

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RESPONDING TO) RESOLUTION NO. 03-3383
THE METRO AUDITOR'S REQUEST FOR)
SUGGESTIONS TO METRO FOR FUTURE)
POTENTIAL PERFORMANCE AUDIT TOPICS) Introduced by Metro Council President David Bragdon

WHEREAS, the Metro Auditor is an independently elected Metro official; and

WHEREAS, the Metro Auditor, pursuant to Section 18 of the Metro Charter and Chapter 2.15 of the Metro Code, conducts financial and performance audits of the operations of Metro; and

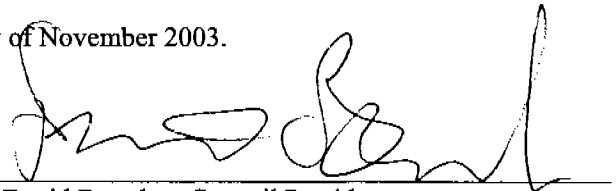
WHEREAS, the Metro Auditor has requested that the Metro Council suggest potential topics for future audits; and

WHEREAS, the Metro Council, in recognition of the independence of the Metro Auditor thanks the Metro Auditor for her request and wishes to make suggestions as requested; and

WHEREAS, it remains the authority and responsibility of the Metro Auditor to determine the subject and scope of future audits; now therefore

BE IT RESOLVED that the Metro Council respectively suggests to the Metro Auditor for consideration the potential audit topics as set forth in Exhibit A attached hereto.

ADOPTED by the Metro Council this 6th day of November 2003.



David Bragdon, Council President

Approved as to Form:

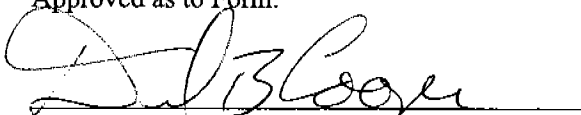

Daniel B. Cooper, Metro Attorney

Exhibit A to Resolution 03-3383
Metro Auditor's Request for Suggestions List to Metro Council of
Potential Performance Topics to Audit

In response to the Metro Auditor's request for guidance about useful topics to audit, the Metro Council respectfully suggests the Metro Auditor consider the following possible topics:

1. ***Similarly Sized Governments – Public Involvement Process:*** How do similarly sized governments do their cost benefit analysis for public involvement process?
2. ***Parking Lots Revenues:*** How could we improve parking lots revenues for Metro?
3. ***Adequacy of Financial Reserves:*** Assess the designated financial reserves in various funds, with the following questions in mind: Are reserve calculations commensurate with the risks in respective areas? Are the amounts held in reserve sufficient?
4. ***Implementation and Training for "PeopleSoft" Information Software:*** Assess the use of the PeopleSoft software throughout the agency, with the following questions in mind: Are the full capabilities of the system being utilized? Is employee training sufficient? Are the expenditures on the system achieving measurable productivity?
5. ***Fleet Vehicles:*** Analyze expenditures on Metro's contract to utilize state motor pool services. Identify financially attractive alternatives, if any.
6. ***Environmental Exposure on Metro Properties:*** Undertake agency-wide assessment of environmental exposure on various Metro properties. Are agency-wide standards in place? Is risk management being properly conducted?
7. ***Applicability of Linux-Based System as Potential Replacement for Microsoft-Based Information Technology System:*** Assess possible switch from Microsoft-based information technology to Linux.
8. ***Agency-wide Audit of Decentralized Record Management Systems:*** What is working, what is not?
9. ***Evaluate Pay-for-Performance Programs in Public Sector Organizations:*** Identify and evaluate programs at other public sector organizations which link staff compensation to job performance. Suggest program elements, which have been effective elsewhere and identify those which have not been successful elsewhere, and define potential applicability to Metro.
10. ***Revenue Capture at Zoo, Expo, and Convention Center Parking Lots:*** Assess whether or not Metro is realizing appropriate market revenue from the operation of parking lots adjacent to its facilities.
11. ***Suggest Streamlining for Support Services between MERC and Other Branches of Metro Operations:*** Quantify possibilities for cost savings by combining centralized support services between current MERC operations and other portions of the Metro organization such as Oregon Zoo.
12. ***Metro Committee for Citizen Involvement (MCCI):*** How representative is MCCI of the citizens of the Metro Area?

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13. ***Assess Revenue Controls Pertaining to Tickets Sold Off-Site for Events at MERC Facilities:*** In the case of tenants bound to pay a portion of rental fees in the form of a percentage of ticket sales, are sufficient controls in place to ensure that MERC receives an accurate amount of funds due accruing from sales of tickets through outside vendors (such as TicketMaster) over the internet or at non-MERC outlets?
14. ***Provide Evaluation Measures for Oregon Convention Center Marketing Programs, Relative to Assessment of Marketing Efforts Provided by Public Funding Provided to Portland Oregon Visitors Association (POVA):*** Evaluate efficiency and effectiveness of funds expended on marketing efforts related to Oregon Convention Center, and the current division of responsibilities between OCC staff and POVA.
15. ***Cash Handling at Cemetery Operations in the Regional Parks and Greenspaces Department:*** Assess whether cash handling procedures and other financial controls are sufficient.
16. ***Valuation of Central and South Solid Waste Transfer Stations and Suggestions for Operations Contract Negotiation:*** Establish value of Metro's two solid waste transfer stations and provide analytical suggestions to Solid Waste and Recycling Department for bidding and evaluation of operations contract.
17. ***Evaluate Effectiveness of Various Recycling Promotion Programs:*** Establish benchmarks for evaluating the effectiveness of various outreach efforts intended to promote recycling. How are benefits of a particular approach linked to the expenditures on that approach? Include evaluation of Regional System Fee credit program.
18. ***Establish Cost/Benefit Measures for "Organics" Recycling Program:*** Suggest means of measuring the results of proposed "organics" solid waste recycling program relative to funds proposed to be spent.
19. ***Evaluate Procedures of Solid Waste Host Community Enhancement Programs:*** Evaluate how grant awards are handled in the three community enhancement programs related to Metro's solid waste facilities in North Portland, Northwest Portland, and Oregon City.
20. ***Evaluation of Oregon State's Department of Environmental Quality's Financial Compensation to Metro for Hazardous Waste Handling:*** The Oregon Department of Environmental Quality funds hazardous waste disposal services outside the Metro service district, and is to reimburse the Metro for providing similar services within that service district. Assess whether or not these payments are accurate and sufficient to cover the appropriate costs of service, relative to fiscal burden in remainder of state.
21. ***Access Customer Satisfaction of Users of Metro Solid Waste Transfer Stations:*** Suggest measures and survey methods for determining the satisfaction of customers delivering solid waste to these facilities.

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22. *Assess Marginal Cost / Benefit of Ancillary Services at Oregon Zoo, Particularly Zooliner Train.* Evaluate operational costs, future investment requirements, and marginal revenues attributable to Zooliner train. Assess its overall impact on Zoo's finances as a whole.

23. *Evaluate Appropriate Structure of Zoo Foundation and its Relationship to Zoo Employees:* Evaluate structure of Oregon Zoo Foundation and its interaction with Oregon Zoo staff. Compare to structure of other non-profit organizations designed to aid government agencies, such as Portland Schools Foundation. Are appropriate distinctions in place relative to regulations and laws governing charitable organizations? Are work assignments properly distinguished between non-profit employees and government employees? Are revenues for particular activities being properly accounted for to the appropriate entity?

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 03-3383, FOR THE PURPOSE OF RESPONDING TO THE METRO AUDITOR'S REQUEST FOR SUGGESTIONS TO METRO FOR FUTURE POTENTIAL PERFORMANCE AUDIT TOPICS

Date: October 21, 2003

Prepared by: Metro Council President David Bragdon

BACKGROUND

The Metro Auditor, an independently elected Metro official, has requested from the Metro Council of making suggestions to the Metro Auditor for future potential performance audits topics.

The Metro Council, in recognition of the independence of the Metro Auditor, has responded to the Metro Auditor's request and thanks the Metro Auditor for her request and wishes to make suggestions as requested as set forth in Exhibit A of Resolution No. 03-3383.

ANALYSIS/INFORMATION

1. **Known Opposition:** None.
2. **Legal Antecedents:** Section 18 of the Metro Charter and Chapter 2.15 of the Metro Code.
3. **Anticipated Effects:** It remains the authority and responsibility of the Metro Auditor to determine the subject and scope of future audits.
4. **Budget Impacts:** None.

RECOMMENDED ACTION

The Metro Council President and the Metro Council recommends that Resolution No. 03-3383 be adopted.