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**CITY-WIDE STRATEGIC PLAN
PERFORMANCE AUDIT**

JUNE 2016

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AUDIT SERVICES DEPARTMENT

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To: Audit Services Oversight Committee
From: Dr. Germaine F. Brewington, Director
Audit Services Department
Date: June 27, 2016
Re: City-Wide Strategic Plan Performance
Audit June 2016

The Department of Audit Services completed the report on the City-Wide Strategic Plan Performance Audit dated June 2016. The purpose of the audit was to validate the underlying data reported for Goals 1-5 in the City-wide Strategic Plan performance measures for the April 2016 publication.

This report presents the observations, results, and recommendations of the City-Wide Strategic Plan Performance Audit dated June 2016. City management concur with the recommendations made. Management's response to the recommendations is included with the attached report.

The Department of Audit Services appreciates the contribution of time and other resources from employees across the City, particularly employees with the Departments of Budget and Management Services, Office of the City Manager, Fire, Police, City/County Planning, Community Development, Public Works, Transportation, Neighborhood Improvement Services, Human Resources, Technology Solutions, General Services, Parks and Recreation, Finance and the Office of Economic and Workforce Development in the completion of this audit.

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BACKGROUND INFORMATION

To achieve consistent and planned results, it is essential that all organizational efforts are focused in the same direction. The strategic planning process involves City Council, the City Manager's Office, employees, citizens and other stakeholders. The organization has integrated the Strategic Plan into annual budgets, daily operations and organizational measurements in an effort to effectively and efficiently direct financial resources.

At the June 15, 2015 Council Meeting the Durham City Council adopted the fiscal year (FY) 2016 – FY 2018 Strategic Plan (hereinafter referred to as the Plan) for the City, encompassing five over-arching goals:

1. Strong and Diverse Economy
2. Safe and Secure Community
3. Thriving Livable Neighborhoods
4. Innovative and High Performing Organization
5. Stewardship of Physical and Environmental Assets

To achieve the goals of the Plan, the City has developed and continues to monitor useful data through a performance management system dashboard (Clear Point). This dashboard uses reporting software that allows residents to easily view progress made on City-wide measures and initiatives as well as to identify positive and negative trends. With this data, the City can develop strategies for improving outcomes in the areas that have been identified as goals.

The data in the performance management system dashboard is published semi-annually. Each performance measure is assigned data gatherers who collect the data. Each goal has assigned data leads who are responsible for entering the data into the dashboard. Each goal also has a goal champion who is the point of contact for initiative oversight and progress associated with all aspects of an assigned goal. The goal champions are also responsible to ensure progress is being made and milestones are met on the initiatives. In addition, a review team reviews all data before it is published.

EXECUTIVE SUMMARY

Purpose

The purpose of the audit was to validate the underlying data reported for Goals 1-5 in the City-wide Strategic Plan performance measures for the April 2016 publication.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Results in Brief

Overall data reported for performance measures for the April 2016 publication were relevant and the data sources were credible. The performance measures were also relevant for strategic planning. The Strategic Initiatives Manager should ensure that data is collected for measures that were not reported for this publication. In addition, targets should be established for measures where targets did not exist for this publication.

OBJECTIVES, SCOPE AND METHODOLOGY

Objective

The objective of the audit was to:

- Validate the underlying data reported for Goals 1-5 in the City-wide Strategic Plan performance measures.

Scope

The scope of the audit included all data reported in the dashboard publication dated April 2016 for Goal 1, Goal 2, Goal 3, Goal 4 and Goal 5.

Methodology

Audit Services Department staff performed the following procedures to accomplish the objectives of the audit. Staff:

1. Obtained and reviewed each goal Schedule Workbook;
2. Interviewed the data-gatherers and data-loaders to understand their involvement in the City-wide Strategic Plan data verification/publishing process;
3. Tested the data for all outcome and intermediate measures for Goals 1, 2, 3, 4 and 5, to determine if:
 - The data reported were accurate
 - The data reported were relevant to the performance measures
 - The sources of the data were credible
4. Determined, for performance measures that did not have data reported, if:
 - The measure was measurable
 - A process was in place to ensure data would be collected for the future periods;

During the audit, Audit Services Department staff also maintained awareness to the potential existence of fraud.

AUDIT RESULTS

Overall data reported for the April 2016 publishing of the Strategic Plan were relevant to the Performance Measures and were from credible sources. Ninety Five (95) % of the reported performance measure data were accurate.

There are a total of 95 intermediate and outcome measures for the five goals examined. Audit staff tested 81 performance measures (intermediate and outcome measures). Some of the measures (14) did not have data reported for this publication and therefore Audit Services Department staff could not test for the attributes discussed below.

	Total Measures	Number of Measures Reported and Tested	Measures with Accurate Data Reported	Data Relevant to Performance Measures	Credible Data Source
Goal 1	14	13	100%	100%	100%
Goal 2	18	16	88%	100%	100%
Goal 3	20	20	100%	95%	100%
Goal 4	28	19	100%	95%	100%
Goal 5	15	13	85%	92%	92%
Overall	95	81	95%	96%	99%

Data reported should be accurate since users rely on the data to make decisions. Approximately 4 measures tested did not report accurate data. These measures were:

1. *Goal 2: Percent of EMS/Rescue/Fire Response Emergency Calls with Response Time Standards Met*
2. *Goal 2: Number of Participants in Community Crime Prevention Initiatives and Activities*
3. *Goal 5: Tree Canopy Coverage (Percent of Community Land Protected by the Coverage of Trees)*

4. *Goal 5: Pavement Condition Rating*

Data reported should also be relevant to the measure since users rely on the data to make decisions. The following measures were noted where the data was not relevant.

1. *Goal 5: Tree Canopy Coverage (Percent of Community Land Protected by the coverage of trees)*

The data reflected on the strategic plan dashboard was from 2012.

2. *Goal 3: Number of Long-Term and Dedicated Affordable Rental Units Created Annually*

The data reported included housing units that were rehabilitated and not created. Since the measure is attempting to capture units created, rehabilitated properties should not be considered in the count. The measure should be reviewed to determine if the intent was to capture both rehabilitated as well as newly created units.

3. *Goal 4: Percent of Durham One Call Complaints that are Resolved Within the Set Benchmarks*

The data reported— captured the number of open complaints within the set benchmarks instead of the number of complaints resolved within the set benchmarks.

AUDIT RESULTS

Data gatherers obtained data from credible sources and analyzed the data in order to report numbers relevant to each measure. In some cases they did not document their methodology or maintain the supporting documentation. Reporting inaccurate data or data that cannot be substantiated for performance measures reduces the effectiveness of the Strategic Plan as a decision making tool.

Six measures tested did not have established targets. These targets should be established so users can understand whether City staff are meeting set expectations for these measures.

Fourteen of the performance measures did not have data reported for this publication (April, 2016). The measures were measurable and data is being accumulated or processes are being established to accumulate data for the future

Performance measures included in the Plan should be measurable. There were a total of 95 intermediate and outcome measures for the five goals. Approximately 14 of the 95 measures did not have data reported for this publishing. All of these 14 measures that were not reported were measurable. Even though data is not reported currently, City staff are either:

- a) Accumulating the data and will report data at the end of FY 2016; or
- b) Establishing processes to accumulate this data.

The Strategic Plan dashboard adequately explains the reasons for not reporting the data for these measures.

Conclusion

Overall data reported for performance measures for the April 2016 publication were relevant and the data sources were credible. The performance measures were also relevant for strategic planning. The Strategic Initiatives Manager should ensure that data is collected for measures that were not reported for this publication. In addition, targets should be established for measures where targets did not exist for this publication.

RECOMMENDATIONS

Recommendation 1

The Budget and Management Services Department staff in conjunction with the Goal Champions should ensure that data is collected for measures that were not reported this publication. In addition, targets should be established for measures where targets did not exist for this publication.

Recommendation 2

The Budget and Management Services Department staff should review the discrepancies identified during the audit and take the appropriate actions going forward. These discrepancies pertain to:

- Measures that did not have relevant and credible data; and
- Measures that had inaccurate data

Recommendation 3

The Budget and Management Services Department staff should continue to ensure that the information reported is accurate. In addition, they should require data gathers to maintain the supporting documentation that was used and document their methodology to generate the numbers.

MANAGEMENT'S RESPONSE

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Memo to: Dr. Germaine F. Brewington, Director of Audit Services
From: Wanda Page, Deputy City Manager
Date: June 22, 2016
Subject: Management's Response
City-Wide Strategic Plan Performance Audit, June 2016

The following is the management response to the City-Wide Strategic Plan Performance Audit dated June, 2016.

Recommendation 1:

The Budget and Management Services Department staff in conjunction with the Goal Champions should ensure that data is collected for measures that were not reported in this publication. In addition, targets should be established for measures where targets did not exist for this publication.

Management's Response:

We concur. Management is in full agreement with the recommendation. Goal Champions and the Strategic Initiatives Manager will continue to work with Data Collectors to ensure that data is collected for measures that were not reported in this publication. In addition, targets will be finalized for all measures.

Implementation Date:

Targets will be developed during the summer and published as part of the next performance measurement update which will be uploaded to the performance measurement dashboard in October, 2016. The date data will be published for measures that were not reported depends on whether they are calendar year (CY) or fiscal year (FY). If the measures are FY they will be included in the next publish in October, 2016. If the measures are CY they will be reported in April, 2017.



Recommendation 2:

The Budget and Management Services Department staff should review the discrepancies identified during the audit and take the appropriate actions going forward. These discrepancies pertain to:

- Measures that did not have relevant and credible data; and
- Measures that had inaccurate data

Management's Response:

We concur. Management is in full agreement with the recommendation. Goal Champions and the Strategic Initiatives Manager will assess the measures that had data that was not relevant or accurate. Goal Champions will work with their teams during the next month to correct the four measures that had inaccurate data and the three that were not relevant.

Implementation Date:

During the next month Goal Champions will work with their teams to correct the above measures. Once the Goal Champions work is complete the Strategic Initiatives Manager will coordinate with Technology Services staff to update the performance dashboard.

Recommendation 3

The Budget and Management Services Department staff should continue to ensure that the information reported is accurate. In addition, they should require data gathers to maintain the supporting documentation that was used and document their methodology to generate the numbers.

Management's Response:

We concur. Management is in full agreement with the recommendation. The Goal Champions and Strategic Initiatives Manager will continue to ensure that information reported is accurate and that data collectors are saving source documentation. A methodology form will be added in the performance management system where data collectors outline how each individual measure is generated.

Implementation Date:

During FY 2017, a methodology section will be added into the performance management system. Budget and Management Services Department staff will provide guidance on what to include as part of the methodology section. If the measures are FY the methodology will be added during the next publish in October, 2016. If the measures are CY the methodology will be added in April, 2017.