



Office of the City Auditor
Ann-Marie Hogan, City Auditor

CONSENT CALENDAR
March 27, 2001

TO: Honorable Mayor and
Members of the City Council

FROM: Ann-Marie Hogan, City Auditor

SUBJECT: Assessment of Job Training/Job Placement Programs and Community Agency
Contracts

RECOMMENDATIONS:

That Council request the City Manager to incorporate implementation of the audit recommendations during the course of the upcoming two year budget planning and agency contracting process, and report results to Council at the December 18, 2001 Council meeting.

BACKGROUND:

Attached is a copy of the City Auditor's limited scope performance measurement assessment report on Job Training/Job Placement Programs and Community Agency Contracts. This assessment was made in response to a Council Ad Hoc Audit Advisory Group's request, in accordance with the Auditor's annual 2001 audit plan.

City Department Directors and department representatives identified agencies and contracts whose scope of service was specifically for job training and/or placement. Seven community agencies and one City program were assessed.

The auditors were asked to determine how many individuals were trained or placed by the programs and how many of those placed, were still employed one year later.

We were not able to answer the specific questions of how many individuals were placed, nor of how many were employed one year later. This is because, although each community agency reports on all performance measures each month, the measures were generally of "number of contacts" rather than "number of clients". In addition, City contracts did not require follow up reporting on subsequent employment status.

The recommendations in this report were aimed at ensuring that performance measures and tracking systems used in the contracts, and in City programs, disclose more information that will help in evaluation of program effectiveness. We also recommended better tracking and

presentation of the linkage between requirements of various funding sources, including the Sewer Fund.

An audit of internal controls over financial and contract performance records and reports was not performed. Financial and service performance information obtained from the agencies was not tested for reliability. We did not include the dollarization of City staff's costs for monitoring the community agencies. For information related to City staff monitoring costs please see the Community Agency Contract Administration and Monitoring report submitted to Council July 25, 2000.

No material findings for improvements specific to the agencies' performance came to our attention. However, we noted instances where reporting requirements were not clear to many of the community agencies and should be discussed, clarified, and responded to by City staff.

Findings include:

- Inappropriate use and allocation of City sewer funds;
- Numerous monthly program status report descriptions;
- Community agencies were unclear about client contact reporting requirement;
- Reporting of multiple funding sources for Cal Works clients; and
- One year tracking of newly employed clients not required in City contracts

The City Manager has agreed with the findings in this report, and has agreed to implement all of the auditors' recommendations.

FINANCIAL IMPLICATIONS:

Not determinable at present time.

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Approved by:

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Office of the City Auditor