

Audit and Finance Committee Meeting Transcript – 9/28/2016

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>> Tovo: Good morning. I'm mayor pro tem Kathie tovo. I chair this committee. It is 9:12 and I would like to call it to order. We're going to start with citizen communications, but I don't believe we have Sitzman citizens signed up. Am I correct in that assumption? Super. Then we're going to start with our external audit. Welcome. >> Good morning, mayor pro tem and councilmembers. I'm Richard shield, deputy controller for the city of Austin here with Tracy Cooley and the city's external auditors to present the results of the 2015 single year audit. The single audit was performed -- audits of states, local governments and the state of Texas uniform branch management standards. In relation to the grants the city received from the federal government and the state of Texas. The criteria differ from the criteria used for the financial statement audits. Issues that may not affect the financial statements can become findings for the single audits. I would like to start with thank you to the mayor and councilmembers for the city's continued goal of excellence in all aspects of city manager and the staff for their many hours given towards production of this receipt and to deloitte for the professional and thorough manner they conducted this audit. The controller's office does not review grant requirements or grant submissions. Each department manages and is responsible for their grants and their grant processes.

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Representatives from the departments with findings in this presentation have been asked to attend today's meeting should you have any further questions regarding their plans of action. Deloitte will present the single audit results. Following their presentation I'll provide a brief response from management. >> Good morning, Tracy Cooley and I am managing director for the city of Austin engagement. And with me is Blaker Rogers, senior manager on the engagement. And as Richard indicated, we're here to present the results of two audits that we've done. We actually issued these earlier this year in June. The first audit that we were going to talk about is the single audit report. And as Richard alluded to, this is not a financial audit in nature. This is more compliance. The city receives numerous federal grants and state grants and as part of the requirements of receiving those funds there's a single audit that needs to be conducted. We don't look at every grant the city receives, we do a sampling and look at the particular compliance requirements for those grants and see if the city was two pieces, see if the city had controls in place to ensure it was not in material noncompliance. We issued an unmodified or a clean opinion on compliance. We did have some findings that Blaker is going to talk to you in a bit. Nothing from a material weakness standpoint, but we did have a few findings we wanted to bring to the committee's attention. The second report is the passenger facility charge report. This is an

annual compliance audit that we do. Any time you charge passenger facility charges the FAA requires that the compliance over how you use those funds, an audit is conducted on compliance. We've done that report this year and didn't have any findings related to that report. The city uses PFC funds to pay down airport debt.

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We had an unmodified or clean opinion on that audit as well. Both of those were issued earlier this year. Some definitions we have and I think most presentations that we have for the committee is our definitions of controls and deficiencies. It's basically the severity of the control kind of depends where you end up on the spectrum. Material weakness is basically when you think in terms of compliance audit is that the controls were not going to prevent a material noncompliance from occurring. We didn't have that level of noncompliance as far as controls related to material weaknesses. We did have that middle bucket, significant deficiency. This is a combination that aren't as material as severe but something we wanted to bring to the committee's attention. I'll turn it over to Blaker and we can go through the findings and these are based on compliance requirements. >> This first slide has those that we consider to be significant deficiencies in control and noncompliance. There were four findings in this area. The first was around Davis bacon for two different programs. Davis bacon is a law that requires the city to monitor construction contractors and what they are paying -- they are paying the appropriate labor rates. They have to submitted certified payrolls and the city reviews those to ensure the vendor is in compliance. In a couple of cases, we have one case where the city had made repeated attempts to get the vendor certification and was unable to get that from the vendor. In the other case the city had made some changes, positive changes in obtaining those certifications and there was confusion in some of the manual documents were not retained. The second two findings relate to the same -- kind of a similar issue so I wanted to talk about them together. These are the only two that

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repeated from last year. We noted last year that there were some accounts that were required to be maintained, bank accounts, and those were required to be reported to the grants on a monthly basis. In this case that was noted and the finding was written last year in about June of last year and the city immediately took action to correct it. Unfortunately that correction happened in July of 2015 so we had already made it most of the way through the fiscal year before the city had a chance to correct it so we had to repeat the findings but they did correct as soon as they could going forward, it was accurate and done correctly. The city matches this program by waiving certain fees for developers and others in developing lower income housing. And in this process some of those fee waivers we were missing some documentation around exactly what fees were waived and some of the calculations that were done were challenged. And management went back in and is relooking at that, but we did note here the matching and the reporting of that matching number to the grantor was likely not appropriate. The last finding question had on the next slide, -- we had on the next slide, sufficient deficiencies in controls. As it relates to Davis bacon monitoring those construction contractors that there was -- there wasn't enough evidence really to conclude that management had properly reviewed. The evidence was somewhat inconsistent, but we did note management did obtain all of the weekly time certifications from those vendors for all weeks selected. We didn't see consistent evidence of review of those. We did note the control design problem. As we note on the slide in big

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bold letters, management concurs with the recommendations and findings that we had and I think I'll be turning it over to Richard to lead the discussion on the responses. >> All right, so we'll walk through management's responses. >> Tovo: Let me pause there and see if anybody -- if any of the committee members have questions about the audit findings. >> Renteria: I just want to ask you a question on that. Under deficiencies, you are saying all of them were corrected from last year? I know that it was -- it took a while, you said the response was in July and not June. >> Every year we start our audit by looking at findings in the prior year and we see if those had been remediated. The only two we repeated were the two we mentioned. It was just those two and it was really related to the lateness of the audit process and having not enough adequate time to correct that for the whole fiscal year 16. >> Tovo: And the two that repeated were the latter two? >> The middle, the cash management and the reporting. It was two related to section 8. And again, it had to do with you are supposed to maintain funds in a separate bank account for some of these and last year when we noted, it just happened in the middle of the fiscal year so we had to repeat that one. The reporting was the same. >> Tovo: The first and the fourth noted on here -- >> Those are new findings this year. >> Tovo: Thank you. Any other questions before we move to management's response? Thank you. >> Thank you. All right. So on the first finding presented by deloitte, we had two departments with this finding. We had EdD which had the

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contractor noncompliance. Brake kind of walked through that problem. To remediate they are pursuing policy changes and the legal department is looking to terminate the loan agreement and immediate repayment. If the sub stand -- sub stanch I eight is not provided. Electronic time sheets were not entered as part of the transition and the hard copies were not retained unfortunately, but that process has been remediated through training of both the vendors -- the contractors, rather, and through department staff. Finding 5 and finding 6 we've just gone over. They are both the carryover issues from prior year discovered midyear because of audit timing so just repeats. And finding 7, finding 7 was a matching issue between the fee waivers that the department was using as a match against the funds. What happened was because the fees were not -- were not controlled by any CD, they were controlled by other departments, there was flux in the fees themselves. Some of them were not -- were not waived and some of them were. So now the department has changed to using paid in full only fees and they have a plan now for -- they have this plan in place. On finding 8, this was the capital contract office finding on Davis bacon. We received all the time sheets, but what we did not have in place was a unified methodology for reporting these and demonstrating that review took place of the time sheets. There is now a process in

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place to present these in a uniform fashion. And that's the end of our responses. Are there any questions? >> Tovo: Questions, colleagues? I have one. I want to go back to Edds vendor. And I see from the management response that there may be legal action pending, but I wonder what other options are available during the time -- if staff are reaching out and asking for paperwork and they are not getting it, have they already released all the funds at that point? >> EdD is here. I'll let them respond specifically. >> Kevin Johns, director of economic development. As you correctly pointed out, the -- the contractor -- we made a loan to a business and a contractor stopped reporting their Davis bacon requirements. And so we turned them in to hud, who is then been in contact with the labor department. And so at this point the hud San Antonio office is reviewing their options of whether to call the loan, call part of the loan or to disqualify the construction company from any further work with the feds. >> Tovo: Thank you

for that further explanation. So at that point, at the point where the time -- where the documentation ceased coming in, they had already been provided with the full loan so it's not -- it wasn't -- you

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weren't able to withhold funds until you received that documentation. >> That's correct. >> Tovo: Okay. Thank you. Okay. If there are no other questions, I'll accept a motion to accept the audit. >> Renteria: I'll move that we accept the audit. >> Tovo: All in favor? And that passes unanimously with vice chair troxclair off the dais. Vice chair troxclair, as many of you know, is on family leave so she will not be attending today's meeting. Let's circle around back to the minutes. Thank you all so very much for your work. Hopefully everybody has had an opportunity to review the minutes at this point. Is there a motion to accept and approve the minutes? Councilmember pool moves approval. Councilmember Renteria seconding it. All in favor? And that passes unanimously with vice chair troxclair off the dais. We have several -- what are promised to be pretty lengthy audits here today so we're going to -- we may need to move things around and postpone some things. Let's jump into number 5, the audit report for the parks and recreation department. >> We conducted this audit of resource allocation at the parks and recreation department or pard. Katie Houston was the manager, Henry was the auditor in charge and Katie will be presenting this morning. >> Thanks, Corey. Good morning, mayor pro tem and councilmembers. There's some detailed background information listed in the report and some here, but due to the packed agenda I'll move forward with the objective. Essentially it was to determine how resources are allocated for pard programs

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and maintenance and to determine if the resource allocation process results in equity from the city's district perspective. Essentially we found that pard's ability to continue providing recreation services to the public at the level expected will be very challenging. Decisions will need to be made about either curtailing services or expanding funding if we want to ensure the sustainability of the department going forward. This is due to many different factors listed here. The first is that there's pressure to provide many different programs to a large and varied customer base at a relatively low cost. There have been unmet needs that have not been funded in recent years. Many facilities that need improvement are aging and pard is under charging for programs and services. The last three are discussed in the next few slides. In recent years, unmet needs have not been funded. For example, in 2015 pard's prioritized list of unmet needs was when \$11 million, but only 8% of that was funded with half of that set aside for a specific priority project. Additionally there are many pard facilities that are aging and are in much need of repair. Pools, for example, are particularly problematic where the typical useful life is about 30 years, Austin pools average about 50 years. And pard management asserts that because they lack funding they are often unable to invest in repairs more proactively. When they get around to finally doing repairs, they are delayed, more costly, more complex. But despite the funding constraints, the department has been under charging for many of its programs and services. Here you can see a depiction of how the city subsidy system works. The programs that are greater need to the community are subsidized in part or entirely using pard revenue. It shows core services, which

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are those considered paramount to the health and lives of residents. And these are paid for really entirely using general fund revenues so the participants don't pay anything. This might be parks, trails, neighborhood pools. At the bottom of the chart you can see there's cost recovery services and these are

programs or services that are really designed to benefit just the individual users of those programs. This might be like a private tennis lesson or facility rental and there's no subsidy for those so the participants are supposed to pay for them entirely. However, pard has been charging even less than even the subsidized rate for the majority of programs. We have an example how this would work here. This is an adult indoor volleyball class and the total cost to operate this program is \$410. So the city subsidy of 30% is \$123. You would expect to charge the customer \$287, the remaining portion for that program. But in fiscal year 2014 we charged just \$220. So there was a \$67 gap we're calling a financial gap that the department had to make up for through some other means. And this would happen for every team that registers for that program every time it's offered that year. We also found that in a few instances not all after-school program attendees paid for the services they received. And many who did made late payments with no consequence. For our second finding, we found pard's -- does not provide a basis for decision making. Specifically data collection tools are ineffective, program information is not always complete and accurate, youth sports program attendance was not maintained and after-school program attendance was not tracked about 40% of the time. Even if this data were reliable, it could be aggregated in a manner you could use it for comparison

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and use it to make strategic decisions. It makes it difficult to determine true cost of services and identify inefficient cyst like program overlaps or redundancy. Lastly, resource allocation decisions are not documented or effectively communicated throughout the department. And the effect of this is that we don't have good data to make decisions. Understanding why decisions are made after the fact is very difficult. Accurate budgeting may be more difficult since we don't know the true cost of services. Fees may be set at an inappropriate rate since designed to cover the part of services and missing attendance data for the youth program specifically makes it difficult to know who's in the city's care, when and for what purpose. As mentioned, facility maintenance is often untimely. There's a chart here that shows the priority 1, which is the most emergency maintenance request through priority 4 or 5 which is more general repair-type maintenances. We were particularly concerned with the priority 1 maintenance requests which were only completed about 4% of the time on time. Again the concern was that management asserts they don't have the funding to do the general inspections and repairs on time so when they do get around to doing the maintenance it's reactive rather than preventive and then it's more costly and cumbersome, more difficult to actually address the issues. We found that the problem is worsening. Within our audit scope, the work order backlog grew almost two they've times from 388 at the end of fiscal year 13 to 940 at the end of fiscal year 15. The last part of our objective was to consider whether there's equity in service delivery. Because of I have fences in infrastructure it -- differences it prevents offering the same services in every district. They charge consistent fees for programs and by offering

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similar programming and staffing at each facility. In response we made four recommendations. The first was to implement a comprehensive system to track program information and then use that to make decisions. Secondly to initiate a policy discussion with the city manager and city council to determine an appropriate balance of services and then make adjustments to services. Ensure that registration for all fee based programs is done using the online registration system and to ensure that maintenance requests are completed timely. That concludes my presentation and I'm happy to answer any questions you have. >> Tovo: Thank you. Questions? Councilmember pool. >> Pool: I'm looking back on the page, the under charging for services that continued where you have the volleyball example. >> Uh-huh. >>

Pool: You were saying that the department doesn't have sufficient data to know how much to charge so how are they establishing -- what are the criteria? I see Ms. Mckneely joining us. Thanks for being here. I just wanted to ask the department to talk a little about who sets the cost to participate and is there a sense with the department that if we -- if we charge the full cost that our participation would drop off because people maybe wouldn't be able to afford it. >> So -- >> Tovo: Go ahead. >> Kimberly Mckneely, assistant director for parks and recreation department. The department has something called a full cost recovery work sheet. For every prom program we've gone through documenting the cost of that particular service and we did so for fiscal year 2014. And we did that after an audit that we had in 2013 as part of

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response to that audit. What we found was the fees that we were charging in some cases up to 2014 were -- were significantly lower than what a full cost recovery would -- would then require us to charge. So the department decided to put together something called a level of service guideline and philosophically we took a look at other -- other models across the country. And frankly, there were few of them, and we determined that there was a set criteria by which we would classify each of our programs and a subsidization based on where the program fit within that criteria. So the auditor's office has explained some of them were 100% subsidized like access to trails, access to recreation centers, those would be 100%. Then things for the greater good of an individual like a party or a private lesson, they would have to pay 100%. And everything else in between was subsidized a percentage based upon the criteria. And so what we found is even applying the subsidization in some cases the cost that we previously -- or sorry, the fee that we previously charged and the fee we should charge were significantly different and the fee we would be proposing would be significantly higher. So it was our intention to over the years incrementally increase that so that there was a tolerance for the increase and so that individuals who were participating in the program weren't hit with a 100% increase or 50% increase, they were hit with smaller increases over a certain number of fiscal years. And in doing that and working with the budget office each year when you are changing your fees, we talked about that tolerance level. How much can we increase over each year so individuals will continue to be able to afford

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to sign up for the programs. So it's a fine balance. There's no exact science and in some cases, you know, it would appear arbitrary, but it was based upon what did our registration look like last year, did we get more individuals coming, people are telling us it's not affordable. And knowing that it was a little bit arbitrary, we entered into a contract with a consultant called 110% that's really going to be taking a look at our costs, analyzing them even more closely than our own sub that we put together and we will have that finished this fall and will be able to make some better recommendations for fees for the following fiscal year. Undesignated contracts okay of taking our pre-work, implementing it into a better proven system, a validated system and then being able to make some more decisions about programs and what kind of return on investment we're getting and what the fee for that program should look like. >> Pool: When you looked at the different -- even though there were only a few instances where [lapse in audio] Type of activity? [Lapse in audio] Cost recovery so there are a few discounts. It's the city's philosophy [lapse in audio] Done something somewhere in the middle based upon what we think or what we've heard the values of the community are for arts, for health and wellness, for taking care of our children and for helping our seniors and individuals with disabilities. We've tried to create a scale

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at least what we thought the values were or heard the values in 2013 and 2014. It's now time to reevaluate that hence this contracted service. >> Pool: It sounds like the 110 -- what was the name of the -- >> It's 110%. It's the name of the contractor and it's the system that they've implemented and validated for data to be put into the system and then spit out information about return on investment and competitors, it compares us to competitors in the market and will help us make better decisions about costs and better decisions about programs we should continue and maybe programs we should discontinue and allow partners to run. >> Pool: It sounds like that contract is really timely and you are being proactive and having lined that up in advance of this conversation today. And I think we can dig into that more specifically using the audit findings as some directions and then we can talk in the open space committee meeting too about some things that we can do to assist the parks and rec department to get in a place I think everybody would like it to be. I wouldn't want to charge 100% to every person who uses all of our parks. I think there is tremendous value in having the public parks open, free and charge, and I look forward working with you all in working through what would be a consistent and reasonable fee for which kinds of activities. >> And I think that, as the auditor suggested, that's the comprehensive conversation that we should be having to set that policy because as a department, you know, we set a philosophy, but that might not be the philosophy that's 100% agreeable to everyone so it would be great to have that conversation and move in the direction that everybody can agree upon. >> Pool: Thanks. >> Tovo: So I think -- if I could just jump in for a second. One concern I have is that we did have that conversation after the last audit and you

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made some recommendations about which program should be subsidized at what levels and this committee in its former incarnation heard that and offered feedback. And I think what we're seeing from the auditor from this audit is that programs -- I'm looking at one of the examples and I don't know if this presented itself in the power point, programs that were proposed for a city subsidy of 50%, so that was an intentional decision that the program is going to be subsidized at a level of 50%. The actual subsidy ended up being beyond that 50%. And so I'm not clear and I think this is what the audit shows why was that a matter -- for example, youth cheerleading, the cost to operate 59%. The proposed city subsidy 50%. The fee to be charged after subsidy is \$29.50. The actual fee charged was 20. So I assume that was one that was being phased in. >> Right. Let's take cheerleading specifically. That's kind of a very specific example. Cheerleading is what we're considering a sport. So in youth sports we have football, we have soccer, we have basketball, we have volleyball, we have cheerleading. Each of those sports have a different cost recovery for that sport. You know, for example, for volleyball really all that a child would need is a t-shirt and we supply the ball. If you are going to play football -- I'm sorry, if you are going to play something like cheerleading, the investment is a skirt and a shirt, right, so the uniform cost is a little more. What we did is we took all the sports, took a look at full cost recovery and say what would be the average cost of providing this particular activity to children. So we're not trying to say whether cheerleading has less

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or more value than basketball or so Manier, we want to offer an opportunity for children to get involved in a youth sport and we want to offer it equitably so we don't want to charge more for cheerleading and make that less affordable for someone to play soccer if cheerleading will get them more active. We took the averages of all of the costs of all the sports and said, okay, for youth sports we are going to charge

this amount of money, even though cheerleading would cost \$59, when you averaged all the different sports together, the average amount of money to charge was X so we're going to charge that far all of the sports. That way a mom or dad won't have to say I'm sorry, we can't afford cheerleading even though that's what you really want to do, you are going to have to play soccer because that's something we can afford. All youth sports had the same cost or fee associated with it even if the cost of the program was a little bit more. And incrementally we should have been raising that to get Kroeger to the percentage of the -- closer to the percentage of the cost recovery. >> Tovo: I want to turn back to the auditor and say is that consistent -- is that what you were -- did you take into account that they were averaging all of the youth sports and look at it from the collective viewpoint and is that too not hitting the cost of service in the way that was predicted? >> So we looked at several different types of spread sheets that contained this information and were really unable to determine what the costs were for the various programs. There was conflicting information in different spread sheets. A lot of it is due to data reliability issues. They were indiscernible and we weren't to the point we could look at them holistically so we looked at a snapshot for certain programs and found even after the subsidy that what we're recovering from the community is not enough to really cover the costs of the service for the majority of the programs. And I know that since then

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there have been efforts to raise the fees and there's many programs that we think it would be better to raise the fees, it's just been kind of a phasing in effort like Kimberly said so as not to hit someone with a big increase all at once. Perhaps when the freeze are fully phased in, it would be -- recover the costs across the board but we couldn't determine if they were set at the right rate. >> Tovo: I see. Thank you. And I guess -- I meanwhile it's useful to have another analysis, I guess I'm concerned that the analysis which seemed to be quite thorough didn't help -- you know, the intent there, as I remember hearing the discussion, was to be very intentional about it. If we know the costs, we've made decisions about the extent we're going to subsidize it and there would be a phase-in. It seems like some part of that did not match and it's not clear whether it was the phasing piece or whether the costs weren't set correctly. Ms. Mckneely, can you help me out? >> I would agree there's some disconnect. I would say it's phasing because I feel when I look at the documentation it's very clear that we do have cost recovery sheets for our program back in 2014, so that's not to say that costs have not increased over, but we haven't redone it since 2014 since we're in this process with 11%. And I believe that we -- 110%. I believe we did not do as good a job as phasing in the costs to move them closer to the subsidization levels we had set versus, you know, not doing the work to be able to know what they cost. You know, now that we're in the -- just frankly now that we're in the process of reevaluating it and taking a look at a validated system, it

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didn't make much sense to raise the prices, do the validation and raise or lower the prices so we stayed at a steady hold I pattern which didn't help us in the audit because we weren't able to show we were steadily increasing things. >> Tovo: When did you enter into the contract with 110%? >> Last year at approximately -- I want to say approximately may -- I beg your pardon, may of 2016. >> Tovo: So around the time of the audit, I guess. >> Uh-huh. >> Tovo: Councilmember Renteria, I think you had your hand up for questions. >> Renteria: I really want to thank you for -- it's very difficult because, you know, whenever we do [inaudible] Increase the fee from the subsidy, there's always going to be someone out there that just not out there that has that income that's coming in, you know, and you run a possibility that you might leave out some of the kids that can't afford these services because I was really active in the ab Cantu rec center and I was there when they did require the fees to be paid up all at one time and

there was a lot of families that weren't able to afford to do that. Actually back then they were paying it by the month until they paid off the full price of the program. So I know that it's a real struggle there in the parks department, especially with these kind of programs. I even had my daughter that was in the cheerleader program when she was growing up and it was very difficult. I mean I could afford it, but there were some friends in her neighborhood that also required a lot of scholarships, and in east Austin we don't have the support structure that people in west Austin, the higher income that they could -- paying for these kind of service. As we go and look into this

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audit and require them to slowly increase the fees, we also need to look at the fact that there are disadvantaged youth in our neighborhood, especially concentrated on the east side. Got to be very sensitive when we look into these type of -- >> Councilmember, if I may, just to make sure you have some comfort, we do have a financial aid program and we do have a scholarship program. So as the -- even as we were in the process of incrementally raising the fees, we tried to put in structure in place to make sure it remained affordable for everyone. >> Tovo: That was the point I was going to make. I don't want to confuse the issues. When people -- when kids don't have the ability to pay, they are eligible for the scholarship program and I think that too was the product of a lot of staff and management and audit and finance approval. What we're talking about is the extent to which we're being careful to make sure that we understand the subsidies we're putting in and I think what we're seeing is the fees are not covering their costs and they are not reflective of the subsidies we agreed to put in. So I appreciate your continued work, but I want to get back to data recovery. To me these issues are all very tied. I really appreciate the work the parks department does and I want to see you continue to do it well and successfully, but if we're not -- if the data collection isn't quite there and then we can set fees appropriately and then we're -- you know, we don't have the funds we need in other areas such as maintenance and so to me these issues are all really connected and very important and as somebody who wants to preserve access throughout our city to as many -- as many families as possible, it's a real concern to me. Ms. Mcnealy, I wonder if you could talk about the data collection and what the

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management's plans are for increasing the reliability of that across your facilities. >> Sure. So part of our data collection, there's kind of two pieces. One is the actual attendance, that the auditors looked at and the second is program planning. The actual attendance, and through the audit we found out that our team is not doing a good as job as we could to track attendance. Our site staff, our team out there in the field, part of the reason they are saying that's difficult is that there's not a lot of administrative support to be able to -- to do that tracking. And so now that we're aware of that, we have a three-pronged approach in our response to this audit. One will be to purchase and we've already made that purchase to what I'm calling people trackers or attendance trackers so they will be next to the doors, as the doors come in, there will be automatic tracking that can go into a data system so we'll know exactly who is walking into the facility, be it for programming or rental or just to come in and check something out, we'll know who is walking through the door. The second part of that system is to actually do a better job of and do some training and some workshops about why it's important to attract -- to make sure that our records in our rec track and registration system are appropriate so we'll know exactly who is coming to our programs. And then the third will be the individuals will have a pass -- not at any cost, but it's sort of like having a membership, and that membership will be able to be scanned. We'll know if you are registered for a program or just coming in to use the computer lab or just walking in the door, we'll have

a three-pronged approach to better track attempted answer and that way we'll be able to make a case for more staffing or the needs of maintenance or those points of things. That's the attendance piece

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and we started that with the purchase of some software. The second part is the -- go ahead. I'm sorry. >> Tovo: May I ask a question about the software. Since some of -- how will it -- will it just count the number of people coming in or will they actually register with their name? >> Three-pronged. If you are coming in for a rental you are just coming for a birthday party you were invited to or you are coming in because you wanted to take a look at the art on the gallery wall sort of thing, but you don't normally come to that center. That will be one part of the tracking. Someone who actually uses the center on a regular basis, maybe to play pool, drop-in basketball, use the computer will register as a member, again at no cost this them, and then they will scan their pass. Somebody who actually wants to participate in a program, it's a tiered approach. You might come in for one day, you might come in everyday or you might actually be participating in a program. So we'll know the level of participation and the number of people who are coming in that tiered approach. >> Tovo: I think that will be very useful. In particular I'm interested in knowing -- one of the findings that was of concern is that in some of your outprograms that wasn't careful tracking of who had come. As a parent, I want to be sure I'm sending my children to participate in programs where they know exactly who has come and who hasn't come and if they are not there where they are. Can you address on how the new system will address that gap? >> For the after-school program, that particular program has a start and end date. The start date is whatever the day is that school begins so I think this year it was August 22nd. And the end date of that program will be the last day of school. And so what we found or what we believe to be the situation is that we print the roster in September, because if an individual signs up in September, we don't ask them

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to reregister no October, November, December because in an after-school program that's not how the market works. You don't drop out of an after-school program because there's no after-school programs that are ready to accept kids in the middle of the year. Once you sign up in September you are in the program. We believe what has been happening is that you will get a registration in September, and we know the number of children and who they are, but rather than printing the roster for October, which is essentially the same as the roster for September, the roster in October may show individuals who have not actually paid the monthly fee, which would mean they are not supposed to be in the program. So -- so our staff is in a situation where they show up in October with their roster, this is the same as September because they know who signed up for the program and they pick up all the kids, or they could show up in October with the roster of kids who actually paid for the October program knowing three of the children's parents were able to pay by the deadline and they could either leave that child sitting at the school or pick them up and take them to the after-school program and our team is choosing to take them to the after-school program. There's a misperception because once you sign up in September you are there until the end of the year unless you physically drop out. I think what the auditor was finding we were using the same roster in September, October, November, December but weren't updating to see who paid in October and November and allowing individuals to be part of the program, maybe not actually having paid for the program on time or not paying a late fee. So as a department, what we need to do is emphasize the fact that we have to help individuals understand the deadlines for payments. We have to print the rosters each month. We have to be more diligent making sure those rosters reflect payments and help individuals who are part of the program understand the deadline for payment if they

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can pay, figure out a way, either a change in policy or a payment plan to help them make sure that they are making that happen so that our records are reflective of individuals who participate in the program. Because right now our policy says if you didn't pay for the program in advance, you don't participate. But I know our team would never leave a child at a school and not take them to the after-school program. So we have a disconnect in our policy and then in what is humanistic and what's appropriate and how we treat people and we need to reconcile that. We have to correct our policy, then we have to ensure we are printing that roster every day, every month to make sure it's reflective of the children who have paid for the program and following up if they haven't. >> Tovo: Do you plan on doing this through training? >> We have a workshop scheduled for November. We have a policy team that's -- who is working right now on taking a look at what the policy says and how we can change it. And frankly we have -- we already have a policy and procedures in place that should have directed staff to do those things and they haven't. So we need to just go back and make sure folks understand the importance of that. >> Tovo: I think if we have -- if we have youth in our city and we clearly do who are -- whose parents aren't paying for that second or third month because they have inability to pay they should be accessing our scholarship program. I absolutely expect if people are signed up as paying clients they are going to pay because otherwise they are really taking those resources from other people in our community and it is important to have that followup on payment. But I want to be really clear that again, if they don't have the ability to pay we do have the scholarships that can help them out. >> And we have the ability to change our payment policy so that we could make it more incremental if that's -- you know, we can make that policy so we just need to figure out

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what's the right balance of those things so that folks have the opportunities. Have the opportunities. >> Pool: That makes me wonder, how do we fund the scholarship program? Where do those monies come from? Is that general revenue and you put a certain amount into a scholarship fund? >> The financial aid program is already recipient into our budget process, which we have already stated that there's going to be a range of fees and we will absorb the cost of that and we have set up our financial aid program in such a way that it had minimal impact on our ability to collect revenue. In fact our center has actually collected more revenue with the financial aid piece in place because more individuals were able to participate. Rather than having 12 spots of somebody paying full price open, you know, we were able to fill those 12 spots with individuals who could pay a financial aid price so we believe able to increase revenue. The scholarship program is on top of that and it's the Scott Johnson scholarship program in partnership with Austin energy and individuals can donate through their energy bill to the scholarship program and then we're allocated those funds each year, whatever the amount is. It's actually divided between the libraries, forestry and parks and recreation department scholarship program. Sometimes the -- not sometimes, it has been their practice to donate fund to go the scholarship program and we use that until it's gone. >> Tovo: Thank you. Other questions? Okay. So I need a motion to accept this audit. Councilmember pool moves acceptance. Councilmember Renteria seconds it. I find that I have one more question. That is, when are the results of the 110% study coming back is this. >> We're expecting those in October or the beginning of November. And if you take a look at our audit report as soon as we have that information we'll be acting on that and then being able to respond to you on how

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we're using that information to improve upon the recommendations that we're given. >> Tovo: Thank you. And if you would -- I would be interested in learning more about the results when they're back. So I don't know if my colleagues on the audit committee feel the same way, maybe via a memo or something along those lines. >> Absolutely. >> Tovo: Or just sending it along to us. Thank you so very much. All right. All in favor? And that's unanimous on the dais. Our next audit is number 6, an audit report of the Austin police department's handling of complaints. >> Katy Houston was the manager of this audit again so you get to hear from her again. Andrew Keegan was the auditor in charge and Katie will be presenting. >> Thanks. So the objectives of this audit were to determine if the complaint process is accessible, if complaints are processed consistently, and if appropriate corrective action is taken following complaints. So this is a graphic of kind of generally how the complaint process works, and essentially if a citizen or member of the public feels like they've had a negative interaction with an officer they can make a complaint. An officer can also make complaint if he or she witnesses another officer behaving in a manner that might violate policy. After complaints are made internal affairs staff investigates the allegations and then A.P.D. Chain of command determines if a policy violation actually occurred and what the appropriate discipline is. The police monitor provides oversight of this process, and Texas state law outlines how law enforcement agencies should handle complaints. Municipalities and police associations can separately agree to their own process on how to handle complaints. In 2001, the Austin police association and the city established an agreement that created the office of the police monitor.

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Between October 2013 and December 2015, there were 1200 complaints made, approximately 1200 and 60% came from members of the public. Less than half of the complaints resulted in officer discipline but when discipline was administered the most frequent types were oral or written reprimand. This is a depiction of the same graphic you saw but points out areas in the process where we had findings. The first we found that there were barriers to filing complaints, not all complaints are recorded, policies make it difficult to ensure the consistent handling of complaints and lastly the ability for the police monitor to provide oversight of this process is limited. We'll start with the first finding. The complaint process is not accessible and may discourage people from filing complaints. Information about filing complaints was available at A.P.D. Facilities online and through Austin 311 but staff at many other city facilities like libraries and neighborhood centers were unfamiliar with the role of the police monitor. We also contacted various community groups that interact with certain disadvantaged populations like the homeless or people affected by domestic violence and they also said they didn't exact with the police monitor and were unfamiliar with the complaint process. Lastly we noted some barriers that are in place that may prevent people from coming forward when they have an issue with the displeasure some of those barriers include complaint forms that indicate you must provide extensive identifying information like name and address when you're coming forward with this complaint and also that these complaints must be sworn and notarized. And our concern is that if you're a member of the public who feels like you've already had a negative interaction with an officer, you might feel intimidated coming forward directly to A.P.D. And providing that level of information when making a complaint. Also we found that the city's culture has undermined outreach efforts about the complaint process in the past. So here you see a tweet from

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2014 that essentially says if you have experienced a problem with an officer to contact the police monitor and there's contact information there. But following that the Austin police association criticized

that tweet and the city ended up apologizing for it and saying it was in poor tone. And because there's a lack of information about how to file a complaint and there are barriers in place that may prevent people from coming forward and a city culture that's undermining the advertising of this process, we're concerned that the city may miss opportunities to identify and correct officer behavior. And the over time this might erode trust in A.P.D. And the complaint process. For a second finding we found not all complaints or investigations are recorded. We found several high profile incidents throughout our scope period involving officer conduct that were not recorded in the complaint database. And while it's possible that a formal complaint was never lodged in those cases, maybe due to the issues we just discussed in finding one, we noted that there were statements from A.P.D. Officials that an investigation was underway or that the matter was already being looked into and we're concerned that if people have read those statements or heard those statements they may be then less likely to come forward with a formal complaint if they think it's already being reviewed. We surveyed A.P.D. Supervisors about the complaint process and most said they forward the complaints they receive directly to internal affairs, which is required by A.P.D. Policy but some said they did not do that. Usually they didn't do that because they felt that the conversation they had with the citizen meant that that citizen was already satisfied. Again, A.P.D. Policies and practices make it difficult to ensure the consistent handling of complaints. Recordings of interactions with the public may be deleted from the complaint investigation actually occurs. Certain audio and video recordings are deleted after 90 days, but people have up to 180 days to come forward with a complaint. We did note one instance where

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the internal affairs investigator said that the investigation was compromised because the footage of the interaction between the officer and the member of the public had already been deleted so it couldn't be reviewed during the investigation. We also noted different understandings about what constitutes a serious policy violation versus a minor one, and A.P.D. Policy does not clarify the difference. For example, rudeness was an area where some officers said that was serious. Other officers said that might be a minor issue. Not all potential policy violations are identified. And we noted instances where the police monitor said that perhaps this particular policy should be reviewed given the nature of this complaint but internal affairs staff investigated a different policy violation and they were administratively closed. Also the clarification system is another area that makes it difficult to determine if complaints are handled consistently. In 2007 the U.S. Department of justice called the clarification system needlessly complex. It essentially has four components, first two are based on the discipline an officer might get if a policy was violated. The last two are more outcome based and essentially say that a policy violation did not occur. So the nature of assigning that type of clarification to those complaints makes it so the determination that a policy violation has already been made and it's not gonna be fully investigated. Our concern is that if the policy violation and the complaint clarification are not properly identified then the complaint isn't gonna get the appropriate level of investigation and the appropriate vetting. Another area that makes it difficult to ensure the consistency of handling complaints is discipline. A.P.D. Policies include a discipline matrix that outlines different policies and discipline an officer might receive if violated. But it doesn't include guidance on all policies and it doesn't include information on when an officer violates more

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than one policy during the same incident. This is an example shown here. There were five different officers that violated a specific A.P.D. Policy within our scope. The first three received a written reprimand and they had additional policy violations during that incident. The last two received a three-

day suspension which was really the harsher discipline even though they did not have another violation of policy within that incident. Lastly, the police monitor's ability to provide oversight is limited. The agreement between the city and the Austin police association allows for the police monitor to have unfettered access to the investigation process but that access isn't given automatically. It's given on more of a case-by-case basis and there's no policy on how you'd go about granting that access. We also found that in about 8% of the time the police monitor disagreed with the discipline for certain complaints that were investigated. But there was no evidence that internal affairs staff read that disagreement or that it had any impact on the discipline actually administered. The police chief, Austin policing association president, police monitor and internal affairs commander are required to have regular meetings per the agreement, the meet and confer agreement, but those are not happening. The last thing that we looked at was sort of a comparison to peer cities, and it makes it a little bit difficult to make that comparison due to differences in state law and different agreements with police associations but we did find Austin is the only large Texas city with an independent oversight structure, but despite having the police monitor we found that that role is still very limited. Some of the ways in which it's limited, they can't directly solicit complaints, can't gather evidence about different allegations or complaints, can't interview parties involved directly. Some practices we identified in other cities that could have a positive impact were they to be incorporated into the city of Austin are listed here.

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The first is tasking the oversight agency with determining the complaint clarification. Publishing anonymized summaries of investigation outcomes, and widely communicating the complaint process to the public. We made several recommendations in this audit, two to the police monitor, essentially to increase the awareness about the complaint process and identify and reduce barriers for people coming forward with complaints. We made eight recommendations to the police chief that include recording all complaints in the complaint database, revising the record retention policies, modifying the clarification system, and granting the police monitor unrestricted access to investigation files. And then we made one recommendation of the city manager to pursue opportunities to expand the oversight of this process. Management concurs with all but one of these recommendations. And the one that they did not agree with relates to documenting justifications for discipline decisions. That concludes my presentation, and I can answer any questions you have. >> Tovo: Councilmember pool. >> Pool: I have a question about access to human resources files. Are they different under the A.P.D. Contract than they are for just regular employee, and how? >> Yes. So for a regular employee, that could be a matter of public record, I believe. Where for A.P.D., because of the way that state law is written, they're very protected. So protected inequity that the officer himself or herself can't even view he or she own personnel file. >> Pool: And that's because of the way state law is written? >> Correct. >> Pool: That leaves a lot of question in my mind about things that are in someone's personnel file and never really understanding what's in there or really being able to do anything about it. Let me ask a different question. I know under Normal civil

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service rules a regular employee personnel file, once something is put in a personnel file it can never be taken out. I think that's kind of a standard, and it may just be that's how it was with state government or whatever, but that's my understanding of how -- what goes in a personnel file. And it's permanent in there. Is that the same thing with a uniformed officer? And how would you know? >> Right. I'm not sure we have that information in this audit. I'm not sure if it's permanent either in the regular employee's file or if it can ever be modified in an officer's personnel record. But I think the latter would be true. I don't

think you would know since you wouldn't really have that access, if you're an officer you wouldn't have access to that information. >> Pool: Then who does have access to an officer's personnel file? >> The police chief certainly would have access to that. We were able to get access to some information, not necessarily the personnel file, but details that might be overlapped with personnel records after having an agreement with the law enforcement and negotiating that separately, and I'm not sure the law enforcement might know who -- law department might know who else may have access to that. >> Pool: Is there the ability to waive the access, the privacy? Is there a way for an employee to be able to see what's in the file at all if you're in uniform? >> There's certainly the -- the agreements between municipalities and police associations, that can be separately agreed to pretty much in any manner, even if that means altering or superseding state law. So perhaps if it were agreed to in that, but beyond that, I'm not sure. >> I think that's something either law or A.P.D. Would have to speak to. >> Pool: Great, thanks. >> Tovo: I have some questions, and I want to say,

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to me the -- some of the findings are really so significant that I believe that this is one where we should get a report back in several months to hear back from Austin police department did how they're implementing some of these recommendations if my colleagues agree. >> Pool: Yeah. >> Tovo: So I'm not exactly sure where I want to start here, but I think I want to look first at the recording of complaints. One of the findings was that the complaint database didn't include all incidents brought to the attention of A.P.D. Supervisors and in the report itself our auditor has identified that -- there were several high-profile incidents including one that involved the use of force that were not found in a.p.d.'s complaint database and I think I would like to invite our representatives from the Austin police department up to explain how that had happened. The other example that's noted here is one in which someone contacted the auditor's integrity unit to report a negative interaction. The information was sent to A.P.D. Management but internal affairs staff couldn't locate a corresponding record in the complaint database. As you've identified in your audit, we'd need to -- we need to make sure that members of the public feel comfortable with our process, feel that it's a transparent one, and it's of concern to me that if there are findings that suggest those complaints aren't making it into the database. So if we have a representative from the Austin police department who can speak to that particular finding and in particular the examples that were cited in our report, why those -- why those were not in there. There's also the additional information that supervisors in cases where the public made complaints directly to supervisors, those supervisors may not have forwarded the complaints to internal

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affairs. And so it's my assumption then that you might have a situation where you're looking at a particular officer and you're not looking at the -- you may not be looking at the full history for that individual because some of those -- if that officer had received complaints in the past they may not have been recorded in any kind of formal way. So if you can address how those gaps happened and where you are in terms of alignment with the audit finding on that point. >> Good morning, lieutenant Kenneth Murphy with the Austin police department. I'm the executive lieutenant for chief Acevedo and chief Manley. First I want to apologize because I was given this assignment yesterday evening so I do not have all the answers you're requesting. Officer, chief Manley did provide a memo. Did you all receive a memo from chief Manley? >> It should be in the report, towards the back. >> Page 17. >> Along with responses based on the action plan and the recommendations. From the city auditor. >> [Off mic] >> Tovo: I'm not sure it was included within the report. >> [Off mic] >> If you'd like I can run down the recommendations and the responses. >> Tovo: Why don't you do that, lieutenant. >> Recommendation number 1 was the

police chief ensure that all staff are aware of and comply with the requirement that all complaints should be sent to internal affairs for inclusion in the complaint database. If the chief concurs with that recommendation. >> Tovo: Sir, am I correct in thinking you can't provide us

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with any additional background information as to why that process wasn't being followed? >> No, ma'am. I cannot. >> Tovo: I wonder then, you know, it strikes me that might be important context to have so I think, colleagues, we might consider whether we want to hear this back actually next month. Let's think about about that a bit, but I think it would be helpful to understand what the practices are and whether there's -- >> It is very clear in policy that whether -- if a complaint is given to the supervisor out on the street via a sergeant or a corp roll or lieutenant, that whether that complaint is -- complainant feels satisfied or not, that complaint will be written up in an external complaint contact form and sent to internal affairs. So it's very clear in policy. So what the chief has written here on the strategies is it's a training issue. So what he said, the department will issue a department-wide training bullet continue on this -- bulletin to make sure everyone is, one, aware of the the policy, which they should be and following and compliant with that policy. >> Tovo: For me, knowing that is part of the stated policy yet it hasn't been happening, I would want to know not just how the chief plans on addressing it via the training bulletin but what are the -- what is going to be the mechanism for making sure that there's actual implementation? >> Yes, ma'am. And I don't have the answer to that. I'm sorry. >> Tovo: All right. >> Shall I continue? Okay. Recommendation number 2, the police chief create administrative inquiries for high profile incidents and ensure they're investigated by internal affairs. The chief concurs with this. High-profile incidents will be handled as administrative inquiries per policy, conducted either by ied, internal affairs, the chain of

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command, human resources, the city auditor or independent investigator as per A.P.D. Policy 902.82. >> Tovo: I hate to keep putting you on the spot if you're not the right person but I think I heard you use the language as per policy. >> Yes. >> Tovo: So is the -- would the current policy have dictated that those high-profile incidents be recorded and forwarded on to internal affairs? >> That's all part of the investigation, yes, ma'am. Any time -- now, again, we have our in-car video cameras that record incidents and those are also linked to an audio system that's on the officer's person. If it's not picked up on the video system because it -- all the video does is really capture that portion that's directly in front of the police car. >> Tovo: Sir, I think you may be on the to the next point. I was talking about the high profile incidents that didn't get logged into the complaint database. >> I wasn't aware. Were there -- >> Tovo: The police chief create administrative inquires for high profile incidents and ensure they're investigated by internal affairs. >> Yes, ma'am. Those should have been logged into the database. >> Tovo: So they too should have been logged in? >> Yes, ma'am, absolutely. >> Tovo: Okay. >> Every complaint that's forwarded to internal affairs should be logged into the intent database system. >> Tovo: It sounds like the gap, as I understand it, and I'll look to the auditor for confirmation, from your report it sounds like the gap seems to be that they're not all being forwarded to internal affairs or are there gaps in terms of what gets to internal affairs about what gets logged in? >> Good morning, Andrew Keegan, supervising senior auditor. I think what we found here this specifically was addressing issues where a formal complaint may not have been made but there was media coverage or some other publicity around an event. So we didn't see any indication that if formal complaints weren't made that they go in, other than what we

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mentioned with the supervisors. Our concern was that there may be incidents where someone doesn't actually make a complaint but there may be indications that a policy may have been violated, especially since A.P.D. Management is quoted or giving feedback that we're looking into it, we're doing an investigation. Those were kind of the incidents we're referring to here. >> Tovo: So then I guess that's a question for the police department and you may need to get back to us, as to whether or not if A.P.D. -- If the chief is investigating a particular incident, do you have a policy to record that as -- as a complaint? Or does that fall into another clarification? And that may be -- >> It is my understanding -- well, if it's assigned to internal affairs or if it's assigned to our special investigative unit which conducts criminal investigations, internal affairs will conduct concurrent investigations with our special investigations unit. And all of that will be logged into the database. >> Tovo: Into the complaint database. >> Yes, ma'am. >> Tovo: So, too, should have been logged it sounds like into the database based on your internal policy. >> Correct, yes, ma'am. >> Tovo: Then I believe to our auditors' point, you did note an example that I referred to earlier about the integrity unit receiving a complaint, you forwarded it on to A.P.D. So what I'm trying to determine is did it -- it made it to internal affairs but then it didn't get logged in. Is that correct? >> That was forwarded to A.P.D. Management per our process, and then from there there was a gap between sending to A.P.D. Management and then we went back and looked at internal affairs' records and it hadn't made it to internal affairs. >> Tovo: I see. So it's not clear where that gap happened. >> Correct. >> Tovo: All right. Thank you. Okay.

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Sorry, sir. I think you were on electronic records. >> Yes, ma'am. The third recommendation was police chief revise the record retention schedule to ensure evidence could be used in complaint investigations, is available to internal affairs investigators for at least 180 days. Now, the chief concurs with this as long as the city funds are -- funds the additional increased storage cost. And this is expected to be a significant cost. Right now, all of our recordings are maintained for 90 days, a period of 90 days. And it is because of a storage issue. So if we were to increase that 2-fold to 180 days there would be a significant increase in the amount of storage we would need to retain all of that data. >> Tovo: As I understand it a citizen has 180 days to file a complaint, yet by that point some of the records may have been destroyed? Is that the situation, auditor? >> Yes, ma'am. >> Tovo: But the police department hasn't been storing the records? >> The video -- >> Tovo: At the same level. >> Right, yes. >> Tovo: And you're -- and the chief has said that that's a matter of resources? >> It's a matter of funding, yes, ma'am. >> Tovo: I guess I would like an estimate on what that funding is, but I'd also like for -- I mean, if we have -- if we have policies that are not in alignment and a citizen has an opportunity or the right, I should say, to file a complaint, making use of available evidence, it seems to me we have an obligation to make sure that evidence is still going to be around. And so I would like the chief to look at the budget and determine whether there are funds within the existing budget to meet that need. Councilmember Renteria. >> Renteria: I'm really concerned about that because we have -- it's a digital age

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where audio and video recording can just be stored in a cloud. I was wondering if -- is that what you're talking about? The costs of getting that, storing it in the cloud? I don't understand. >> Again, I do not have all the details on this. I just know that the database, the storage database, from my understanding is only capable of retaining all of the -- because every day for every officer that's out there that's in a police car, on a motorcycle, there's video that is created and that is stored and the triggering events are

different, from opening up the door to turning on the lights and siren, to hitting a certain speed, to being involved in an inclusion. That triggers a recording. And then those recordings are then clarified by -- clarified classified if it's a police event. If it's a non-police event when they open the doors, say they go to lunk, they stop the recording and clarify that as a non-police event. Anything that's a police event is retained for a period of 90 days. If you think about every officer 24 hours a day that's working, that's a lot of data to store. And so that I believe is where the problem comes in. >> I can't speak to the cost. I just want to clarify a little bit. The 180 deadline -- citizens or anyone can make a complaint at any time, but the 180 day deadline comes from state law. Officers can only be disciplined within 180 days from the incident. So that 180 -- a citizen couldn't make a complaint about something that happened years ago, but after that 180 days the discipline that could be administered is severely limited. >> Tovo: Thank you for that clarification. >> Right. Specifically to a written reprimand. That is the most they can be -- the highest discipline

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level is a written reprimand after 180 days. >> Tovo: Councilmember pool. >> Pool: Are you conflict the two portions of state law? One is the archiving of any governmental document. There are time lines associated with when they can be destroyed but they're categorized specifically. I don't know, I don't have it in front of me but I think we're talking about two different portions of state law but we have to work together. >> The 180 deadline comes from the state law on civil service or police officer and ems and fire. So that's where the 180 day deadline for discipline comes in. The -- what we compared that to was a.p.d.'s record retention schedule. We didn't look at laws on how long records should be maintained. We just compared a.p.d.'s record retention to when an officer could be disciplined. >> Pool: I don't think you can conflate the two or pick one over the other. I think that the overarching state law that goes to records retention would govern. And specifically because -- just because 180 day deadline has passed that doesn't mean there might not be some other use for that document a year and a half later or two years later. And there are specific rules on when we archive information, and we don't destroy it. I mean we archive only on a certain schedule and I think we're real limited on the things that we destroy. And you can't say that just because you don't have room to store them is an affirmative defense to not holding onto the information. We have to do something about that. We can't simply say we ran out of room so we're gonna chunk that. >> Correct. Let me clarify on the storage. Non-police events are only stored for 90 days. So if it's written as a police event -- >> Pool: I appreciate that. But what I would -- >> Tovo: Let's let the lieutenant finish. >> If it's documented as a police event tied to a certain case, if you will, or a

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written report, then it's classified differently. It goes to the detectives to determine the classification or if it's above a felony three, that's direct filed, then the supervisor will classify it, and those are retained. And now I do not know for how long, but they are retained I'm sure as per the records retention schedule because it is -- at that point it's evidence. If that makes sense. >> Pool: Right. I just want to make sure that we are not -- >> We're not destroying all video, no, ma'am. >> Pool: Or any. If the -- if the records retention law says we cannot destroy video, I don't know if they have moved into that frame yet. >> Right. >> Pool: I don't know what the latest is at the state house but we have to be very careful we are retaining and can access the information at whatever point and there are real strict guidelines on how it's implemented and we can't pick and choose among them. We have to figure out a way to comply with all of them even if they seem to be in conflict. So I would be really interested in following up on this later and I think the mayor pro tem's idea to come back and talk about this more deeply in

October is a really good idea. There's a lot of -- because I think then you, too, would have more information and be better able to -- >> Absolutely. >> Pool: -- Answer the questions that we're asking, and I do recognize you are at a bit of a disadvantage only having received this assignment to come and talk to us here today, and I appreciate your efforts. But I am really concerned about -- we can't be seen to be destroying government documents unless it's by a certain specific schedule and we need to be able to comply. That would be a different kind of an audit, I think. >> Correct. And within policy also, when -- specifically speaking to internal affairs' documents, all critical incidents all evidence from critical incidents, they're retained indefinitely. Any formal discipline is retained for 15 years. Okay? And all evidence. And informal discipline, which is an oral reprimand or below

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be, non-incident, classified as just information and internal affairs, those are retained for five years. So we do have -- and it goes even further on that down to three years and two years. But for the main critical incidents, it's indefinitely 15 years. So there are record retention schedules, and all evidence that coincides with that. So please, I don't mean to confuse you. I don't want to confuse you with -- that there is no evidence that's being destroyed. If it's linked to an ongoing investigation, whether it's internal affairs or criminal, that is retained as per state records retention requirements. >> I don't have anything to add now. >> Tovo: I'm sorry. It looked to me like one of you did. >> Pool: I think the point after that is after the retention schedule talks then about information being archived. And so my question after that is can you retain it for a certain period of time? And then what do you do with it after that? That would be the follow-on question and we can talk about that next month. >> Yes, ma'am. >> Pool: Thank you. >> Tovo: So I -- I'm looking for the passage that talks recommendations related to meeting with stakeholders. And I'm interested in knowing a bit more about that finding. >> Are you talking about the meetings between the police chief and the police monitor that are required by the agreement or the recommendation to the city manager about kind of looking for opportunities to expand oversight? >> Tovo: It was on page -- it was slide ten and it was the one, the required meetings, the police -- it was talking about the role of the police monitor and the required meetings between stakeholders did not occur. >> Mm-hmm, yes. So the agreement -- >> Tovo: When you say required

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meetings, who -- what is requiring -- what is prompting the requirement? >> So it's the agreement between the meet and confer agreement between the city and the Austin police association and the required attendees are the police chief, police monitor, the Austin police association president, and the internal affairs commander. And based on the meet and confer it's intended to be a quarterly meeting, where all the parties sit down together, presumably talk about ongoing events and iron out different parts of the process that might not be working, to collaborate, to make a better complaint process. >> Tovo: And I wonder if we could hear why those -- a little bit of information about why those required meetings aren't happening. And then I would like to address the first two bullets on this slide as well. >> Yes, ma'am. As far as why they're happening, I do not have that answer for you. The answer that was given in response to that recommendation is that they can -- the chief concurs with that recommendation and they will schedule quarterly meetings beginning the fourth quarter in 2016. So that is underway. So this last quarter, that they will schedule the meeting and continue as per the contract. >> Tovo: Great. So there was a finding that the police monitor disagreements about discipline appeared to have no impact on officer discipline. And I don't know if you have information enough to respond to the circumstances giving rise to that situation. >> No, ma'am. I do not. That would be a -- have to be answered by internal affairs, I believe, or the chain -- because it could be the chain of

command. It could be the police chief himself. It could be chief Manley who is receiving these recommendations. Now, were these recommendations from the police monitor or were they recommendations from the

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citizens police advisory committee or both? >> They're from the audit -- >> No, no. >> So what we found was that the -- in a relatively small number of cases, about 8% of the time, the police monitor did not agree with the discipline decision that was made by chain of command and so that would be noted in the complaint database. And we didn't see evidence that internal affairs staff had read that or considered that or responded to that or that the two groups, the monitor and internal affairs, had collaborated at all to discuss kind of the merits of the disagreement or run that up the chains to communicate this disagreement and then there was no evidence that impacted the discipline that was actually administered. >> Tovo: Do we have any representatives from the office of the police monitor here today? >> Yes, we do. >> Tovo: Thank you for attending. >> Thank you for having me. >> Tovo: Can you tell me if the observations of the auditor was accurate. Was there any discussion between the office of the police monitor and internal affairs in situations where opinions may have differed as to discipline? >> Yes, ma'am. There were. And my name is Lewis Gonzalez, assistant director in the police monitor's office and my director, Margot Frasier at a national conference. I'm here in place. Yes, ma'am, on various occasions throughout the years there have been. We have very frequent meetings with ia command staff regarding a variety of cases, including the high-profile cases, and in thatvent conversations are also had with my director or myself with the chief and his executive staff regarding ongoing investigations or when it moves to an actual discipline hearing where discipline is going to be administered. Concerns have been brought to the attention either through meetings or through memorandums on those cases.

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>> Tovo: I appreciate you coming up to clarify that because I think that's an important piece of information. And the quarterly meetings should also help. But knowing that there is communication back and forth about particular incidents. >> Yes, ma'am, there are, there are. >> Tovo: Helpful to know. Are there other questions before we move forward? Yes, city auditor. >> You know, clarification, Julia hays from human resources is here and can speak to the personnel record question if you would like a little more information about that. >> Tovo: Councilmember pool, did you want that information? All right. >> I think Nathan is going to grab here. And also to clarify, so we can talk to management about coming back, A.P.D. Management in particular about coming back to speak to the response in October or we could also schedule something for them to come back and kind of talk about where they are with implementing the recommendations a little later than that. >> Tovo: Yeah. I can -- I would be comfortable with either of those options. I do think it's important one way or the other to come back in an appropriate period, whether that's maybe three months, four months, for an update about the implementation. And, you know, colleagues, I leave it to you. I would be comfortable with a follow-up memo if the management wants to provide -- if A.P.D. Management wants to provide any additional information about the discussion that we just had or we can ask them to come back and talk about -- talk a little bit more next month. What would be your preference? Councilmember pool. >> Pool: I'd definitely like to see a follow-up memo and I can spend time with that and if I need to have conversation with staff at my office then I can dig into it that way. Then if it seems likes that something that maybe the mayor pro tem and the vice chair want to bring back to their committee later, that would be fine

too. But I'm happy to dig into it personally and get some of the specific questions that I had raised answered. >> Tovo: I think it's of enough interest that probably

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that discussion should take place in some kind of public setting, either this one or via a memo and then a follow-up. >> Renteria: That's what I would prefer because I think there's a lot of questions that haven't been answered, and, you know, I feel sorry for our lieutenant here that was put in this -- >> Yes. [Laughter] >> Renteria: Position here without being able to address any of the questions that we have for him. So I would prefer to have another meeting with -- in the following month on both, and the memo, so we can see exactly what's going on. >> Pool: And I agree. >> Mayor Adler: Okay. So it sounds like we have two colleagues who would like to see this back next month. Is that right. >> Pool: Please. >> Mayor Adler: Would you be comfortable with having that discussion and then determining whether there's a need for a memo or do you need information in the interim? >> Renteria: Have that discussion and then if we have any more questions we'll just ask for a memo. >> Tovo: Great. I think tentatively a follow-up would be useful. I really do appreciate you being here. >> Yes, ma'am. >> Tovo: It's a sensitive subject and we have a very useful audit pointing the way to some future enhancements in your process, and I appreciate -- while I appreciate the chief's concurrence on those issues, I think it's important enough both to this committee but also to the public that we really need to hear a little more probably directly. So thank you. Thank you for being here and your willingness to engage with us on these issues. >> Pool: I'm just a little confused over the -- which is coming first. I thought we were asking for the memo to give us additional information and then we would discuss that further at another audit and finance committee meeting but then I heard it the other way around. I think it would be more useful certainly to me to get the memo in advance so I can spend some time with it and dig into it a little by the

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deeper so I'm better informed when we get to the next audit and finance committee meeting so we have kind of a foundation of information to go from rather than waiting for that at a later time. If we could get the memo before the October meeting I would prefer that. >> Mayor Adler: So I think my reluctance -- well, councilmember Renteria? >> Renteria: Well, I have no problem with that. I mean, I would like to see the memo also so that we could -- so I can get my staff to help look it over and then prepare some questions before th >> Tovo: Let me just mention I'm not sure that we would -- that that request would yield anything different than what we already have in our packet that we just received today. And so if you want to request that of the police chief, I think that's fine, but there is information in our backup that we just didn't get until today. >> If I may, if you have specific questions on specific items -- >> Mayor Adler:. >> Pool: I think we raise aid number of them here today so that would be certainly the basis of follow-up information. >> Yes, ma'am. My request would be if you would email me those specific questions that you had, then I can get them to the chief and have the chief respond via the memo for you. >> Tovo: Mr. -- Greg. >> I like that. >> Tovo: We've have a very long couple days. >> Greg canally, financial services. Council, I think we've been able to capture your comments here today. >> Pool: Thank you. >> What I would suggest since the committee has indicated they'd like to see this come back at the October audit and finance committee, I think the police department will look at the need to enhance information they've given you already and determine whether that is best submitted via a memo or through some other

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question/answer process but certainly I think all of that would be recaptured in another presentation that would come back from the police department and perhaps providing some additional context to, for example, their retainage of information to give some context and then dive in specifically. I think we should leave that to the chief in terms of how to get that information back. I do want to clarify we have captured your information you've brought up today and will be able to get that back. >> Pool: That's great, thank you. I do think the reason why some of the questions weren't able to be answered was the gentleman who came just was given the assignment and I don't want -- and I get that and so I don't want you to feel like that's a negative or anything like that. I just want to give everybody the opportunity to get us that information so when we talk about it again we have better context for it. >> Absolutely. >> Renteria: I also would like any costs that would be associated to keep it up to 180 days. >> Absolutely, councilmember, again, I think we've captured all of this and looking at the questions you've answered. Again, first and foremost, ensuring that we're providing the context of what our existing policies are when it comes to evidence storage and all of the technological aspects of that and enhancing that -- enhancing all of that information for you for your next meeting. >> Tovo: Thank you very much. Ms. Stokes, did you have something you wanted to add to this? >> No. I think I'm -- >> Tovo: Your light was on. When I see lights on I think you're waiting to speak. >> No. That's accidental. Julia Hays is here if you want to auto hear about the personnel records. >> Tovo: Thank you. Ms. Hays, would you like to come up? City auditor given we're going to extend to month would it be appropriate to pass on at this point or would you like for us to accept it -- and you can think about that. >> I will think about that, thank you. >> Tovo: If you would come up, I believe councilmember Pool had a question for you. >> Okay. My apologies.

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I didn't know you were calling me up for the next audit, which was us or to answer questions for this one. So my apologies. >> Pool: I think the thought was you might be able to give us framing for how the city manages records retention and I know there's lots of different categories and so forth, and what do we do after a retention schedule, we've aged out. >> I'm gonna interject here. I believe the question Julia is able to answer is related to the personnel files of police officers. >> Couple things. I think there's several files we need to Claire five to make sure we're talking about the same files. For a police officer there's a civil service file, the 201 file, the H.R. Departmental file. That would include any of the actions in the department and any oral or written reprimands would be included in that file and of course they have the file in records that just represent their employment. So there's several different files for which we're talking to and also there's the internal affairs file for any relevant pieces. Officers have the ability, to my understanding, they have the ability to view the internal affairs files if there's a pending action, I believe, or some activity relative to the case for which it's in ia. The file that they have in their 201 file, which would include any oral written reprimands or any actions within the department, they have the ability to come to the office per request to view those files. So they do have the ability to see those files, and they do have the ability to see the civil service files. >> Pool: That comports more with what my understanding of a person's personal access to her personnel file. So thank you. I was a little bit concerned to hear that that was completely locked up under all circumstances, and that was why I was asking those questions. >> Yes. >> Pool: Thank you. >> You're welcome. >> Tovo: Okay. Thank you. Conclusion about what we --

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>> In terms of the -- accepting the audit, I think it's okay to delay acceptance. I think I guess in our past practice that might mean that we did not release the report. I think what that means in this case is that

we won't release a final report or post a final report on our website until it's accepted at the October meeting. But we've already released the draft report. >> Tovo: There's really no disadvantage to accepting the report today with the understanding we're discussing it next week. It's really a matter of whether you had a preference on that. >> Pool: I'll move. >> Tovo: Councilmember pool moves acceptance of the audit. Councilmember Renteria seconds it. All in favor of accepting the audit? That passes unanimously with vice chair troxclair off the dais. And we will take up the issue again next month. Thank you so very much. So we have about an hour and ten minutes left, and quite a few remaining issues. Let's move to item 7, which I think we have our human resources staff here to address as well as our auditor. >> Great. Both items 7 and item 8 are fairly short items, I believe. Item 7 looked at user access for the city's human resources management system. The audit manager on this was [indiscernible] And the auditor in charge was Cruz and we will make a short presentation for you. >> Thank you. Good morning, councilmembers and mayor pro tem. The city has been using banner's human resources management system since 1997 to facilitate operations related to human resources, payroll and budget. The human resource department

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is responsible for managing user access for the system. The city employees' whose job responsibility require the use of the system are given access to perform various department activities. As of April, 2016, there are approximately 700 user account. The objective of this audit was to determine whether access rights to the system are properly managed to safeguard cities information and to prevent unauthorized changes. That is to make sure that only authorized city employees have access to system and access is based on business need. We compared the current practices for banner human resource system with best practices and city policies. We found that the human resource department follows best practices and city policies for granting of user access and establishing password parameters. However, the improvements are needed in some areas which will be covered in this slide. For the [indiscernible] User access, we noted that the human restores department established process has no requirement to review program accounts and the user accounts are not consistently reviewed annually. We also noted that the additional rights granted to the users are not reviewed as required by best practices. We also -- three out of tenureses selected by us had excessive rights not required to perform their current job responsibilities. We noted that the accounts are separated or transferred -- of separated or transferred employees are not timely deleted. In 16 out of 20 sampled users

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accounts were not deleted on the last day of separation or transfer. On an average, there were a delay of 11 days in deleting these accounts. The hours staff asserted that the city departments do not consistently communicate separation or transfer of system users. Lastly, we found a system account with rights to modify employee recourse and the accounts shared by eight users with the same password. Management corrected the identified issues noted for periodic review of access and the use of generic detail -- accountduring the use of this audit. We have made a recommendation to improve the existing user access management process. Management concurred with the recommendation and this concludes my presentation. I'm happy to answer any questions. >> Tovo: To summarize, the access that's being granted is appropriate, but the recommendation -- >> Is like -- >> Tovo: -- Is to make sure that that access is removed as soon as an employee terminates or shifts to another position, that that's not happening quite as quickly as it ought to be? >> Yeah, also like to improve the existing process, [indiscernible] And to include all users like programmers on annual review and also, like, if there is any generic account need, need to create that account, then there should be a criteria and there should be

accountability to track the activities of users are there so. . . >> Tovo: Thank you. And I see from your presentation that management concurs. I would invite someone from management up to add anything they'd like. >> Thank you, council and committee. Julia Hays, hours director.

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We're in -- human resources director. We're in complete concurrence. Want to point out a couple of things. It's imperative that the department communicate directly to us when an employee leaves, and so as we articulated to the audit committee, we want to see a very quick process in the deletion of those accounts. However, I do want to point out that I would need some period to be appropriate between the time of separation, allowing the department to communicate it and the time for our staff to be able to take that information and communicate it up appropriately. So while we were comfortable that 11 days wasn't bad, we recognize and completely concur that there are some opportunities to improve that process and try to get those deletions to take place in a much faster process. >> Tovo: Thank you. Councilmember Pool. >> Pool: Just a quick question. Is it possible for the department that's losing the employee to put some kind of a suspension on an email at the same time that the notice is sent to you guys, so that it is closed down? >> They would just need to notify us. There's some opportunity to do that. When you look at the recommendations and some of the things that we've committed to doing, we are establishing right now a presentation to make to all the H.R. Managers so that we can improve the process in time in which they communicate to us. Also, ctm has two forms created any time an employee is either transferred or when they're separated. We've worked with ctm to add us back to that form so we are formally notified of transfers and separations in that formal process so that we can execute that faster. So those are the two things that you'll be seeing us do in terms of actions related to this. >> Pool: I think that's a really good fix or improvement. I also think, too, that the losing department should have some authorship, some responsibility for making sure systems are closed down when an employee departs or transfers because not only the personnel side of it but there's other thing the employee would have been access, to different software and those things, those also should be closed down. >> I think they're doing that piece. This particular component with banner, hrd is responsible for

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articulating directly up, that that access needs to be canceled. So just the part with banner is reflective of the area where it's taking longer. There are already existing processes to end other accounts at transfer and separation. >> Pool: Good to hear. One last question. On the generic accounts is it possible to have multiple users accessing the same information if they're not going in on the same account with the same name? I mean, I kind of get why they're trying to do that. But are we able to -- is the software capable of having the same information displayed realtime with multiple people logging in from a different account? >> I'm gonna let Rebecca Kennedy from human resources answer that question for you. >> Rebecca Kennedy: Yes. What had happened over time is we had one generic user account used solely in corporate human resources. So it came out earlier this year about this account, and so we immediately disabled that generic account, got everybody that had a unique id and password to be able to access that bucket and so it has been disabled. And in working with auditors' office we've agreed any time we need to do another generic account there will be strict criteria but we're not seeing where we would even need one. >> Pool: Okay. Thank you. >> Tovo: I'll entertain a motion on this audit. Councilmember Renteria moves we accept the audit, councilmember Pool seconds it. All in favor? That is unanimous news with Troxclair off the dais. That brings us to number 8, the audit report of storm water infrastructure management. Let me just say that my record on this item -- thank you. I was just

going to say -- actually my record now reflects something different. Let's hear the audit first and then we will go to the

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speaker, Ms. Matthews, I have you signed up to speak, and then we'll have discussion. >> So this audit, the audit manager was Walt persons and the auditor in charge was Andrew Keegan. This was an audit we were stopping the audit halfway through so you won't have a presentation nor -- but you do have a report. You have a one-page report that basically summarizes -- we started out looking at whether the storm water infrastructure management and looking at those processes, but what we saw was that the risks that we identified in our preliminary work were already being addressed through recommendations of the flood mitigation task force. And in fact we discussed those recommendations with the department and looked at their plans to implement the ones that related to our risk areas which are laid out in the one-page report, and we felt that the department had plans in place to address the risks we had identified. So rather than spend more time in this area, we are closing out the audit. >> Tovo: Thank you for that update. All right. Ms. Matthews. You have signed up to speak and you will have three minutes. >> Good morning. I'm aloha Matthew and I served on the flood mitigation task force. And I was really happy to see that y'all were taking up this topic because it's personal to me and it was personal to many of the folks that served on the task force. I looked at the recommendations. I understand that there were a summary on the -- on the audit -- overview of the audit and one of the things was eliminate loopholes in the land development code. That was a recommendation that

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the task force made. And very specifically in our task force we said we did not -- because we considered this to be a public safety issue, we did not want it to go through codenext. We wanted our recommendations to be taken up by city council without waiting for the drawn-out process we've seen codenext to be. That's related to public safety. The other issue that is not directly addressed here but -- I don't know if there's a way to show a handout or something that came from our task force recommendations, but the amount -- this is actually goes above this to not just discussing the financial aspect but the policy of the city is to direct density into areas through the Austin tomorrow plan and through imagine Austin to the very areas where the infrastructure was built before 1977. And this was something that we, you know, had a presentation on while we were on the task force, so in terms of this being the audit and the finance committee, it's addressing the fact that by city policy we are increasing cost by creating problems in areas that do not have the infrastructure to handle it. The -- this slide from one of the presentations that we received showed that -- can we show this top one? That a total of 115 miles of the infrastructure -- storm pipe inventory was built before 1977 when we even had any -- you know, engineered drainage criteria manual. So you add on top of that density and then we are actually creating a problem.

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And the bottom part of this slide shows that -- how long it would take. Right now it looks like the city is to do replacement cost for age and capacity is only able to do 51 miles in five years so that's about ten miles per year. So there's a cost related to this. And the cost on the bonds, another thing we saw through cip, and this is just in the area at 45th and mopac, is that there were \$11 million spent on the ridgely storm drain and in the shoal creek area. That was \$11 million from the 2006 general obligation bonds. So that amount of money was spent just to bring that area up to those post-1977 drainage

criteria manual requirements. So we're spending taxpayer dollars to bring infrastructure up and then at the same time we're adding, you know, density that's going to strain that infrastructure. So it's a balance of the cost and that's why there's two issues here, there's the public safety issue and there's the financial issue. And that's why I signed up neutral because our recommendations were that the city council take up these recommendations from the task force outside of codenext, not to put it through a process that is, you know, we're not sure what the outcome is going to be and we wanted to make sure that the public safety aspects of it were addressed. >> Tovo: Thank you very much, Ms. Matthews, for your work on the task force and for being here today to emphasize some of those recommendations. So I think I would agree with the city auditor that it is appropriate to discontinue the audit. Do you need us to take action

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on that? >> I think if you would accept it. >> Tovo: Accept that recommendation. So the motion would be to accept the city auditor's recommendation to -- and the audit in light of the other work that's happened. >> Renteria: I move. >> Tovo: Councilmember Renteria moves approval of that recommendation. >> Pool: And I'll second, but I want to make sure it's clear the reason why we are dismissing the audit is because the flood mitigation task force addressed nearly all of the risks identified in the audit so I just want to make sure that's really clear. We're not saying everything is fine, we are just saying there is another report that was done that already addresses the concerns. Or raises the concerns. >> Tovo: Correct. And as I understood Ms. Matthews' comments, some of the responses are things that we ought to as council consider and in particular she noted several of them that maybe should move forward in advance of the codenext process. All in favor of the recommendation? That's unanimous on the dais with vice chair troxclair off the dais. Let's move to the audit plan, number 9, and then we're going to circle back around to item 4, which I think are the matters of the most time sensitive -- the most time sensitive matters. >> So you have the fiscal year 2017 draft audit plan in front of you. Again, I don't have a presentation. My presentation is the plan. And what you'll see is that we are proposing 12 new audits. That's on the front page of the plan. They are divided into what we would say high level audits, more processed focused audits, resource audits which are

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smaller, very targeted audits and then we started doing followup, more robust followup on broader selection of recommendations two years ago and so this is continuing that effort. And then on the back you'll see our carryover audits. So every year we have some projects that carry over. This year we have ten carryover projects and those are projects all started but have not been completed and we expect to be coming in in the next few months. So with that, I'm happy to take any questions on the plan. What our expected out come today, I believe this is posted on the October 6th council agenda so we'll be looking to take this plan to full council as required by city code. >> Tovo: When do you plan on taking it to council? >> I believe it's on the October 6th agenda, which is maybe next Thursday. >> Tovo: Yes. Okay. Any comments on the audit plan? >> Renteria: I have one. On the bond spending, when do you anticipate doing that one? >> We haven't laid out -- until we have the plan approved, we don't necessarily lay out the timing, but that's certainly one we look to you for input so if that's one you would like to see sooner rather than later, we can start that earlier. >> Renteria: I would like to see that. I definitely would like to know where we are. My understanding it might be some bond money out there since 2005 that hasn't been used so I would really like to find that out. >> Tovo: Other feedback? >> Pool: I'll make a motion to approve. Do we need to approve to send it forward to council? >> Tovo: Yes. >> Pool: I'll move that. >> Tovo: Councilmember pool moves approving the audit plan

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or -- >> Pool: Yes. >> Tovo: Moving it forward with the recommendation? >> Pool: Recommendation to be approved. >> Tovo: Councilmember Renteria, do you second that? >> Renteria: Yes. >> Tovo: I would just comment that one of the items that caught my eye on here is demolition permits. And I had a discussion with the auditor about that, in particular, you know, we've had some community conversations around the -- around demolition permits and historic preservation and the extent to which some of those permits for demolition are happening through an administrative process. It's my understanding that the historic property designation process number 15 can be expanded a bit in scope to accommodate that issue of demolitions within it. Is that -- is that your sense of it? Great. >> Pool: Mayor pro tem? >> Tovo: Yes, councilmember. >> Pool: I'd like to amend my motion to point to item number 3 that councilmember Renteria wanted to prioritize the bond spending, and then you mentioned item 15 which is historic property designation process which also connects up with 9 on the front which is demolition permits, and I would just like to highlight those two as well. I'm just saying we're looking at some prioritization on the bond spending item. And then there may be some elements of commonality between 15 and 9. And I want to point out there as we're trying to get that strike fund so that we can be kind of nimble and catch homes that may be up for demolition, we ought to be able to move quickly when we find them so hopefully in this audit you will help us see where those inflexion points can be so we can act with some urgency. >> Tovo: In looking over the plan, I see number 10 as one that I would -- I'd be interested in seeing. Soon because it is a resource

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issue. And it's not clear to me when the last audit was looking at on-call pay and the utilization and whether it's as finely tuned as it should be. So that would be something that might be interesting to have sooner rather than later. >> Pool: And along those lines, I would say number 7, there is some dovetailing with the look at the cultural contracts and the moneys that we give to different organizations. Do we also then -- are there also fee waivers in that action. And how that works. >> Tovo: Thank you. And I think too number 7 has some relevance to the visitors task force that will be starting soon, visitor impact task force. All right, with those additional comments, all in favor? That is unanimous on the dais. Revitalization chair troxclair off the dais. Number 4, the proposed changes to boards and commissions bylaws. >> Renteria: I wondered if we could just take 10 real quick. I think it's a very simple process. >> Tovo: Okay, sure, if you think that's a fast one, let's go to 10. >> Renteria: And the reason I'm recommending approval of this is that the Austin neighborhood center, east Austin neighborhood center is having a very difficult time filling the position on the community development commission. My understanding it's been open for a while and the -- the Cesar Chavez contact team meet regularly, monthly, and I believe they will have a -- it will be a lot easier for them to fill this position. >> Tovo: Thank you for helping us understand that item. And then I'm going to look to you for a motion to approve. >> Renteria: I move to recommend -- >> Tovo: And expect seconds that. All in favor or any further discussion? All in favor?

[11:14:04 AM]

That's unanimous on the dais with vice chair troxclair off the dais. Thank you, councilmember Renteria. Item 4. Welcome, Ms. Estrada. >> Good morning. You have a handout of the proposed by law amendments on a spread sheet followed by copies of the two bylaws that we're bringing forward today. We're bringing forward the planning commission bylaws and the parks and recreation board by bylaws. I

think we're waiting for staff to come down for the planning commission so we would start with the parks and recreation board bylaws. Which you have a [inaudible] Version of the bylaws in your packet which shows that the board is incorporating the universal changes that were already updated to the 10-1 council that are already listed in city code as well as some amendments to their article 2 of their bylaws which is their purpose and duties. We bring this forward to you because this would require an ordinance change that would go forward to city council and change our city code. This was approved by the parks board a few months ago so we bring that forward for your consideration. >> Tovo: Councilmember pool. >> Pool: Were th any outstanding issues -- were there any outstanding issues on this or was this supported by the parks and rec board? >> I don't know the vote of the parks and recreation board , but -- they felt this did align with their current purpose and duties with the change to 10-1 so they felt that these changes would -- were just aligning with their current duties. >> Pool: Great. So basically house keeping? >> Yes, ma'am.

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>> Pool: And then aligning with the personnel changes? Yes. >> Tovo: We did have a board member from the parks and recreation board present earlier and that individual had to leave so I appreciate -- I appreciate the attendance and sorry we weren't able to hear from that individual. >> Pool: I'll move approval. >> Tovo: Councilmember pool moves approval. Councilmember Renteria seconds that. All in favor? And that is unanimous on the dais. >> Now we'll move back to the planning commission bylaws. There are two sections of the planning commission bylaws that would require recommendation. The first one is the removal of two committees -- I'm sorry, three committees. The committee on comprehensive planning, committee on codes and ordinances, and the committee on neighborhood planning. The addition of the two new permanent joint committees, the comprehensive plan committee and ordinance committees replaces the three committees removed from the board bylaws. So that's just another housekeeping item. Since we now have the two permanent committees created in our city code. >> Tovo: So the remove of codes and ordinances, that committee is being replaced by a joint committee from zap and planning commission on codes and ordinance. >> Yes. >> Tovo: Do they take recommendations to their individual bodies? >> Yes. I believe so. >> Tovo: Thank you. >> And the second change would be in article 3b of the board's bylaws, removing the line that states a member serves at the pleasure of city council. And this was our recommendation from our law department. >> Tovo: I'm sorry, would you mind pointing us to that?

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>> Sure. Article 3, so it should be page 2 or the second -- yeah, the second page of the planning commission bylaws, and it's highlighted -- it's struck-through language in red. >> Tovo: Help us understand the rationale. They do serve at the pleasure of the city council so I'm not sure I understand why we're removing that line. >> Pool: And a followup to that would be is that a universal change too or just for this -- just for this commission? >> Jeanette Goodall, city clerk. So there's a little conflict between because the planning commission is actually created by the city charter which establishes a slightly different term. They are appointed for a two-year term, and similar to like other boards, like the municipal service, they can be removed for cause, not -- there has to be a justification for the removal under the charter. And so whether or not something needs to be updated in either the charter or chapter 2-11 I think is a separate question. All we're doing the removing that phrase from the bylaws, so if there was a conflict between the bylaws and the city charter or the city code, the citier charter or the city code would pre veil. It doesn't apply in bylaws document. I don't know if we have that standard language in the rest of the bylaws. >> We do. >> Tovo: But if I understand, city clerk, you are saying the

situation for the planning commission is different from the situation for other -- >> Other 2-1 boards. >> Pool: Are you also saying that a member does serve at the pleasure of the city council, but that is handled in the charter, that the

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direction is already provided and this is kind of redundant or -- or does this change anything about service on a -- >> I think I'm going to let law answer that question, and I think there are some other questions that this has raised for us that we need to kind of circulate and talk to the law department about how we assist you in implementing anything that should be done according to the charter. But I'll let Deborah Thomas answer that specific question. >> Tovo: Before you do, is this something we should take up in executive session either here or at full council? >> I don't know that it's a executive session issue. The issue is that the charter does state that a -- an appointed planning commissioner does have a secure term of two years and so to the extent that the bylaws might indicate that council could remove them for no reason, it was -- it was better to be clear and to say just remove that language and have the charter control. >> Pool: So it's really the piece at the pleasure of because and the appointment and approval of the appointment, the nomination and approvals are the same. >> Yes. >> Pool: But there is some expectation that you would serve out a complete two-year term no matter the fate of your appointing councilmember unless cause is raised and then there's a process for removal for cause. >> Yes. >> Pool: Okay. That makes sense to me. >> I think it's actually maybe a section of the charter that if we ever get to another charter review commission is one that needs to be reviewed and updated because it didn't really get updated when we moved to 10-1. So there is a little bit of outdated language in that section as well. >> Pool: Okay. >> Another piece of outdated

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language is the stagger. The stagger continues to say -- [multiple voices] >> And so we amended that to say zone 6. >> Tovo: Thank you. Motion to accept these changes? >> Pool: I'll move. >> Tovo: Councilmember Renteria moves approval, councilmember pool seconds it. All in favor? Okay. That passes on a unanimous vote. And I believe that concludes our meeting. I appreciate -- let me apologize to the auditor's staff. Many of these were holdovers from August because we had to cancel a series of meetings so apologies for that. I'm glad we were able to move through this and thank you all so very much for your work. >> Thank you. >> Tovo: We stand adjourned at 11:22.