period, and are presented in accordance with program requirements. Per the SF-425 Federal Financial Report instructions, the transactions reported on Line 10 should be reported using cumulative amounts from the date of inception of the award through the end date of the reporting period. The instructions also state that the report should include the recipient share of actual cash disbursement or outlays including payments to sub-recipients and contractors. This amount may include the value of allowable third party in-kind contributions and recipient share of program income used to finance the non-Federal share of the project or program.

Recommendation:

We recommend the Carson City Department of Health and Human Services enhance the procedures to ensure that financial amounts included in the SF-425 reports are complete and supported by the underlying accounting records.

Management's Response:

Carson City Health & Human Services' Grant Analyst prepares a spreadsheet documenting cumulative amounts from the grant's inception, cash disbursements and program income. The amounts will be verified to ensure that they balance with the supported actual accounting records. The Clinical Services Manager and will sign off quarterly on the SF-425 report.

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

Implementation CFDA # 93.217

Ana J. Jimenez
Department Business Mgr.
900 East Long St., Carson City
E-mail: ajimenez@carson.org
775-283-7228

Management Official

Nicola Aaker, Director, MSN, MPH, RN
Carson City Health & Human Services
900 East Long St., Carson City
E-mail: naaker@carson.org
775-283-7704

Finding 2014-005:

National Bioterrorism Hospital Preparedness Program, CFDA 93.889:

Criteria:

The OMB Circular A-133 Compliance Supplement requires that amounts claimed as matching contributions must be necessary and reasonable for the proper and efficient accomplishment of project and program objectives and are allowed under the applicable cost principles.

Recommendation:

We recommend that the Carson City Department of Health and Human Services implement procedures to ensure that amounts used for matching contributions for the National Bioterrorism Hospital Preparedness Program are reviewed to ensure they are necessary and reasonable for the proper and efficient accomplishment of the program's objectives.

Management's Response:

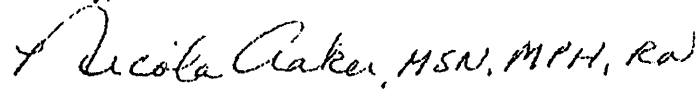
Carson City Health & Human Services will use the following General Fund categories as matching contribution; personnel, power, heating, fax/DSL line and equipment repair and maintenance costs. An allocated portion of Carson City grant employees and MRC volunteers will also be used as matching contributions.

The contact information for the person responsible for implementing the corrective action and management official responsible for ensuring that the corrective action has been taken is as follows:

Implementation CFDA # 93.889
Ana J. Jimenez
Department Business Mgr.
Carson City Health & Human Services
900 E. Long Street, Carson City
Email: ajimenez@carson.org
775-283-7228

Management Official
Nicola Aaker, Director, MSN, MPH, RN
Carson City Health & Human Services
900 East Long Streets, Carson
Email: naaker@carson.org
775-283-7704

Sincerely,



Nicola Aaker, MSN, MPH, RN
Health and Human Services Director

**CARSON CITY, NEVADA
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

D. Prior Year Findings and Questioned Costs for Major Federal Award Programs:

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT :

Finding 2013-001:

Community Development Block Grants/Entitlement Grants Cluster, CFDA 14.218:

Finding Summary: The Federal Funding Accountability and Transparency Act (FFATA) requires that direct recipients of federal awards (prime awardees) awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000. This requirement is for both mandatory and discretionary grants awarded on or after October 1, 2010.

As part of our testing, we requested to view the sub-award report data entered into the Federal Funding Accountability and Transparency Act Reporting System (FSRS). It was noted that this data had not been entered into the FSRS within the required timeline.

City program personnel represented that they were not aware of the reporting requirement and had not submitted the sub-grant information.

Auditor Recommendation: We recommended the City enhance procedures to ensure that new reporting requirements are identified and to submit information as required.

Current Status: Corrective action has been taken. The staff person assigned to this grant files FFATA reports as required.

POLICY AND PROCEDURE



Subject: Employee Time & Effort			PHAB Domain: 11.2.3	
Effective Date: 02/23/2015	Review Date: Biannually	Date of Last Revision: None – New Policy	Author: Ana Jimenez Division: Administration	Approved by: Director

POLICY STATEMENT

Carson City Health and Human Services has employees who work solely under a grant-funded program and employees who work on multiple activities under various grant-funded programs. A distribution of the employee's salary will be supported by personnel activity reported on the employee's timesheet which reflects the after-the-fact distribution of the actual activity.

PURPOSE

To comply with OMB Circular A-87: Cost Principles for State, Local and Indian Tribal Governments.

IMPLEMENTING PROCEDURES

Employees will document an after-the-fact distribution of the actual activity performed on their timesheet at the end of every pay period.

Division Managers shall notify employees in advance of any changes in activities or cost objectives so that employees can adjust their distribution accordingly.

DIVISION(S) RESPONSIBLE

Department-wide

REFERENCES:

OMB Circular A-87: Cost Principles for State, Local, and Indian Tribal Governments

POLICY AND PROCEDURE



Subject: Matching Contributions on Federal Awards			PHAB Domain: 11.2.3	
Effective Date: 2/23/2015	Review Date: Biannually	Date of Last Revision: None – New Policy	Author: Ana Jimenez Division: Administration - Fiscal	Approved by: Director

POLICY STATEMENT

OMB Circular A-133 Compliance Supplement requires that amounts claimed as matching contributions must be necessary and reasonable for the proper and efficient accomplishment of program objectives and allowable under applicable cost principles.

PURPOSE

To ensure matching contributions are allowable and in compliance with OMB Circular A-133: Audits of States, Local Governments and Non-Profit Organizations.

IMPLEMENTING PROCEDURES

The following General Fund categories will be used as matching contributions:

- Personnel (staff paid through General Funds and whose job duties support the grant's activities)
- Utilities (Power, Heating)
- Fax/DSL line
- Equipment repair and maintenance costs

DIVISION(S) RESPONSIBLE

Administration - Fiscal

REFERENCES:

OMB Circular A-133: : Audits of States, Local Governments and Non-Profit Organizations

POLICY AND PROCEDURE



Subject: Federal Financial Reporting (SF-425)			PHAB Domain: 11.2.3	
Effective Date: 2/23/2015	Review Date: Biannually	Date of Last Revision: None – New Policy	Author: Ana Jimenez Division: Administration - Fiscal	Approved by: Director

POLICY STATEMENT

OMB Circular A-133: Audits of States, Local Governments and Non-Profit Organizations requires reports be submitted to the Federal awarding agency. These reports should include all financial activity of the reporting period and are in accordance with program requirements.

PURPOSE

To ensure accurate and complete expense/revenue information to the Federal granting agency.

IMPLEMENTING PROCEDURES

A spreadsheet will be maintained documenting cumulative amounts for program expenses and program income every fiscal year, and verified with HTE reports. This spreadsheet will be attached to a copy of the Federal Financial report and filed as back-up for future reference.

DIVISION(S) RESPONSIBLE

Administration - Fiscal

REFERENCES:

OMB Circular A-133: Audits of States, Local Governments and Non-Profit Organizations

Rachael Porcari

To: Nick Providenti
Subject: RE: March 9 Audit Committee Meeting

From: Patrick Pittenger
Sent: Tuesday, February 24, 2015 7:26 PM
To: Nick Providenti
Cc: Darren Schulz
Subject: RE: March 9 Audit Committee Meeting

Nick-

Here's some text for your use regarding the Transit findings:

Finding 2014-001:

In response to the finding that Carson City was not properly documenting employee hours charged to Federal grants, adjustments have been made to the employee timesheets. Per the auditor's recommendation, timesheets for Streets employees (the only set of timesheets found to be out of compliance) now include a separate section where hours are totaled for each activity that is charged to a Federal grant. Additionally, a signature line where the employee must certify that he or she has worked the hours noted. The modified timesheets were sent to the auditor for their review and the auditor confirmed that they now meet requirements. These changes also help reinforce to the employee that they are working on a project funded with Federal funds.

Finding 2014-002:

In response to the finding that Carson City was provided incomplete information to the Federal awarding agency (Federal Transit Administration), the process for submitting the quarterly financial reports has been updated. The finding was related to a report which inadvertently did not include a single figure for quarterly revenues not being reported. The most recent Federal Financial Report submitted (due January 31, 2015) included all necessary information, as will all reports going forward. This oversight was not noted by the FTA's Region IX representative who is responsible for reviewing each report and ensuring compliance. In the past, other changes have been suggested by the Region IX representative, however, this particular issue was never mentioned.

Please tell me if you need anything further.

Patrick Pittenger, AICP, PTP
Transportation Manager, Carson City Public Works
3505 Butti Way, Carson City, NV, 89701
775-283-7396
ppittenger@carson.org



**Carson City Audit Committee
Agenda Report**

Date Submitted: 02/24/2015

Agenda Date Requested: 03/09/2015

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action regarding the Audit Committee's role to review the City's Comprehensive Annual Financial Report (CAFR) and to make possible recommendations to the Board of Supervisors.

Summary: Carson City Municipal Code, Section 1: Title 2, Chapter 2.14, Section 2.14.040 states "1. The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit,..."

City staff will be discussing with the Audit Committee their role regarding the CAFR.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Will depend on the discussion.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: N/A

Prepared By: Michael Bertrand

Reviewed By: Michael Bertrand

Date: 2/25/15

(Finance Director)

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

**Carson City Audit Committee
Agenda Report**

Date Submitted: 02/24/2015

Agenda Date Requested: 03/09/2015

To: Chair and Members

From: Nick Providenti, Finance Director

Subject Title: For Possible Action: Approve the Finance Review and Selection Committee's (consisting of the City Manager, a member of the Audit Committee, and staff from the Finance Department including the Finance Director, the Deputy Finance Director and an Accounting Manager) recommendation for contract award to Eide Bailly LLP for the Carson City External Audit Function and authorize staff to prepare a Contract and Board Action Form for Board of Supervisors approval.

Summary: Carson City received sealed Statement of Qualifications (SOQ) to perform the City's Audit function on February 6, 2015 at 11:00 a.m. The SOQ was e-mailed to Certified Public Accountants that performed Municipal Audits, published in the Nevada Appeal and posted on Carson City's website on January 9, 2015. The SOQ's were opened at approximately 11:10 a.m. on February 6, at 201 North Carson Street, Carson City, Nevada 89701, and sent for review by the Finance Review and Selection Committee. Final selection will be made by the Carson City Board of Supervisors and is tentatively set for Thursday, March 19, 2015.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

(X) Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: I move to approve the Finance Review and Selection Committee's recommendation for contract award to Eide Bailly LLP for the Carson City External Audit Function and authorize staff to prepare a Contract and Board Action Form for Board of Supervisors approval.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: Carson City Charter Sec. 3.075.

Fiscal Impact: Up to \$95,100

Explanation of Impact: External Audit Budget in various Funds

Funding Source: N/A

Alternatives: None

Supporting Material: Statement of Qualifications from Eide Bally LLP

Prepared By: Nick Providenti, Finance Director

Reviewed By: Michael Spadaro (Finance Director) **Date:** 2/25/15

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

COPY

Experience the Eide Bailly Difference



February 4, 2015

Statement of Qualifications to Provide Audit Services
SOQ 1415-122

Carson City, Nevada

Presented By:

Eide Bailly LLP

Contact Person:

Dan Carter, CPA

Partner

5441 Kietzke Lane, Suite 150

Reno, NV 89511

T 775.689.9100

F 775.689.9299

dcarter@eidebailly.com



February 4, 2015

Ms. Kim Belt
Carson City Finance Department – Purchasing and Contracts
201 N. Carson Street, Suite 3
Carson City, NV 89701

Dear Ms. Belt:

It is our great pleasure to respond to your Request for Statement of Qualifications No. SOQ 1415-122 (SOQ) to provide external audit and agreed upon procedure services to Carson City, Nevada (City), for the fiscal years ending June 30, 2015, 2016 and 2017.

We, during our tenure with Kafoury, Armstrong & Co., have been honored over the past several years to perform the audit of the City and the agreed upon procedures over the City's Municipal Solid Waste Landfill (MSWL), and have enjoyed the professional relationship. Our experience with the City has afforded us an in-depth understanding of its operations and control environment, thus providing us a greater awareness of the challenges faced with limited resources in this current economic environment.

We are confident Eide Bailly is the most qualified firm to provide the services requested, given the following:

Firm-Wide Governmental Expertise

We are confident the City will benefit from working with Eide Bailly. Our extensive government experience and knowledge positions us to be the right firm for you. Our 28 offices located in 12 states currently serve more than 550 state and local governments. Our extensive knowledge in audit and accounting is an important asset to our clients as they strive to stay abreast of the continual audit, accounting and regulatory changes; while at the same time focusing on the challenges faced in our slowly recovering economic environment.

We are confident that our people, guided by strong principles, will help transform your challenges into new possibilities. The service team we have selected for you includes experienced professionals who know the governmental industry, specifically city government.

Efficient Audit Approach Focused on Quality

We understand the importance of an efficient approach to the audit. Experienced service team members translate into a minimum of disruption to the daily operations of the City. Members of the proposed audit team for the City not only have in-depth knowledge of the unique aspects of governmental audit and accounting, but have experience on the City' prior audit engagements during their tenure with Kafoury, Armstrong & Co.

With Eide Bailly you will receive unparalleled commitment to the quality of the work product. We are members of the American Institute of Certified Public Accountants (AICPA) and the Government Audit Quality Center of the AICPA. Such memberships involve specific requirements in the form of continuing professional education, as well as, examinations of our work product by external peer review. Eide Bailly received a rating of "pass", the highest rating available, on our most recent examination (July 2011), in which several governments were selected for review.

Personal, Customized Service

As accounting professionals, we offer vital services to organizations facing an ever-changing business environment. Delivering a high level of service to clients is a priority at Eide Bailly, and therefore, our staff members realize the importance of building strong business relationships and staying abreast of current issues impacting the government industry. During your engagement, we will work closely with your management team to identify issues and provide responsive solutions that are tailored to your organization. In addition, you will experience partner involvement during all phases of the engagement, as well as throughout the year. At Eide Bailly, we make it a priority to be accessible to our clients, which includes returning phone calls and e-mails in a timely manner.

We realize other firms are knowledgeable as well; however, we believe what differentiates us is personal and attentive service from all members of our service team, including partners and senior-level staff. We know you and your staff and take the time to understand your specific challenges and opportunities. We pride ourselves on delivering honest and insightful advice beyond what is normally experienced in the public accounting industry.

We pride ourselves on being available to our clients at all times, not just during the time of the audit, to answer questions and assist with any situations that arise during the year. We appreciate the opportunity to be of assistance to the City in implementation of new standards, as we have done in the past. An example of one area we can assist in is the implementation of the new GASB pension standard that will take effect during this proposal period.

Timeliness

We will meet your deadlines. Our professionals are trained to anticipate, identify and respond to your needs in a timely manner. We believe in clear, up-front and open communication with no surprises.

Value for Fees

Eide Bailly has established a reputation of providing quality work at a fair price. Our fees are based on prior experience providing professional audit services to the City. In the event you request additional services, Eide Bailly will obtain your agreement on fees before such work would commence. In other words, there will be no hidden fees.

We Want to Work with You

The service team members have taken great pride in providing audit services to the City over the years during their tenure at Kafoury, Armstrong & Co. This pride and desire to continue providing services to the City continues with Eide Bailly. The following pages highlight our Firm's strengths and demonstrate why Eide Bailly merits serious consideration. Know that you will be a highly valued client.

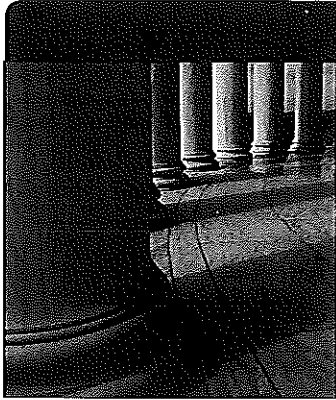
Please let the following serve as our commitment to provide the services requested in your SOQ. Dan Carter, Partner, is authorized to make representations for Eide Bailly and bind the Firm to a legal contract with Carson City, Nevada.

We welcome the opportunity to further discuss this SOQ with you.

Sincerely,



Dan Carter, CPA
Partner
Eide Bailly LLP



Eide Bailly at a Glance

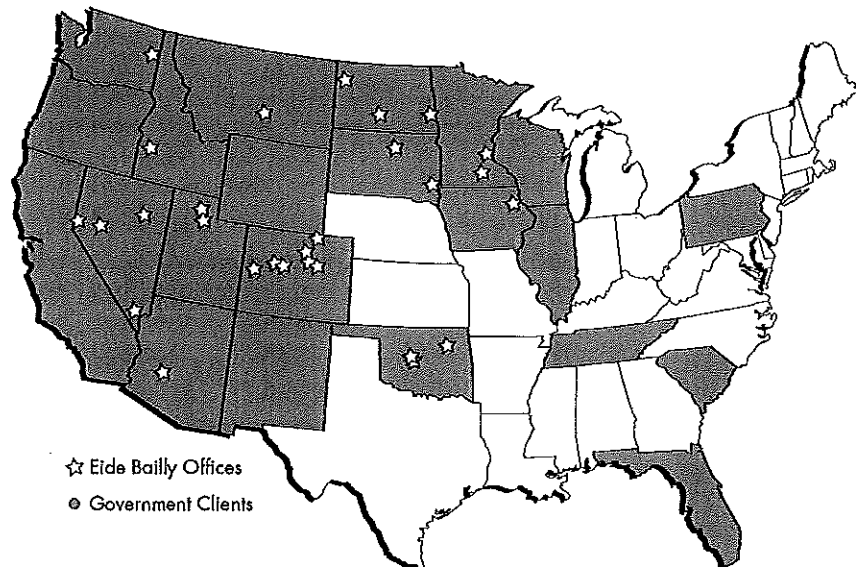
- 1,500 professionals
- 28 offices across 12 states
- 180 Governmental audit professionals Firmwide, with more than 50 located in Nevada
- Over 550 governmental clients Firmwide, with more than 50 located in Nevada.

Firm Qualifications and Experience

Eide Bailly Background

Founded in 1917, Eide Bailly is a Top 20 CPA firm in the nation, with 28 offices in 12 states and is Nevada's first regional CPA firm with offices in Reno, Las Vegas, Fallon and Elko. The City will be served from our Reno, Nevada office.

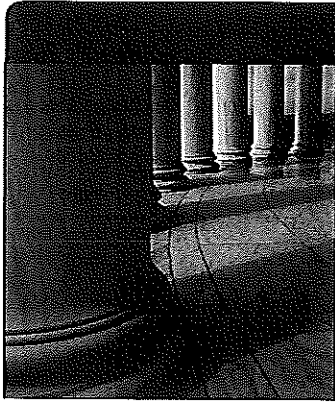
The following map identifies Eide Bailly's office locations and client locations throughout the nation.



You will find professionals at Eide Bailly who have a genuine interest in helping you achieve your goals. Our clients benefit from local, personal service and, at the same time, enjoy access to 1,500 professionals with diverse skill sets and experiences.

Governmental Experience

The governmental industry represents Eide Bailly's third largest niche area—with 550 governmental clients Firmwide. These clients include a wide variety of governments, including cities, counties, fire districts, school districts, States and state agencies, tribal entities, water districts, wastewater treatment facilities and housing authorities.



Firm Qualifications and Experience

More than 180 professionals at Eide Bailly participate in the Firm's Governmental Services Group, specializing in serving our governmental clients. Annually, these professionals perform more than 120,000 service hours for clients within the government industry. These professionals share information, learn from others and stay up-to-date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the Firm.

Single Audit Experience

Eide Bailly has experience providing single audits related to federal expenditures which ensure our clients remain compliant. Our single audits include an audit of both the financial statements and the federal awards. We also assist in the preparation of the data collection form and prepare the reporting package for submission to the federal audit clearinghouse.

Eide Bailly audits more than \$10 billion in federal expenditures, which provides us with extensive experience in single audits. Paired with our many years of experience, we are qualified to effectively work with the City to ensure that federal requirements are met. In addition, Eide Bailly participates semi-annually in the Single Audit Roundtable, which is a meeting of federal single audit coordinators and public accountants to discuss issues related to auditing federal dollars. We are involved first-hand as new items are discussed and clarifications are provided for different areas.

Reno Office Experience

The Reno office of Eide Bailly will have primary responsibility for providing audit services to the City. Professionals in the Reno office, during their tenure with Kafoury, Armstrong & Co., have been performing audits in Nevada for many years, and in the Reno office, governmental audit is our largest niche area. Following is a list of current or recent (within the last three years) Nevada local governments served by our Firm that are similar in nature to the City. We have put an asterisk next to those clients for which we performed the financial statement review for Certificate of Achievement purposes. We would be more than happy to provide the City with a comprehensive list of Firm governmental clients, should the City have an interest.

- Carson City*
- Churchill County*
- Clark County*
- Douglas County
- Elko County
- Eureka County
- Pershing County
- Washoe County*
- City of Carlin
- City of Elko
- City of Fernley
- City of Fallon*
- City of Las Vegas*
- City of Lovelock
- City of Sparks*



Engagement Team

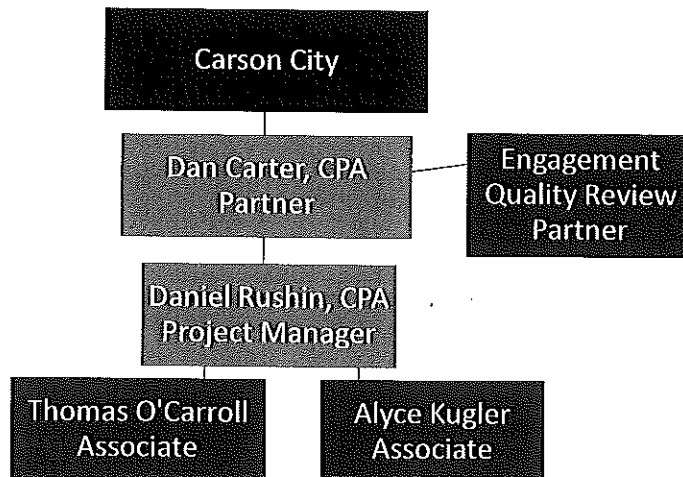
In selecting our proposed engagement team, we focused on two primary factors: technical expertise and balanced hours. Significant upper level involvement is one of the key features in our audit plan, as well, as an engagement team with prior experience auditing the City.

Listed below are the personnel we plan to utilize on this engagement. Those identified as CPAs are all licensed to practice as certified public accountants in Nevada. If the need arises to replace a team member (i.e. due to unforeseen circumstances such as staff resignation), given the depth and breadth of our staff experienced in governmental audit and accounting, we can commit that the replacement will be at least as qualified as the team member they are replacing.

Service Team Members

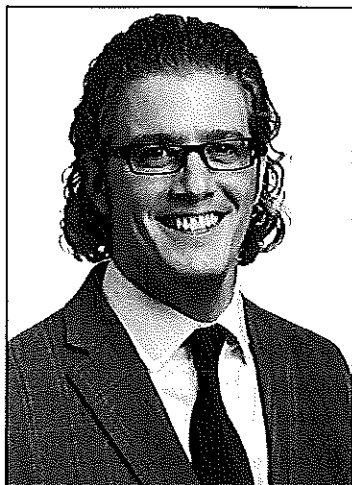
Dan Carter, CPA will lead the team and serve as Engagement Partner and if awarded this engagement, will serve as your primary contact. Additional members of the service team will include Dan Rushin, Thomas O'Carroll, and Alyce Kugler. Each of these individuals has previous experience with Carson City.

It is Eide Bailly's policy to have an engagement quality review on all engagements with a single audit and/or other factors as defined by the Firm's Quality Control Document. These partners are selected by the Firm's National Director of Assurance Services from an approved listing of partners in the Firm with industry specific experience.



Engagement Team

Resumes



Dan Carter, CPA, MACC

Partner

775.689.9271 | dcarter@eidebailly.com

Knowledge and Experience

- More than 12 years of public accounting experience specializing in providing services to the governmental and gaming industries
- Member of the GFOA special review committee

Professional Memberships

- American Institute of Certified Public Accountants
- Nevada Society of Certified Public Accountants

Certifications

- Certified Public Accountant, Nevada

Education

- Master of Accountancy – University of Nevada, Reno
- Bachelor of Science, Agricultural Business – Cal Poly, San Luis Obispo

Continuing Professional Education

- Dan has approximately 120 hours of relevant continuing education over the past three years.



Daniel Rushin, CPA

Senior Manager

775.689.9270 | drushin@eidebailly.com

Knowledge and Experience

- More than 14 years of experience in public accounting, providing audit, accounting, and consulting services to clients in various industries with a focus in governmental and non-profit entities
- Extensive experience in leading and managing engagements for Nevada cities and other local and state governmental agencies

Professional Memberships

- American Institute of Certified Public Accountants
- Nevada Society of Certified Public Accountants
- Arizona Society of Certified Public Accountants

Certifications

- Certified Public Accountant, Nevada

Education

- Bachelor of Science in Business Administration (Accounting emphasis) – University of Nevada, Reno

Continuing Professional Education

- Daniel has completed 120 hours of relevant continuing education over the past three years.



Thomas O'Carroll

Associate
775.689.9286 | tocarroll@eidebailly.com

Knowledge and Experience

- Two years of public accounting experience providing audit and assurance services to local governments and employee benefit plans
- Providing financial statement auditing and compliance testing, including Single Audits required by OMB Circular A-133

Education

- Master of Accountancy – University of Nevada, Reno
- Master in Sport Management – University of San Francisco
- Bachelor of Science in Business Administration, Accounting – University of Nevada, Reno – Magna Cum Laude

Continuing Professional Education

- Thomas has 68 hours of relevant continuing education over the last two years.



Alyce Kugler

Audit Associate
775.689.9273 | akugler@eidebailly.com

Knowledge and Experience

- Two years of public accounting experience providing audit services primarily to the governmental and employee benefit plan industries
- Providing financial statement auditing and compliance testing, including Single Audits required by OMB Circular A-133

Education

- Bachelor of Science in Business Administration, Accounting – University of Nevada, Reno

Continuing Professional Education

- Alyce has 65 hours of relevant continuing education over the last two years.



We asked our clients to describe Eide Bailly...

"... invaluable to our success ... leading-edge experts ... resourceful in recommending strategies ... there for us ... treats us as a valued customer ... passionate about helping clients ... valued business advisors."

We encourage you to contact our clients so they can share their personal Eide Bailly experience with you.

References

As a top 20 CPA firm with 28 offices in 12 states, Eide Bailly is the firm of choice for 44,000 clients. We recently asked our clients what they valued most about their relationship with our Firm. Industry knowledge, attentive service, genuine advice and friendly people were just a few of the responses we received. Our clients are truly the best critics of our service. Listed below are three (3) of the Reno offices' current clients for which we provide services similar to those requested in the Request for SOQ.

Similar Engagements		
Client Name	Scope of Work	Contact
Washoe County, Nevada	Similar to Carson City, including GFOA CAFR review	Dave Stark, CPA Audit Committee Chair 775.328.1040
State of Nevada, Local Government Investment Pool	Agreed-upon Procedures, similar to the MSWL.	Tara Hagan Senior Deputy Treasurer 775.684.5753
Carson City, Nevada	See final page of this SOQ.	Nick Providenti, CPA Director of Finance 775.283.7143



Fee Quotes



Our Commitment

- Positive experience
- Partner involvement
- Frequent communication
- Timely service

We have put a great deal of analysis into our proposed fees for performing the City's audits and the agreed upon procedures over the MSWL for the fiscal years ending June 30, 2015, 2016 and 2017. We felt it prudent to review the results of our historical audits of the City, taking into consideration the financial challenges facing the City given the current economic conditions and the corresponding reduction in governmental revenues. Additionally, we considered the impact of implementing GASB No. 68 in FY15.

The fees quoted in this SOQ anticipate that there will be no significant accounting or auditing changes within the industry beyond GASB No. 68 or significant changes within the City that would impact the audits of the City and/or agreed upon procedures over the MSWL. In addition, as per the Scope of Services on page SOQ-2 to SOQ-4 of the City's Request for Statement of Qualifications, our fee quotes assume a maximum of two (2) major programs would be subject to audit under the Single Audit Act.

We believe our quoted fees reflect our commitment to provide quality service at a fair price. Our quoted fees for the requested services are as follows:

	FY15	FY16	FY17
Breakdown by Service Provided:			
City			
Basic Financial Statement Audit in accordance with <i>Government Auditing Standards</i>	\$ 104,300	\$ 102,860	\$ 102,860
Single Audit (two major programs)	11,000	11,000	11,000
CAFR certificate review	400	400	400
Assembly/print of CAFR	1,800	1,800	1,800
	<u>117,500</u>	<u>116,060</u>	<u>116,060</u>
Rate Reduction (20%)	<u>(23,500)</u>	<u>(23,212)</u>	<u>(23,212)</u>
	94,000	92,848	92,848
MSWL			
Agreed Upon Procedures	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>
Total	<u>\$ 95,100</u>	<u>\$ 93,948</u>	<u>\$ 93,948</u>

Breakdown by Personnel/Hours:

	Average Hourly Rates	JUNE 30, 2015		
		City	MSWL	Total
		Hours	Hours	Hours
Partner	\$ 225	88	2	90
Manager	180	137		137
Associates	95	736	6	742
Administrative	80	39	1	40
		<u>1,000</u>	<u>9</u>	<u>1,009</u>

Estimated Manpower

Following is a summary of our planned approach to the audit of the City for the fiscal year ending June 30, 2015. We anticipate a similar approach for fiscal years ending June 30, 2016 and 2017; however, for the year ending June 30, 2015 we anticipate additional hours given the new GASB pronouncement that will take effect in that year.

Engagement Approach	Time Frame	FY15 Hours				
		Total	Eng. Partner	Project Manager	Audit Assoc.	Admin
Entrance Conference with Management/Audit Committee	May	2	1	1		
Risk Assessment / Planning - Financial	June	72	8	16	48	
Engagement team brainstorming/assess fraud risk factors						
Update understanding of City's control environment						
Inquiries of City personnel - key controls and related walkthroughs						
Preliminary materiality thresholds established						
Tests of Controls	June	40			40	
Risk Assessment - Single Audit	July-October	14	2	8	4	
Engagement team brainstorming/assess fraud risk factors						
Major program determination from preliminary SEFA prepared by City						
Determination of direct/material compliance requirements						
Compliance Testing - Single Audit (two major programs)	October	44		4	40	
City Provide Financial Statements/Footnotes/Final SEFA	October	92	16	20	44	12
Foot/cross-foot and other testing over financial statement presentation						
Read Letter of Transmittal and Statistical Sections						
Perform procedures over management's discussion and analysis						
Update/finalize compliance testing for single audit						
Continue Risk Assessment - Financial Audit	October	30	6	8	16	
Preliminary analytical review/ read BOS meeting minutes						
Assess risk of material misstatement						
Test City's major fund determination/update materiality thresholds						
Development of Audit Programs	October	13	5	8		
Further Audit Procedures - Financial	Oct -Nov	548		8	540	
Sustantive tests over account balances/transaction classes						
Test government wide conversion/test footnote disclosures						
Perform procedures over supplementary information						
Perform CAFR Certificate Review	November	2	1	1		
Review of Audit Work/Communication with City	Oct -Nov	95	35	60		
Review of audit work (financial / Single audit) prepared by staff						
Engagement partner review / final analytical procedures						
Provide audit adjustments/corrections to FS to City, if applicable						
Provide compliance findings to City, if applicable						
Progress Meeting with Audit Committee, if needed	Oct -Nov	2	1	1		
Draft Reports	November	9	1	1	4	3
Engagement Quality Review	November	8	8			
Exit Conference with Audit Committee	December	2	1	1		
Assemble/Bind Copies of CAFR	November	24				24
Presentation to Board of Supervisors	December	3	3	-		
		<u>1,000</u>	<u>88</u>	<u>137</u>	<u>736</u>	<u>39</u>

NOTE: Completion of the MSWL agreed upon procedures is anticipated to occur during October-November of each year with issuance of our report shortly after November 30 each year.

NOTE: The proposed timeframe above is based on historical timing of the engagement; however we would anticipate our entrance conference with management to include development of the timeline for the upcoming engagement period.

Carson City Audit Committee

Agenda Report

Date Submitted: 02/24/2015

Agenda Date Requested: 03/09/2015

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action to discuss the Audit Work Program Update.

Summary: Staff would like to discuss and get direction from the Audit Committee regarding the Audit Work Program.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Specify)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Will depend on discussion and possible recommendations.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: Will depend on the motion.

Explanation of Impact: Will depend on the motion

Funding Source: Internal Audit budget

Alternatives: N/A

Supporting Material:

Prepared By: Michael Bertrand

Reviewed By: Urbel Alhata
(Finance Director)

Date: 3/2/15

Board Action Taken:

Motion: _____

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

MOSS ADAMS LLP

Date: March 9, 2015
To: Carson City Audit Committee
From: Mark Steranka
Subject: Internal Audit Status Report through February 28, 2015

Schedule Status:

- Basic Internal Auditor Services: Ongoing.
- Internal Controls Review: Deliver report at next Audit Committee meeting.
- Strategic Planning (Metrics Development Phase 2): Target April for Board of Supervisors (BOS) adoption of the strategic plan.
- FWA Program Coordination: Ongoing.
- Employee Efficiency Study: Completed.

Budget Status:

- Basic Internal Auditor Services: Expended \$8,240.97 of \$10,000 budget.
- Internal Controls Review: Expended \$37,617.10 of \$40,000 budget.
- Strategic Planning (Metrics Development Phase 2): Expended \$27,603.26 of \$30,000 budget.
- FWA Program Coordination: Expended \$0.00 of \$10,000 budget.
- Employee Efficiency Study: Expended \$51,999.43 of \$52,000 budget.

Activities for this Reporting Period:

- Basic Internal Auditor Services: Attended Audit Committee, Board of Supervisor, and management team meetings. Continued to maintain Audit Findings Summary Report.
- Internal Controls Review: Prepared draft report and submitted it to management for review.
- Strategic Planning (Metrics Development Phase 2): Worked with the management team and BOS to develop draft strategic plan components (mission, vision, goals, objectives, and strategies). BOS approved draft materials to be shared for public comment.
- FWA Program Coordination: Received and forwarded various hotline reports to appropriate City personnel that did not require FWA activity.
- Employee Efficiency Study: The final report was adopted by the BOS on December 4, 2014.



Activities for the Next Reporting Period:

- Basic Internal Auditor Services: Continue to attend meetings and maintain Audit Findings Summary Report.
- Internal Controls Review: Finalize the report based on feedback from management, and present it to the Audit Committee and BOS.
- Strategic Planning (Metrics Development Phase 2): Work with the management team to make information available to the public, and seek public feedback through direct outreach, a survey instrument, and open houses. Develop performance metrics.
- FWA Program Coordination: Provide webinar training to City personnel and increase program awareness.

Issues:

- none

Carson City Audit Committee

Agenda Report

Date Submitted: 02/24/2015

Agenda Date Requested: 03/09/2015

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action regarding monitoring of the Audit Findings Response Tracking Report and possible direction to the internal auditor to report and discuss the monitoring with the Board of Supervisors.

Summary: Representatives from Moss Adams and city staff will discuss Audit Findings Monitoring.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Will depend on the discussion.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Internal Audit Findings Response Tracking Report

Prepared By: Nick Providenti, Finance Director

Reviewed By: 
(Finance Director)

Date: 2/25/15

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

Carson City - Audit Findings Tracking Summary Report (revised 03-01-15)

Report Name	Report Submittal	BOS Approval	Plan to Implement	Reporting Entity	Report Findings	Response Findings	Completed Findings	Costs to Implement	Potential Savings	Actual Savings
Community Facility Cost Recovery Study	11/28/2012	1/17/2013		City Auditor	15		1		\$30,000	
Community Facility Cost Recovery Study Eagle Valley Golf Course	10/3/2012			City Auditor	10		4		\$50,000	\$101,605
Fleet Management Efficiency Study	6/22/2013	7/18/2013	6/5/2014	City Auditor	24		4		\$174,000	
Fleet Utilization Study	1/30/2014	4/3/2014	6/5/2014	City Auditor	12		1		\$92,000	
Employee Efficiency Study	11/25/2014	12/4/2014	2/9/2015	City Auditor	27		13			
Total					88		23		\$346,000	\$101,605

Legend:

Report Submittal = date report presented to BOS

BOS Approval = date report adopted by BOS

Plan to Implement = date implementation plan presented by management to BOS

Reporting Entity = organization that prepared the report

Report Findings = number of findings in the report

Response Findings = number of findings management plans to respond to in implementation plan

Completed Findings = number of findings completed by management

Costs to Implement = any costs incurred by the City to complete findings

Potential Savings = minimum potential savings identified in the report

Actual Savings = actual savings achieved by the City by completing the findings

Carson City
Community Facility Cost Recovery Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	1/17/2013	Yes, specify direction	IV.A.1	The Carson City School District is a major user of many community facilities at no cost.	Evaluate the cost-effectiveness of School District and other Joint Use Agreements.	Parks and Recreation, City Manager's Officer	Parks and Recreation Director, City Manager	Staff has evaluated use by both parties and have found that both parties and the public receive significant value to this arrangement. Probably the greatest savings has been in the reduction of the duplication of facilities by both parties. The Joint Use Agreement has eliminated the need for the building of a school district pool, performance theater and meeting room for School Board meetings. This has been a direct savings to our mutual tax payers.			Y			
2	1/17/2013	Yes, specify direction	IV.A.2	School District reservations take precedence over paying customers.	Consider reprioritizing reservations and bookings at the Community Center and Theater to better accommodate paying customers.	Parks and Recreation	Parks and Recreation Director	There are some measures that can be employed to decrease our costs for providing the School District free use of our facilities such as the implementation of a per ticket surcharge or fee per ticket sold for some of the larger School District's productions. This has been implemented on a limited basis with success.						
3	1/17/2013	Yes, specify direction	IV.A.3	Program and facility cost recovery and discounts vary widely between Parks and Recreation activities, largely driven by Board of Supervisors resolutions.	Conduct a cost recovery and activity prioritization process with the input of the Board of Supervisors to develop an updated cost recovery model and mission for the Parks and Recreation Department.	Parks and Recreation	Parks and Recreation Director	Since there has been no direction by the Board regarding this item no action has been taken. The Parks & Recreation Department is still operating under the direction provided by the Board through the acceptance of the Parks & Recreation Master Plan that was adopted by the Board in 2006. This Master Plan identified the definition of cost recovery and approved a mission statement for the Department.						
4	1/17/2013	Yes, specify direction	IV.B.1	Most programs and activities housed at the Community Center achieve 100% or greater cost recovery.	Continue to support programs with the highest amount of cost recovery.	Parks and Recreation	Parks and Recreation Director	The Parks and Recreation Department strives to cover a minimum of 100% cost recovery as defined and stipulated by the Parks & Recreation Master Plan.						
5	1/17/2013	Yes, specify direction	IV.B.2	The Community Center receives a 56% General Fund subsidy.	Pursue opportunities to increase revenues, particularly for the Theater.	Parks and Recreation		The Parks & Recreation Department is constantly looking for ways to increase revenues for the Theater. Our ability to increase revenues is hampered by a very small staffing level that doesn't allow for effective marketing of the facility and by the Board of Supervisor's past action of giving deep discounts to non-profit use of the facility which makes up about 80% of the Theater's use.						

Carson City
Community Facility Cost Recovery Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
6	1/17/2013	Yes, specify direction	IV.B.3	Theater operations, budgeting, and planning are integrated with the Community Center.	Itemize Community Center revenues and expenditures to determine the sources and uses of funds and enable more precise budgeting.	Parks and Recreation, Finance	Parks and Recreation Director, Recreation Operations Manager, Finance Director	The Parks & Recreation Department would have to work with the Finance Department to achieve this and it may be problematic since the same staff operates the Theater, Community Center and gym.						
7	1/17/2013	Yes, specify direction	IV.B.4	Question 18 funds would be available to support Theater operations if planned capital improvements were made.	Determine how to leverage Question 18 funds to make capital improvements and unlock operations funding.	Parks and Recreation, Finance	Parks and Recreation Director, Finance Director	Revenues through the ¼ cent sales tax is still down compared to revenues of previous years going back to 2008 and before. Staff uses Q18 funds for grant matches whenever possible for leverage. Q18 funds have been used as leverage and matches for capital improvement projects at the JohnD Winters Centennial Park, the Fairgrounds, the Community Center and in other park projects.						
8	1/17/2013	Yes, specify direction	IV.B.5	The Theater does not have dedicated marketing or booking support.	Investigate the feasibility of employing a dedicated marketing and booking staff member to manage and promote Theater reservations.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	The Board of Supervisors would have to approve and fund a dedicated marketing and booking staff. The Theater has been operating with reduced staff that are an outcome of budget reduction methods employed since 2007.						
9	1/17/2013	Yes, specify direction	IV.B.6	There are currently no fundraising, sponsorship, or advertising initiatives for the Theater.	Explore opportunities for sponsorships, fundraising, and advertising for the Theater.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	As stated in Item 10, the lack of staff has made it difficult to explore opportunities for the above. The small staffing level has resulted in the Theater being passively promoted. The advent of the digital reader board will provide some assistance in this area.						
10	1/17/2013	Yes, specify direction	IV.B.7	Marketing, coordination, fundraising, maintenance, and management of the Theater are limited by City budget constraints.	Evaluate the opportunity for outsourcing management and operations of the Theater to a non-profit.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	No action has been taken in this area. There may be an opportunity to outsource the operations. A non-profit may be somewhat more immune to political influences in the operations of the facility especially in the setting of fees. However, the City would give up some control into the operations. A non-profit would still need to make money. The ability of another entity of being profitable would be compromised if the City insisted that the deep discounts afforded to use by non-profit organizations continue.						

Carson City
Community Facility Cost Recovery Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
11	1/17/2013	Yes, specify direction	IV.C.1	The Aquatic Facility receives a 50% General Fund subsidy.	Consider raising admissions fees.	Parks and Recreation	Parks and Recreation Director, Pool Manager	The City has reduced hours and services at the Aquatics Facility making it difficult to rationalize increasing fees. The existing fees are in line with other area aquatics facilities. Staff has felt that are fees are somewhat inelastic since they are in line with other facilities such as the Douglas County Aquatics Facility in Minden which is a newer and more attractive facility.						
12	1/17/2013	Yes, specify direction	IV.C.2	Recreational leisure use of the Aquatic Facility is limited.	Market the outdoor pool for recreational use during the summer.	Parks and Recreation	Parks and Recreation Director, Pool Manager	Staff strives to strike a balance in the use of the pool by lap swimmers, recreational users and competitive swim clubs. Most of the use of the outdoor pool during the summer is recreational use. Additional marketing would require an increase in the budget for this purpose.						
13	1/17/2013	Yes, specify direction	IV.C.3	The Aquatic Facility is not promoted on the Convention and Visitors Bureau website.	Collaborate with the Convention and Visitors Bureau to market the Aquatic Facility to residents and visitors.	Parks and Recreation, CVB	Parks and Recreation Director, CVB Director	The Aquatics Facility doesn't have many of the modern attractions that many newer leisure pools have such as lazy rivers, large slides, fountains, sprays and wave devices. The strongest attraction is the 50 meter pool that can host large competitive events.						
14	1/17/2013	Yes, specify direction	IV.D.1	Ice Rink advertising revenues fell 47.6% from FY 10-11 to FY 11-12.	Continue to pursue advertising and sponsorship opportunities.	Parks and Recreation	Parks and Recreation Director, Recreation Manager	Ice Rink advertising revenues did increase during the 2011-12 skating season. Staff is hoping to improve this season. Sponsorship opportunities with entities such as the Downtown Business Association and the Chamber of Commerce have been ongoing.						
15	1/17/2013	Yes, specify direction	IV.D.2	The Ice Rink is not available to rent for private events.	Explore revenue generating opportunities for renting the Ice Rink for events.	Parks and Recreation	Parks and Recreation Director, Recreation Manager	The Ice Rink is rented for special events. The Downtown Business Association and the Chamber as well as some private entities have rented the Rink for events. In addition, private and public entities are allowed to rent the warming tent for events. This has been very popular for events such as birthday parties.						

Carson City
Fleet Efficiency Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	7/18/2013	Yes, specify direction	III.A.1	The Fleet Services facility could be organized more efficiently.	Redesign the main shop to support better workflow, provide supervision, and restrict customer access to work areas.	Fleet	Fleet Manager	Fleet Services is currently in the design process for a small fleet building expansion and minor remodel of the existing facility, these changes will facilitate this recommendation.						
2	7/18/2013	Yes, specify direction	III.B.2	Fleet Services' preventive maintenance program is underdeveloped.	Schedule the preventive maintenance workload for the entire year.	Fleet	Fleet Manager	The current software does not allow for this function. Fleet Services is are evaluating new software programs and plan to proceed with the purchase of a new fleet software program that will provide us the ability to perform long range scheduling of preventive maintenance.						
3	7/18/2013	Yes, specify direction	III.B.3	The preventive maintenance checklists used by Fleet Services are too general.	Redesign preventive maintenance checklists to reflect appropriate (manufacturer) inspections that are applicable to various classes of vehicles and equipment, as well as a progressive inspection process.	Fleet	Fleet Manager	The new software program referenced above will have predesigned check lists that can also be customized to reflect any special requirements for the vehicle from the equipment manufacture.						
4	7/18/2013	Yes, specify direction	III.B.4	Most scheduled service intervals are too frequent.	Base service intervals according to vehicle manufacturer recommendations.	Fleet	Fleet Manager	Recommendation has been adopted. A new software program will also help improve the ability to track this information more efficiently in the future.			Y			
5	7/18/2013	Yes, specify direction	III.B.5	The current service request form is inadequate.	Develop a dedicated service request form that states time reported, estimated time to repair, and actual completed time.	Fleet	Fleet Manager	Functionality will be added with new software purchase. The new software has a service request form and the ability to provide estimated time to repair and also report on the actual time it took to complete the repair. Additionally, you can e-mail that estimate and the final report to the customer to improve reporting.						
6	7/18/2013	Yes, specify direction	III.B.6	Fleet Services does not have a parts person to support the needs of mechanics.	Hire a full-time Storekeeper to perform all parts-related duties.	Fleet	Fleet Manager	This position would be difficult to fund and in reality due to the small size of our shop and the streamlining of our parts operation via the remodel the mechanics will spend far less time retrieving parts than they have in the past. We feel efficiencies will certainly be gained through the remodel and expansion and the use of the new software. We suggest holding off for a year or more to determine if this is feasible or necessary.						

Carson City
Fleet Efficiency Study

Item No.	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
7	7/18/2013	Yes, specify direction	III.B.7	Parts are procured through ongoing purchase orders with several local vendors, and expenditures are expected to exceed budget by 22% this year.	Issue a request for proposals and award contracts with vendors to provide fleet parts with set prices and delivery criteria.	Fleet	Fleet Manager	Through the use of the new software we will produce an accurate parts inventory and this coupled with a year of parts use data should allow us to bid these parts with a high degree of accuracy.						
8	7/18/2013	Yes, specify direction	III.B.8	Parts tracking and inventory are manual processes.	Include parts tracking and inventory in the requirements for the planned enhanced fleet management system.	Fleet	Fleet Manager	This recommendation will be easily accommodated with the use of the new software.						
9	7/18/2013	Yes, specify direction	III.B.9	Repair services are procured on a case-by-case basis with local vendors, and expenditures are expected to exceed the budget by 66% this year.	Issue an RFP and award a contract to provide fleet repair services with local vendors with set prices, delivery criteria, and warranties.	Fleet	Fleet Manager	Fleet services is currently researching information in order to facilitate this recommendation. Several of the specific repair types could be contracted under this concept however other unique repairs will still require fleet to obtain repair quotes and go with the best price such as body damage repairs.						
10	7/18/2013	Yes, specify direction	III.B.10	Not all fuel data is being captured.	Integrate fuel data from CFN reports into the planned enhanced fleet management system in order to compute average fuel consumption (mpg) by vehicle and by class, fuel cost per mile, and average total fuel cost by class.	Fleet	Fleet Manager	The new software will allow the integration of the fuel data report directly into the program and will track average fuel consumption by vehicle and by class; fuel cost and will allow reporting of the data in several different formats.						
11	7/18/2013	Yes, specify direction	III.C.11	Mechanic staffing levels are not sufficient to support the number and type of vehicles that Fleet Services maintains.	Hire three additional mechanics, track and monitor non-wrenching hours, and establish a 70% performance productivity goal for mechanics.	Fleet	Fleet Manager	Unfortunately at this time we are unable to fund 3 additional staff, however we recognize the need for additional mechanics and we are working toward possibly adding 1 additional mechanic for bus repair. This position would be funded through the transit fund and will only be possible after the fleet expansion as we currently have no room for another mechanic within current facilities. To add more mechanics would require adding even more service bays to the facility which is not possible under current funding.						
12	7/18/2013	Yes, specify direction	III.C.12	Fleet Services operates only one shift per day.	Add a swing shift or overlapping shift to better accommodate the schedules of fleet customers.	Fleet	Fleet Manager	The current fleet facility will not accommodate the additional mechanics we would need to run an overlapping shift and changing to a swing shift for just a mechanic or two would not be efficient.						

Carson City
Fleet Efficiency Study

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13	7/18/2013	Yes, specify direction	III.C.13	The fleet management function is currently performed on a part-time basis.	Create a full-time Fleet Manager position.	Fleet	Fleet Manager	We have adjusted the responsibilities of our current fleet manager who has many years of supervisory and managerial experience in the city. He is currently enrolled in the Rocky Mountain Fleet Managers associations "Fleet Manager" certification program and we are confident that with his skills and experience and the introduction of new software we will achieve improved efficiencies in managing our fleet.			Y			
14	7/18/2013	Yes, specify direction	III.D.14	The Fleet CIP may understate the need for vehicle replacement.	Incorporate more realistic replacement intervals, as well as salvage values, auction fees, and make-ready costs, into the City's long-range replacement plan.	Fleet, Finance	Fleet Manager, Finance Director	We fully support the idea of realistic replacement intervals. We will work with finance to attempt to find funding to accommodate this recommendation.						
15	7/18/2013	Yes, specify direction	III.D.15	Vehicle replacement intervals are not optimized.	Adopt a methodology to support the replacement of vehicles and equipment based on the "optimum economic life point" of a unit.	Fleet, Finance	Fleet Manager, Finance Director	We fully support the idea of realistic replacement intervals. We will work with finance to attempt to find funding to accommodate this recommendation.						
16	7/18/2013	Yes, specify direction	III.D.16	The decision to retain a fleet unit beyond its optimal replacement point has historically been a City department decision, not the decision of Fleet Services.	Establish a vehicle/equipment replacement fund to which customers contribute to the replacement cost of their units over time.	Fleet, Finance	Fleet Manager, Finance Director	We will explore this idea and evaluate all the mechanisms of funding available to the departments. And again, we will work with finance to attempt to find funding to accommodate this recommendation.						
17	7/18/2013	Yes, specify direction	III.D.17	The City's fleet may be too large and underutilized.	Conduct a basic utilization review of the entire fleet, requiring departments to justify the need for each assignment, whether it be individually assigned or assigned as a sub-pool vehicle to the department.	Fleet	Fleet Manager	Moss Adams recently completed a utilization study that accomplished this recommendation. We will continue to evaluate utilization of each unit into the future.			Y			
18	7/18/2013	Yes, specify direction	III.E.18	The City uses two separate accounts to budget for fleet maintenance and repair and does not use a chargeback system.	Develop a comprehensive and accountable chargeback system that incorporates fleet replacement, overhead, and all operational costs.	Fleet, Finance	Fleet Manager, Finance Director	We will explore this idea and work with finance in order to account for these costs in the most efficient manner.						

Carson City
Fleet Efficiency Study

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19	7/18/2013	Yes, specify direction	III.E.19	Fleet Services' hourly rate is low, and no markups are applied to parts, fuel, or commercial repair work.	Develop shop labor rates and markups/charges by appropriately allocating labor and overhead costs, including the functions of administration/asset management, maintenance/repair, fuel, parts, and commercial repair work.	Fleet	Fleet Manager	The shop labor rate will be adjusted in accordance with the most recent data and the new software will allow a very accurate tracking of all labor and will facilitate the appropriate distribution of cost for all associated functions. This will ensure proper allocation of charges for all work performed.						
20	7/18/2013	Yes, specify direction	III.E.20	Fleet Services performs some non-fleet work for other City departments.	Discontinue the practice of performing non-fleet work for City departments.	Fleet	Fleet Manager	This is a reference to the fabrication work performed by the fleet shop. We have actually changed our practices to a degree and we are contracting with outside vendors for certain fabricating tasks, but fleet still pays for these costs. The ability of the departments to fully absorb this cost is questionable and we will work with finance to determine if costs can be transferred to the department requiring the work.			Y			
21	7/18/2013	Yes, specify direction	III.F.21	Comprehensive fleet management policies are not in place.	Establish a Vehicle and Equipment Committee to develop and oversee implementation of comprehensive administrative policies for vehicles and equipment.	Fleet	Fleet Manager	We will take this recommendation forward to the city manager.						
22	7/18/2013	Yes, specify direction	III.F.22	Regular customer feedback is solicited; however, service level agreements with customers are not in place.	Develop service level agreements between Fleet Services and each of its City department customers.	Fleet	Fleet Manager	We are planning to study the feasibility of providing variable levels of services to our customers and will explore with them their desire to enter in to such an agreement and determine if it is cost effective for the city overall.						
23	7/18/2013	Yes, specify direction	III.F.23	Fleet Services performance metrics are not currently in place.	Establish performance measures and monitor them with the goal of measuring performance against industry and shop standards.	Fleet	Fleet Manager	We support this recommendation and will move forward to begin to establish appropriate performance standards that are industry based.						
24	7/18/2013	Yes, specify direction	III.F.24	Fleet Services does not generate any reports to management or its fleet customers.	Develop monthly management reports for Public Works Department, the City Manager, and all fleet customer departments.	Fleet	Fleet Manager	The new software provides a myriad of reporting and tracking capability that will prove invaluable for providing this information.						

Carson City
Fleet Utilization Study

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1			1	Many vehicle and equipment descriptions were found to be mislabeled.	Align the City's fleet classification and description labeling system with industry best practice.	Fleet	Fleet Manager							
2			2	The City does not comprehensively track and use utilization data.	Update the utilization analysis in six months after initial recommendations have been implemented to reestablish a baseline and every two years thereafter.	Fleet	Fleet Manager							
3			3	The City does not comprehensively use breakeven analysis or mileage reimbursement analysis to determine the most economical mode of transportation.	Update guidelines and policies that support the most cost-effective means of transportation, and periodically update the cost analyses.	Fleet	Fleet Manager							
4			4	The City does not comprehensively use utilization data to management its fleet size.	Reduce and reassign the fleet based on results of the utilization analysis.	Fleet	Fleet Manager				Y			
5			5	Carson City operates a small, centralized motor pool consisting of one sedan located in the parking garage at City Hall.	Expand the central motor pool at City Hall, utilizing existing City vehicles and/or rental cars to provide access to vehicles that may be needed due to the surplus of underutilized vehicles.	Fleet	Fleet Manager							
6			6	The City does not charge a fee for the use of vehicle pool units.	Calculate rental rates to recover ownership and operational costs of all pool units.	Fleet	Fleet Manager							
7			7	City employees are not aware of all transportation options and which option is the most economical in each situation.	Train employees on guidelines and policies covering when to use a City vehicle, mileage reimbursement, or a rental vehicle.	Fleet	Fleet Manager							
8			8	The City does not leverage the State's rental car contracts.	Utilize the State of Nevada's rental car contract for rental vehicles to supplement the City pool when units are out of service due to extensive repair work or for peak needs.	Fleet	Fleet Manager							

Carson City
Fleet Utilization Study

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9			9	Fleet Services owns two vehicles that it loans to Fleet customers who have their city vehicles in for maintenance and repair work.	Expand the shop loaner pool.	Fleet	Fleet Manager							
10			10	Carson City does not operate a heavy equipment pool.	Establish a new heavy equipment pool, supplemented with rentals, to provide access to equipment that may be needed due to the surplusing of underutilized equipment, and require all requests for heavy equipment rentals to be processed and approved through a single City source.	Fleet	Fleet Manager							
11			11	The City has not established rental rates for heavy equipment.	Develop rental rates to recoup all ownership and operational costs of each unit in the heavy equipment pool.	Fleet	Fleet Manager							
12			12	Carson City's vehicle use policy does not provide specific criteria by which to justify a City vehicle to be taken home.	Revise the current vehicle take-home policy to add specific criteria relating to take-home and standby vehicle assignments. Review all vehicle take-home and current standby authorizations, and justify approvals based on the new vehicle take-home policy.	Fleet	Fleet Manager							

Carson City
Employee Efficiency Study

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1			1	Administrative and analytical positions have been significantly reduced in recent years, and managers and specialized staff are performing routine, clerical tasks.	Create a pool of administrative and analytical staff to support management, perform special projects, and fill in for vacancies.	Citywide	City Manager	The City currently has a list of part-time staff members who work intermittently to fill in during vacancies, annual leave, and special projects. Those individuals who express an interest in performing administrative/analytical tasks on an intermittent basis will be added to the list.						
2			2	All staff recruitments require at least one and sometimes multiple approvals by the Internal Finance Committee (IFC), which is impacting managers' ability to fill positions in a timely manner.	As the City's financial position recovers, scale back IFC involvement in the recruitment process.	Citywide	City Manager	The City Manager has reviewed IFC procedures and determine that the current process A) does not impose a significant burden on Department Director's ability to fill positions in a timely manner, and B) will be continued indefinitely as it provides an enterprise-level tool to control labor costs in the event revenues fall short of projections.			Closed	2/9/2015	2/9/2015	
3			3	Carson City has a high number of boards, commissions, and committees that require significant staff support.	Evaluate the necessity of each board, commission, and committee, and consider staff impacts when new governing bodies or special meetings are proposed.	Citywide	City Manager	Staff will prepare a future Board Agenda Item to seek guidance from the Board of Supervisors as to which board, committee, or commission should be eliminated.						
4			4	There is a lack of resources to address the maintenance backlog, which presents a risk to the City both in safety and cost.	Complete the City's asset inventory, develop a plan to address deferred maintenance needs, and determine associated impacts on resource requirements.	Citywide	City Manager	The City is in the process of developing our estimate of current deferred maintenance costs, as well as all its capital needs. The Directors have met and prioritized the list, which will go to the IFC and Ultimately the Board for approval. As stated in the Efficiency Report, the list is long and the dollar amounts are vast, so this will not be a quick fix, rather one that will probably take years to accomplish. The City also agrees that Energy conservation and/or ADA compliance projects could be leveraged for grant funding to address some needs and is in the process of evaluating such contracts and will be making recommendations to the Board in the coming months.						

Carson City
Employee Efficiency Study

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5			5	The City does not fully leverage technology to optimize customer service efficiency and effectiveness.	Develop an IT Strategic Plan with a focus on how to leverage technology to develop more efficient workflows, provide more cost-effective customer service, and more efficiently utilize the IFC Technology Governance Committee.	Citywide	City Manager	The IT Director has been tasked with proposing a Strategic Planning framework to the Technology Governance Committee for its review and guidance regarding next steps.						
6			6	The City lacks a document and knowledge management strategy and supporting systems.	Fully assess citywide document and knowledge management needs, and develop a comprehensive technology strategy that includes a citywide records retention policy.	Citywide	City Manager	The City Manager has moved the Business Development Manager to the City Manager's Office and has assigned him the task of developing information management policies and procedures. As the City's financial position improves, we anticipate adding additional technology to improve information management capacity.			Y	2/9/2015	2/9/2015	
7			7	The City's decentralized approach to grants management, reporting, and oversight is resulting in missed opportunities.	Coordinate grant activities across the City in order to gain efficiencies, strengthen compliance, and improve strategic pursuit of grants.	Citywide	City Manager	The City will consider a consolidated Grants Coordinator position as part of the FY 16 budget process.						
8			8	The GIS Analyst position is not being used at its highest and best use.	Utilize the recommended administrative and analytical pool located in the City Manager's Office to support the scanning needs of the Assessor's Office to facilitate more effective utilization of the GIS Analyst and technology.	Assessor	Assessor	As time permits, the GIS Analyst will continue to assist in scanning the Assessor's backlog of documents, which is not utilizing that position to the highest and best use. The Assessor's Office takes pride in the fact that we cross-train all employees. We do this due to the different demands we have throughout the years.			Closed	2/9/2015	2/9/2015	
9			9	The City Manager has a large span of control, and the Deputy City Manager's role has not yet been fully defined.	Clearly define the Deputy City Manager's role, and monitor executive span of control and workload.	CMO	City Manager	The City Manager has decided to gap this position as he determines the requirement for a Deputy City Manager.			Closed	2/9/2015	2/9/2015	
10			10	The City lacks a communications function or policy.	Assign a Public Information Officer responsibility to an existing resource, develop a media and communications policy, and train staff accordingly.	CMO	City Manager	The Business Development Manager will further develop communication strategies and procedures. In the event of an emergency, the City has trained PIOs.						

Carson City
Employee Efficiency Study

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11			11	The Clerk-Recorder's Office performs some tasks manually that could be automated.	The Clerk-Recorder should fully utilize City systems, automate processes, and ensure proper segregation of duties.	Clerk-Recorder	Clerk-Recorder	As of July 2014, the Clerk-Recorder has been complying with segregation of duties. We now have two employees, one who manages the payments and one who approves the payments. In regards to the bills, we have always used HTE for billing, but in addition, manually track purchase orders and invoices. We are working on creating an in-house electronic receipting system, similar to the one used in the marriage and elections office.						
12			12	Business development resources are not being utilized at their highest and best use.	Move the Business Development Manager and Management Assistant to the City Manager's Office and use volunteers to staff the BRIC.	Community Development	City Manager	The Business Development Manager has been moved to the City Manager's Office and is now under the direction of the City Manager for economic development projects and other initiatives. Library resources have been moved out of the BRIC, eliminating additional staffing required to monitor the resources nine hours per day. The Business License and Building Permit public counter will be moved from the second floor to the first floor for public convenience.			Y	2/9/2015	2/9/2015	
13			13	The Facilities Division is located in the Finance Department and separate from other maintenance and operations functions.	Consider alternative organizational structures for locating Facilities with other relevant functions.	Facilities	City Manager	Fleet will remain as part of the Finance Department until such time as the Deputy City Manager position is reinstated, which will enable internal service functions (Finance, HR, IT, and Fleet) to report to this position.			Closed	2/9/2015	2/9/2015	
14			14	The Procurement and Contracting function lacks the necessary capacity to meet citywide needs.	Allocate one additional FTE to the Purchasing Division of the Finance Department, and issue the updated Purchasing and Contracts Policy and Procedure.	Finance	Finance Director	Due to budgetary constraints, we do not think it is possible to add another FTE at this time. We will issue the updated Purchasing and Contracts Policy Procedure Manual to department within the month.			P	2/28/2015	2/28/2015	

Carson City
Employee Efficiency Study

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15			15	Due to resource constraints, not all activities in the Fire Department are performed in a timely manner.	Consider strategically allocating additional resources to meet the Fire Department's expanding workload.	Fire	Fire Chief	We have reviewed the current workload of management and staff and are making recommendations to the Board to A) reclassify a Battalion Chief to Deputy Chief, B) reclassify a part-time clerical position to a full-time position. When these positions are filled, we will conduct a comprehensive review of all assigned duties to ensure the correct division of assignments. We will also advance new technology into the Department.						
16			16	The Affordable Care Act (ACA) will significantly impact the business of public health clinics.	Assess the organization structure and services offered by Health and Human Services to meet community needs, funding sources and constraints, and City policy.	Health and Human Services	HHS Director	Within the next three years, an assessment of the organizational structure and services provided to the community will be conducted.			Y	2/9/2015	2/9/2015	
17			17	The City lacks succession planning strategies to address retirements and turnover.	Develop a strategy to address citywide succession planning.	Human Resources	HR Director	The City has identified the continued need for succession planning in the strategic plan, so HR will work on securing additional succession planning resources for the departments as budget allows.						
18			18	There is a lack of focus on professional development.	Increase training coordination across departments and consider providing additional professional development training to employees.	Human Resources	HR Director	There are no issues with employees obtaining the necessary continuing education credits needed for their positions or engaging in additional training that's nice to have. Adding one FTE would help to coordinate the training function across departments, but due to budgetary constraints, it is not possible to add a position at this time.			Closed	2/9/2015	2/9/2015	
19			19	The IT Department does not have an adequate staffing configuration to meet the demands of its workload.	Modify the IT staffing configuration to better align with the IT workload.	IT	IT Director	IT has reorganized, reducing managerial staff by one and increasing staff-level technician positions by two without increasing the department's salary and benefits costs.			Y	2/9/2015	2/9/2015	
20			20	The Library's organizational structure is not cost effective, because it has too many managers.	Modify the Library's organizational structure by reducing manager positions and increasing staff positions.	Library	Library Director	The Efficiency Study was introduced to the Library BOT on 12/4/14. The Board will review and vote on how to implement the study.			P	5/31/2015	5/31/2015	

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Employee Efficiency Study

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21			21	Maintenance staffing levels have decreased significantly while land acquisitions and facility needs have increased.	Consider strategically allocating additional resources to meet expanding maintenance workloads.	Parks and Recreation	P&R Director	The Parks and Recreation Department has prioritized ongoing maintenance needs through our Capital Improvement Projects requests. We have also involved the Parks and Recreation Commission in the process. Projects such as maintenance as the Aquatics Facility have been identified as possible projects that can be funded through increases in Quality of Life revenues. As revenue estimates become clearer, we will have an idea of what projects can be funded in the coming fiscal year.			Y	2/9/2015	2/9/2015	
22			22	Special events have a significant impact on the budget and workload of Parks Maintenance and Recreation staff.	Consider hiring seasonal or temporary staff to support special events to reduce overtime use and improve staff retention.	Parks and Recreation	P&R Director	Most of the work towards supporting special events and tournaments is performed by seasonal and temporary workers. However, the training of these individuals largely falls on full-time staff. We will be training our seasonal employees more intensely this spring so they can become more independent and perform more maintenance activities during tournaments.			P	4/30/2015	4/30/2015	
23			23	Staffing within the Engineering division has not kept pace with the increased workload.	Allocate additional resources to Permitting.	Public Works	PW Director	As part of the FY 16 budget process, we have submitted a request to add an engineering position to this division. Also, we have established a short-list of qualified, on-call private consultants to be available to assist City staff with peak workload demands.			Y	2/9/2015	2/9/2015	

Carson City
Employee Efficiency Study

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24			24	The physical isolation of the Communications Bureau creates a disconnect between Communications and the Administrative Office.	Create opportunities to foster team-building between Communications, Administration, and Patrol.	Sheriff's Office	Sheriff	The current physical structure of the Sheriff's Office facilitates a dispatch center (vacant shell). At construction in 2008, it was realized that the funding (estimated at \$3 million) was not available to activate the center. This obstacle remains today. As a result, staff and patrol supervision performs regular visits and division management participates in all staff level functions. As of 2014, the division has been overseen by the Undersheriff for additional connectivity. With the communication division operating in a geographically separated area of the community, this lends stability to the overall security of critical public safety resources.			Y	2/9/2015	2/9/2015	
25			25	The Operations Division may be understaffed, which results in additional overtime.	Continue to leverage volunteers while strategically addressing staffing deficiencies.	Sheriff's Office	Sheriff	Agree. Volunteer programs are running at peak efficiency and contributing over 30,000 hours per year. We will continue to leverage volunteers to the greatest extent possible.			Y	2/9/2015	2/9/2015	
26			26	Civilian correctional officers in the Detention Division could perform many of the same duties currently performed by sworn officers.	As City revenues recover, the Sheriff should hire civilian correctional officers, freeing up sworn personnel to perform operational public safety functions.	Sheriff's Office	Sheriff	Agree. As a result of the economic collapse, 10 civilian positions were lost, including several from the detention center. To date, the detention environment accounts for approximately 25% of department-wide overtime.			Y	2/9/2015	2/9/2015	
27			27	Parking enforcement is not cost effective.	The City should evaluate alternative models for parking enforcement.	Treasurer	City Manager	Agree. Options include use of volunteers from the Sheriff's Office to monitor the downtown area a few days per week or hire a part-time Parking Enforcement Officer.			P	3/31/2015	3/31/2015	