

**City of Carson City
Request for Board Action**

Date Submitted: 05/26/14

Agenda Date Requested: 06/05/14

Time Requested: 60 minutes

To: Mayor and Supervisors

From: Nick Providenti, Finance Director
Michael Bertrand, Audit Committee Chairman

Subject Title: For Possible Action: Presentation, discussion, acceptance and possible direction to staff regarding implementation of the Fraud Waste and Abuse (FWA) Program final report and the Performance Metrics Development final report. (Michael Bertrand)

Staff Summary: Moss Adams has been contracted by the Carson City Audit Committee and the Board of Supervisors to provide Internal Audit Services to Carson City. A draft of the FWA Program report and a draft of the Performance Metrics Development report was presented and accepted by the Carson City Audit Committee on April 22, 2014. Representatives from Moss Adams will be presenting the report.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to accept the Fraud Waste and Abuse (FWA) Program final report and the Performance Metrics Development final report prepared by Moss Adams and direct staff to bring back implementation plans based on Board of Supervisors discussion.

Explanation of Recommended Board Action: See Staff Summary.

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

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: None

Supporting Material: Fraud Waste and Abuse Program final report and the Performance Metrics Development final report provided by Moss Adams.

Prepared By: Nick Providenti

Reviewed By: *Michael Spuhler*
(Department Head)

Date: 5/27/14

: *Marena Swink*
(City Manager)

Date: 5/27/14

: *Andy King*
(District Attorney)

Date: 5/27/14

: *Michael Spuhler*
(Finance Director)

Date: 5/27/14

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

Carson City
Fraud, Waste, and Abuse Program

April 2014

Prepared by:

Moss Adams LLP

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I. EXECUTIVE SUMMARY

All City employees share the common purpose of serving the public and ensuring public funds are spent wisely. The work of the City should be conducted fairly, equitably, ethically, and transparently. Proactive steps must be taken to ensure community commitments and management objectives are met. It is important for employees and the public to be provided a mechanism to voice appropriate concerns when they see or feel something is not right.

As a result, Carson City has established a Fraud, Waste, and Abuse Program that is available to all City employees and the public. The program operates 24 hours a day, 7 days a week. Reports of suspected inappropriate activity can be made using the City's toll-free number, mail, phone, or in person. All reports submitted are treated confidentially.

Carson City employees are entrusted with public funds and have a duty to use those funds economically, efficiently, effectively, and ethically. If City employees do not honor that obligation, then it is imperative to identify and correct those actions. The City is committed to reviewing all complaints and investigating all legitimate concerns.

Purpose of a Fraud, Waste, and Abuse Program

A Fraud, Waste, and Abuse (FWA) Program is a mechanism for employees or members of the public to report activities perceived to be misconduct, violations of City policy or ethics, theft, waste, or misuse of City assets. The objective of a FWA program is to identify and stop loss of City resources and act as a deterrent to fraud, waste, and abuse.

In order to facilitate reports of fraud, waste, or abuse, a FWA hotline is administered by a hotline contractor. The contractor receives calls on the FWA hotline and forwards the incident report to the City's Internal Auditor. Please do not use this program to report grievable labor issues, which should be reported to the Human Resources Department. Matters of threat to a person should be reported to the Sheriff's Office by calling 911.

Benefits of a Fraud, Waste, and Abuse Program

There are numerous benefits to a Fraud, Waste, and Abuse Program. It is important for not only identifying and quantifying losses to the City, but also preventing future losses. Specific benefits include:

- Identification and termination of occurrences of fraud, waste, and abuse.
- Recovery of funds as a result of investigations.
- Deterrence of inappropriate behavior by increasing awareness of these actions
- A safe mechanism for employees and the public to voice concerns and report suspected inappropriate activity.
- Commitment to the City's core values through the promotion of the program.
- Improvement in the City's internal control processes.
- Enforcement of an ethical work environment.

II. FRAUD, WASTE, AND ABUSE DEFINITIONS

A. FRAUD DEFINITION

Fraud is defined as a dishonest and deliberate course of action that results in obtaining money, property, or an advantage to which City employees or officials committing the action would not normally be entitled. Fraud also encompasses intentional misleading or deceitful conduct that deprives the City of its resources or rights. There are three categories of fraud. They include 1) financial statement fraud, 2) misappropriation of assets, and 3) corruption. Examples of fraud include, but are not limited to:

- Falsifying financial records to cover up theft.
- Theft or misuse of city money, equipment, supplies, and/or other materials.
- Intentionally misrepresenting the costs of goods or services provided.
- Falsifying payroll information.
- Use of city equipment or property for personal use/gain, non-business reasons.
- Submitting false vouchers for reimbursements.
- Soliciting or accepting a bribe or kickback.
- Intentional use of false weight or measures.

B. WASTE DEFINITION

Waste is defined as the needless, careless, or extravagant expenditure of city funds; incurring of unnecessary expenses; or mismanagement of city resources or property. Waste does not necessarily involve private use or personal gain, but it almost always signifies poor management decisions, practices, or controls. Examples of waste include, but are not limited to:

- Purchase of unneeded supplies or equipment outside of established limits.
- Purchase of goods at inflated prices without appropriate bids or research.

C. ABUSE DEFINITION

Abuse is defined as the intentional, wrongful, or improper use or destruction of city resources, or improper practice that does not involve prosecutable fraud. Abuse can include the excessive or improper use of an employee or official's position in a manner other than its rightful or legal use. Examples of abuse include, but are not limited to:

- Failure to report damage to city equipment or property.
- Using one's position in one city department to gain an advantage over another city resident when conducting personal business in another city department.
- Abuse of city time such as significant unauthorized time away from work or significant use of city time for personal business.

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- Abusing the system of travel reimbursement.
- Receiving favors for awarding contracts to certain vendors.
- Using city property, information or position for personal gain or resulting in extra or special charges to the City.
- Appropriating or diverting any business opportunity or idea in which the City might have an interest.
- Competing with the City in an inappropriate way.
- Failure to disclose a conflict of interest.
- Participating in decision making where a conflict of interest resides.
- Improper use of supervisory authority in response to an employee taking action or refusing to take action.

III. FRAUD CATEGORIES

A. FINANCIAL STATEMENT FRAUD

Financial statement fraud includes intentional misstatements, omissions, or disclosures in financial statements designed to deceive financial statement users. Fraudulent financial reporting often involves upper management and management override of controls that otherwise may appear to be operating effectively. Common occurrences include overstating revenues and understating liabilities or expenses. Examples include:

- Manipulation, falsification, or alteration of accounting records or supporting documents from which financial statements are prepared, such as overstating assets and understating liabilities.
- Misrepresentation in or an intentional omission from the financial statements of events, transactions, or other significant information.
- Intentional misapplication of accounting principles relating to amounts, classification, manner of presentation, or disclosure.

B. ASSET MISAPPROPRIATION

Asset misappropriation is theft of an entity's assets that causes the financial statements not to be presented in conformity with Generally Accepted Accounting Principles. False or misleading records or documents, possibly created by circumventing controls, may accompany misappropriation of assets. Examples include:

- Embezzlement of cash where accounts have been manipulated or false invoices have been created
- Skimming revenue before the funds have been recorded in the City's financial records
- Cash larceny
- Lapping accounts receivable
- Check tampering
- Over-billing customers
- Stealing assets such as office supplies or computer equipment
- Causing the City to pay for goods and services that have not been received
- Data theft or intellectual property
- False expense claims
- Duplicate reimbursements
- Payroll fraud
- Paying personal expenses with the City's resources

C. CORRUPTION

Corruption is the wrongfully use of influence in a business transaction in order to procure some benefit and contrary to their duty to their employer or the rights of another. Examples include:

- Seeking or accepting kickbacks
- Engaging in conflicts of interest
- Bid rigging
- Contract manipulation
- Economic extortion
- Illegal gratuities
- Hiring or promotion based on personal relationship (known or unknown)

IV. ETHICS

Carson City Code of Ethics

The City's 'Code of Ethics for Elected and Appointed Officials' is documented in municipal code Chapter 2.34, Sections 010 – 100. The purpose of the ethics code is summarized as follows:

Provide assurances of the utmost in integrity, honesty and fairness in business dealings;

Present no conflict of interest between the public trust and private gain; and

A belief that those entrusted with offices of the City have nothing to fear from full public disclosure of their business holdings.

The Code defines and describes specific words and phrases, duties, disclosure statement content, and specific examples of ethical violations for elected officials, committees, commissions, and appointed employees. The Code also describes penalties for violation of the Code for any official or employee who willfully and knowingly violated the provisions of the Code.

Business Ethics

Business ethics apply to right and wrong behavior in the business world and take on different meanings in different cultures, making it challenging to truly define business ethics. However, there are a number of areas where unethical practices may occur more frequently, including human resources and accounting.

Human Resources Ethics

Interactions between managers and employees create opportunities for breaches of ethics, such as discrimination based on ethnicity, gender, age or other factors. Managers who discriminate against minority groups in hiring practices, compensation decisions, and terms of employment can face legal and social consequences. Dishonesty and manipulation are also examples of unethical workplace behavior.

Accounting Ethics

Financial accounting is a major ethical issue, and no amount of industry or government regulation seems able to prevent dishonest people from reporting financial information in unethical ways. Certain unethical accounting practices are illegal, such as misrepresenting income or expenses in financial statements through unjustifiable shifting of expenses to inappropriate periods to influence current financial results, obtain a better debt rate, or to maintain debt covenant requirements.

V. IMPLEMENTATION

A. PLANNING

Roles and Responsibilities

The Fraud, Waste, and Abuse Program will be administered and managed as follows:

- Board of Supervisors – requires a Fraud, Waste, and Abuse program.
- City Manager – sets the tone for the program, funds the program, and provides a message on the City’s intranet page promoting ethical behavior with appropriate links for reporting.
District Attorney – reviews reports, as necessary, to determine if there are civil matters to be addressed and takes appropriate actions.
- Sheriff – reviews reports to determine if there are criminal matters to be addressed and takes appropriate actions.
- Human Resources – receives complaints and works with management and bargaining unit representatives to take appropriate action as a result of substantiated complaints.
- Department Managers – responsible for supporting the FWA program and cooperating with an investigation should one occur within their department.
- Risk Management – for substantiated complaints, works with management regarding insurance coverage and claims.
- City employees – responsible for reporting suspected inappropriate activity.
- FWA Program Coordinator/Internal Auditor – responsible for coordinating the FWA Program, monitoring, triaging complaints, conducting investigations, providing overall oversight as to the progress of complaints received, making reports, and performing follow-up procedures deemed appropriate.
- Audit Committee – provides recommendations to the Board of Supervisors but does not participate in conducting investigations.

Tracking and Monitoring of Complaints

The City has established a case management process to capture, track, and report the following elements:

- A. Complaints received by category and sub-categories, as desired.
 - Fraud: expense reimbursements, cash, and skimming
 - Wasteful spending
 - Abuse
 - Ethics
 - Threats – city, people, property

B. Complaint triage / decision point by Internal Auditor

- Information insufficient for investigation
- Non-program complaint
- Referred to other department
- Investigated

C. Referrals will be made by the Internal Auditor as deemed appropriate to the situation. Specific examples of referrals include:

- Referrals will be made to the Sheriff's department if the complaint indicates a life threatening situation or other type of crime.
- In some instances, the complaint, even if investigated by Internal Audit, may be referred to the Nevada Commission on Ethics.
- Labor relations matters and grievances may be referred to the City's Human Resources department.
- Non-financial or compliance matters

D. Investigations by the Internal Auditor

- Determine the methodology for investigation. Procedures may include, but not be limited to, the following types of activities that specifically relate to the allegation received:
 - Interviews of individuals deemed to have direct knowledge of the matter.
 - Interview with the employee(s) named in the complaint.
 - Interview with the person(s) who made the complaint, if known.
 - Interview with person(s) external to the City deemed to have direct knowledge of the matter at hand.
 - Review of documentation supporting the transaction(s) questioned.
 - Review of City policies and procedures.
 - Review of City Board of Supervisor meeting minutes.
 - Review of emails.
 - Confirmation from third parties substantiating transactional activity such as financial institutions, investment administrators, and vendors.
 - Testing of internal controls and/or transaction details.
 - Electronic analysis of transactions utilizing ACL or other automated tools deemed appropriate to the situation.

E. Final disposition or conclusion by the Internal Auditor

- Substantiated matters will be reported based on Generally Accepted Government Auditing Standards requirements, including the following elements:

Condition – what really happened

Criteria – what we expected to happen, including identification of laws, rules, regulations, statutes, and generally accepted accounting principles

Effect – financial impact to the City

- Cause – why the condition happened, including weaknesses in internal controls or override of internal controls

Recommendations – address changes to internal control structure, assignment of duties and responsibilities, training, disciplinary action, or referral to the District Attorney for civil or criminal action

Unsubstantiated matters will be reported in a manner that protects the subject of the complaint. Elements reported may include the following:

- Date the complaint was received

Period of time Internal Auditors conducted the investigation

Summary of actions taken to investigate the complaint

Conclusion regarding evidence of criminal or civil wrongdoing

Recommendations for improvement in internal controls or operations, if warranted

F. Reporting. The frequency and content of FWA Program reporting will be driven by the City's open meetings law.

- Report type, as appropriate
 - Formal report
 - Management letter
 - Personnel letter of disciplinary action
- Report recipients, as appropriate
 - City Board of Supervisors
 - Audit Committee
 - District Attorney
 - Human Resources
 - Risk Management
 - Insurance
 - Employee(s) involved in the situation
 - Press

- Reporting forum
 - Executive session discussion – nondisclosure to public
 - Public disclosure

B. FRAUD HOTLINE

Providing individuals a means to report suspicious activity is a critical part of an anti-fraud program. Fraud reporting mechanisms, such as hotlines, are set up to receive tips from both internal and external sources and support anonymity and confidentiality. Management encourages employees to report suspicious activity, as well as enact and emphasize an anti-retaliation policy. According to the Association of Certified Fraud Examiners, the number one source for the initial detection of fraud is through a tip, with over 50% of tips coming from an employee.

External Hotline Answering Company

The City has elected to contract with a third party vendor to administer the offsite reporting system (the “Contractor”). Incident reports can be submitted in a number of ways and allows employees or members of the public to call and speak to an operator via a designated phone number staffed by the vendor. There are distinct benefits to managing the hotline in this manner. Examples include:

- Services are available 24 hours a day/7 days a week/365 days a year.
- The persons receiving the calls are hotline professionals, trained in how to obtain the information necessary for the City to determine an appropriate course of action.
- The Contractor has the ability to receive documents (Word, Excel, and PDF) and forward them to the City as evidence for the complaint, while maintaining the privacy of the caller.
- The Contractor has the ability to communicate back and forth with the caller without revealing the identity of the caller.
- The Contractor will provide notification of and the incident report to the City’s Internal Auditor.
- The Contractor will provide case management of calls received, including archiving and data retention.
- The Contractor will provide a summary of the calls received, including call type, disposition (open or closed), etc.

C. METHODS FOR CAPTURING COMPLAINTS

The City is providing employees and members of the public a variety of methods for reporting suspected inappropriate activity and behavior. These methods include:

- Hotline (anonymous reporting mechanism, internal vs. external) – all incident reports are forwarded to the City’s Internal Auditor.
- Phone call – if received by the City’s Internal Auditor, the caller will be encouraged to call the FWA hotline, or the City’s Internal Auditor will handle the call by obtaining the information

required to determine if an investigation is necessary. If a call is received by City personnel, then the incident/complaint will be forward to the FWA hotline or City's Internal Auditor, as appropriate.

Face-to-face – City personnel will take appropriate notes of the meeting and encourage the complainant to report the matter through the FWA hotline.

Mail –mail will be forwarded to the City's Internal Auditor for investigation, as appropriate.

D. PROGRAM REVIEW

The Board of Supervisors will periodically, at least annually, review the program to validate that the Fraud, Waste, and Abuse Program is meeting Board of Supervisors and management objectives and providing useful information. The review will include confirmation of individual roles and responsibilities, policies and procedures, and the results of investigations. Statistical information will also be reported, such as the following:

- Number of complaints received
 - Referred – non-city, information requests, etc.
 - Under investigation
 - Open – pending additional information
 - Closed
- Sources of complaints
 - Hotline
 - On-line
 - Phone
 - Face-to-face
 - Mail
 - Other
- Types of complaints
 - Employee misconduct
 - Contractor misconduct
 - Fraud – misappropriation of assets, false reporting
 - Wasteful spending
 - Abuse of position
 - Ethics
 - Other
- Cases closed and reason for closing
 - Investigated – substantiated
 - Investigated – not-substantiated
 - Referred
 - Insufficient information – no action taken

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- Case Highlights – Investigations conducted – loss substantiated
 - Identified loss and impact to the City
 - GAGAS finding elements – condition, criteria, effect, cause
 - Recommendations in internal controls
- Program Implementation Status - Implementation of recommendations resulting from an investigation may take 2-3 years.
 - Summary of recommendations
 - Management's response
 - Actions taken to date
 - Estimation from management of when implementation will be completed.

E. COMMUNICATION PLAN

The City launched the Fraud, Waste, and Abuse Program in November 2013. The program incorporates the City's Code of Ethics by setting an appropriate tone at the top.

Consideration is also being given to the following:

- Message from the Board of Supervisors and City Manager kicking-off the program – completed November 2013
- Intranet page link to reporting options for employees – completed November 2013
- Internet page link to reporting options for the public – completed April 2014
- Whistleblower protection / Nevada law
- Plan for on-going support and communication about the program
- Message on payroll stubs
- Posters
- Newsletters
- New hire training
- Annual training
- Presentations (oral or written) to various entities
 - Board of Supervisors – completed January 2014
 - Public meetings
 - Conferences
 - Press

F. REACTING TO COMPLAINTS

Regardless of the mechanism through which the City receives a complaint, the following procedures are established for triaging complaints, performing investigations, and communicating investigation results.

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Triage Escalation

The City has established escalation for complaints as follows:

- Immediate response – call indicates misappropriation of the City’s assets, false reporting, misuse of City assets, etc.
- Referral – based on the circumstances of the complaint, reports may be referred to other departments or outside the City. In such instances, the caller will be notified of the referral if the caller requests. The call can be closed upon referral but should be reported as such, or it may remain open until the final resolution is communicated to the City. Matters indicating a personal emergency will be forwarded to the appropriate party for action. For example, a life threatening situation or child abuse.
- Annual audit plan – call indicates the need for a process redesign or modification to internal controls but no financial loss to the City.
- Follow-up – call requires additional information before appropriate action can be determined.
- Closed as received – including but not limited to:
 - Call is incomplete
 - Caller did not provide sufficient information to determine the appropriate action and caller has not elected for two-way anonymous communication
 - Matters regarding non-audit issues (i.e. request for the number of a local dump)

Investigating Complaints

The complaint will be forwarded to the appropriate party for investigation. If the City’s Internal Auditor investigates, then the following activities will be performed:

- Read the initial hotline report.
- Obtain any supporting documents provided by the caller through the Contractor.
- Identify additional evidence needed to resolve the complaint, including but not limited to:
 - City policies and procedures
 - Copy of or access to Board meeting minutes
 - Copies of invoices, receipts, contracts, etc.
 - Other documentation deemed necessary to determine validity of the incident report
- Identify who will be contacted during the investigation, including but not limited to:
 - Suspect to the allegation
 - Victim(s)
 - Witnesses
 - Complainant, if known and the individual wishes to be interviewed
 - Those within the internal control process, but who may not have knowledge of the specific complaint

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- Law enforcement, if appropriate
 - Nevada Commission on Ethics to request a written "Request for Opinion" regarding a public employee's or public officer's conduct in relation to NRS 281A based on information received through the hotline
 - Others as determined necessary
 - Communicate to the complainant appropriate information regarding the City's whistleblower policy.
- Perform investigative procedures to determine the validity of the complaint and documenting:
- Steps taken
 - Evidence gathered – chain of custody
 - Conclusions reached
 - Quantification of financial loss to the City, if any
 - GAGAS – criteria, condition, cause, effect, and recommendations, as appropriate
- Keep the appropriate parties informed of the progress of the investigation.
 - Communicate the final results of the investigation, including notification and reporting, as appropriate, including, but not limited to:
 - Board of Supervisors
 - Audit Committee
 - City management
 - Nevada Commission on Ethics
 - Manage information on a need-to-know basis.
 - Maintain case files for an appropriate period. This may be driven by whether or not the case results in civil or criminal charges.

Communication

Within the escalation process, the City has created a reporting structure. The City will continue to modify that structure as appropriate. The current structure includes reporting to the following:

- District Attorney's office – potential civil activity
- Sheriff – potential criminal activity
- Human Resources Department -- employee disciplinary action
- Audit Committee – consideration of audits performed, status of investigations (care will be taken to ensure the detail provided does not violate privacy laws)
- Board of Supervisors – periodic reporting of activity
 - Quarterly statistics of calls received
 - Summaries of completed investigations, as appropriate and dependent upon whether there will be civil or criminal charges filed

VI. WHISTLEBLOWER PROTECTION/POLICY

The risk and fear of retribution can deter many people from reporting allegations of wrongdoing against a colleague, manager, Board member, or a City vendor. The public policy of the State is to encourage state and local officers and employees to disclose improper governmental action and protect the rights of persons making such disclosures (NRS 281.621).

The State's Fraud policy includes "Whistle-Blower Protection" and prohibits retribution against any employee who may have made a report of suspected inappropriate activity. The City will take each call seriously and investigate as the issue warrants and evidence is available. The City has made available an anonymous reporting mechanism to facilitate this process.

Nevada whistle-blower statutes define "improper governmental action" as actions taken in the performance of official duties, whether or not the action is within the scope of employment, that are:

- In violation of State law or regulation;
For local government officers and employees, in violation of local ordinances;
- In abuse of authority;
- A substantial and specific danger to public health or safety; or
- A gross waste of money.

If an individual makes a report through the FWA hotline, then the Internal Auditor will not make any effort to identify the complainant. If the individual wishes to be contact by the Internal Auditor, then the individual should leave contact information at the time of the FWA hotline call. The Internal Auditor will not reveal the identity of the individual(s) unless required to do so by law.

VII. TRAINING

The City is providing initial and ongoing training to all City employees on the Fraud, Waste, and Abuse Program.

Initial Training

Initial training includes discussion of the following:

- Program purpose and benefits
- Roles and responsibilities
- Employee responsibilities for reporting suspected inappropriate activity
- How to make a report using all various methods (hotline, web, or face-to-face)
- Investigation considerations
 - Reporting of investigation results – public vs. private information.

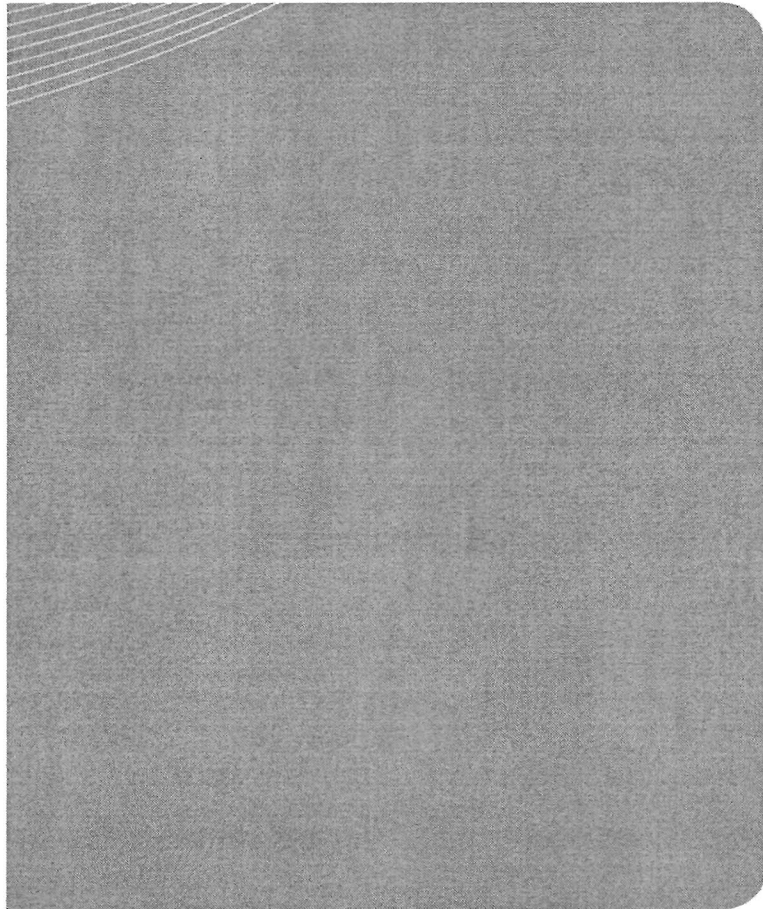
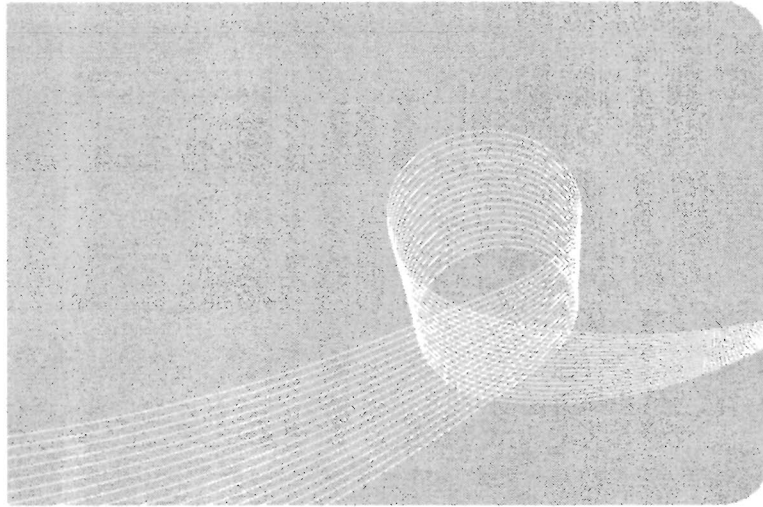
On-going Training

On-going training is important to reinforce management's commitment to reducing loss of resources to the City. The training can be part of the City's annual training program or specific to a Department.

Fraud Awareness Training & Train the Trainer

In order for City employees to understand when and what to report, employees need to receive fraud awareness training. Consideration should be given to which employees should receive training (managers, directors, supervisors, line employees, etc.). Training should include the following topics:

- Definition of fraud, waste, and abuse with examples of each
- Fraud triangle – fraud environment – answering why fraud happens
- Opportunity points for fraud to occur
- Internal controls intended to prevent and detect fraud
- The importance of corrective controls and the message it sends to employees
- Fraud schemes – what does fraud look like, how to identify and understand various schemes
- Characteristics and red flags of perpetrators



Carson City

Performance Framework April 2014

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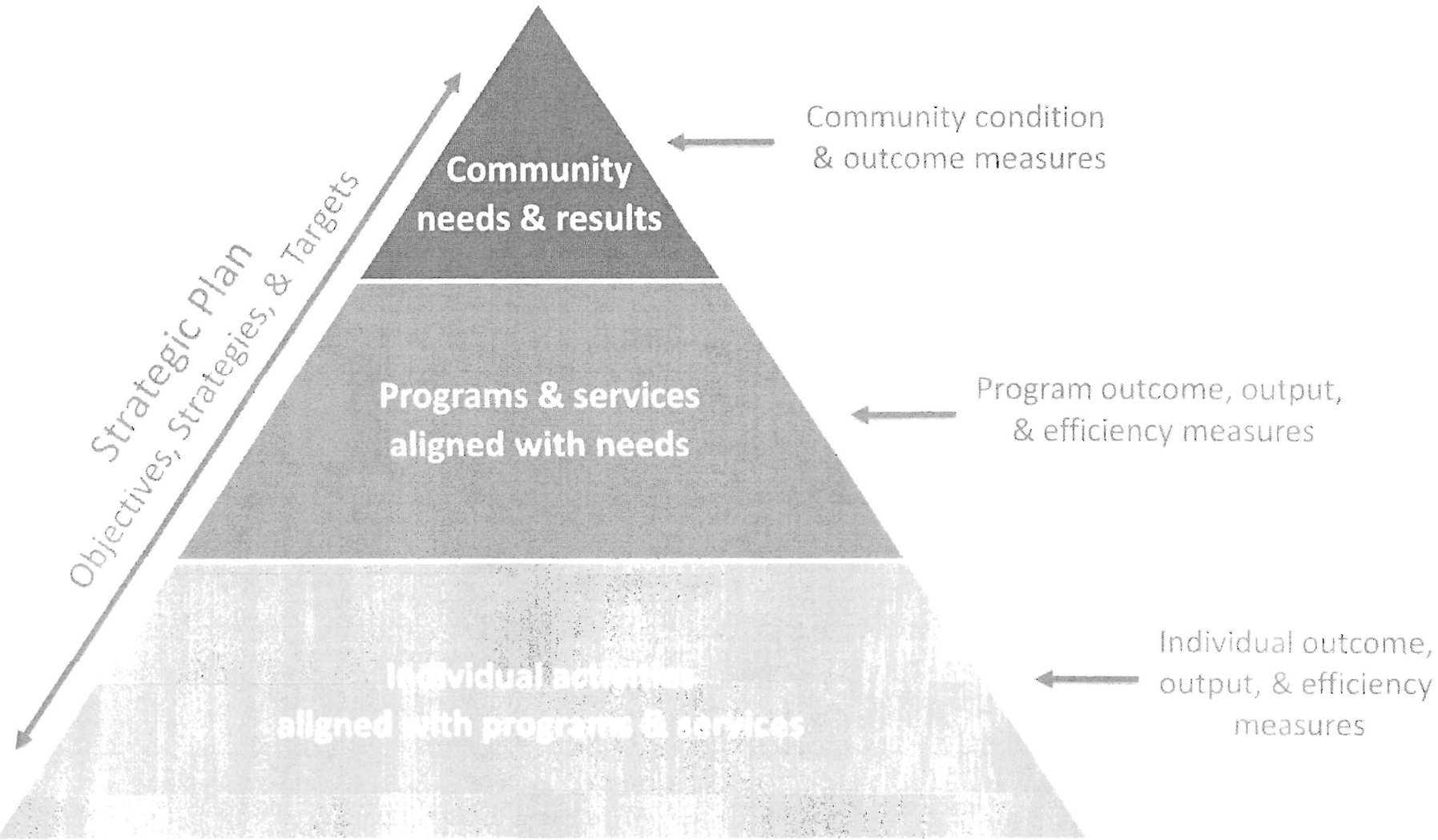
AGENDA

- Overview
- Department Metrics
- Sample Executive Dashboard

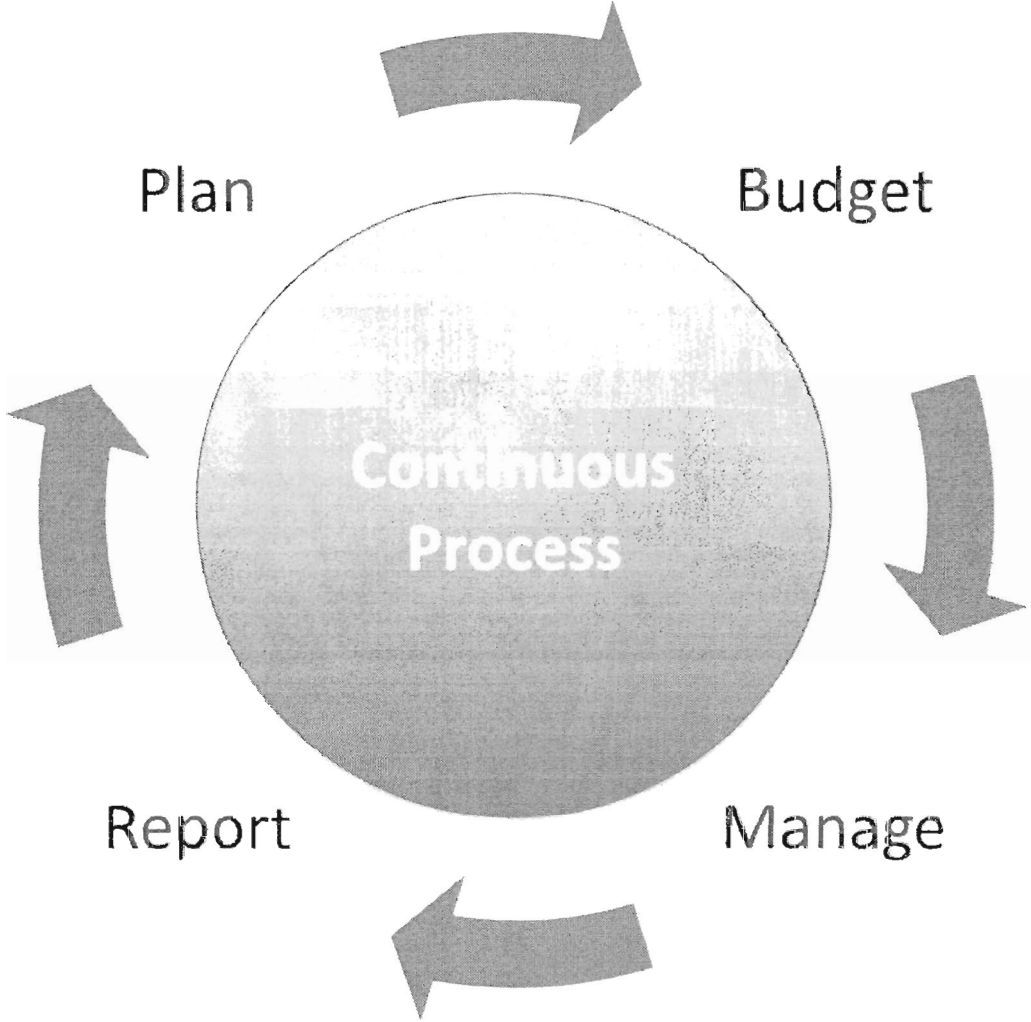


Overview

PERFORMANCE DATA & STRATEGIC OUTCOMES



PERFORMANCE MANAGEMENT CYCLE





PERFORMANCE FRAMEWORK

Department/Function

1. *Objective*
2. *Outcome Measure*
 - Program or service effectiveness
 - Measure baseline: Operating department FTE
3. *Efficiency Measure*
 - Program or service productivity
 - Unit cost
 - Measure baselines: Carson City FTE; population served
4. *Strategic Goals Impacted*



AREAS OF FOCUS

- Finance & Risk Management
- Purchasing & Contracts
- Human Services
- Clinic Services
- Preparedness
- Environmental Health
- Animal Services
- Human Resources
- Information Technology
- Library
- Parks, Recreation, & Open Space
- Facilities Maintenance
- Streets & Transportation
- Water
- Sewer
- Stormwater
- Transit (JAC)
- Fleet Management
- Business Development
- Planning, Building, & Business Licenses
- Sheriff
- Jail
- Fire Department & EMS
- Alternative Sentencing



RESOURCES

- ICMA Center for Performance Measurement
 - Performance Measurement in Practice
 - Comparative Performance Measurement Report
- National Performance Measurement Advisory Commission
- GFOA Performance Management Best Practice
- GASB Service Efforts and Accomplishments Reporting
- Government Finance Review, Linking Performance Measures to Resource Allocation
- County and city performance measures



Executive Dashboard



DASHBOARD CONTENTS











- Performance measure
- Three-year data
- Goal
 - City management to determine goals based on priorities
- Desired trend
 - Up, down, or stable
- Three-year trend
- On track
 - Green: Within 5% of desired trend
 - Yellow: Within 15% of desired trend
 - Red: 15% or more in the opposite direction of desired trend











Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Finance and Risk Management							
Balanced budget with reserve funds meeting or exceeding target levels	✓	✓	✓	✓	-		
Annual number of worker days lost per claim	1.96	3.93	5.10	-	↓		
Finance O&M expenditures per City FTE	\$1,117	\$1,099	\$1,110	-	↔		
Purchasing and Contracts							
Purchasing & Contracts O&M expenditures per City FTE	\$181	\$247	\$240	-	↔		
Human Resources							
Turnover rate	27%	18%	27%	-	↓		
HR O&M expenditures per City FTE	\$534	\$455	\$516	-	↔		
Information Technology							
Percent of annually planned projects delivered	N/A	N/A	N/A	100%	↑		N/A
Annual customer satisfaction rating	3.75	3.96	4.11	5	↑		
Annual system up time (%)	N/A	N/A	N/A	100%	↑		N/A
IT O&M expenditures per City FTE	\$2,999	\$3,154	\$3,306	-	↔		







Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Parks, Recreation, & Open Space							
Program registration	N/A	17,046	14,431	-	↑		
Direct cost recovery	69%	92%	92%	100%	↑		
Parks & Recreation O&M costs per capita	\$11.77	\$16.38	\$26.71	-	↔		
Parks maintenance cost per acre	\$1,249	\$1,540	\$1,296	-	↔		
Open space maintenance cost per acre	\$182	\$158	\$345	-	↔		
Facilities Maintenance							
Square feet maintained per FTE	125,288	125,288	125,288	125,288	↔		
Monthly average job orders completed per FTE	22.0	24.3	23.3	-	↑		
Facilities Maintenance O&M expenditures per square foot maintained	\$1.75	\$1.92	\$1.68	-	↔		

Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Health and Human Services							
Environmental Health							
Number of routine inspections per FTE	502	516	450	-	↔		
Program expenditures per capita	\$5.01	\$4.46	\$4.15	-	↔		
Human Services							
Number of clients seen per FTE	123.64	107.09	67.82	-	↔		
Percent revenue received vs. program expense	80%	88%	64%	100%	↑		
Program expenditures per capita	\$6.41	\$7.09	\$6.64	-	↔		
Clinic Services							
Number of clients seen per FTE	1,312	1,293	1,247	-	↔		
Percent revenue received vs. program expense	32%	39%	25%	-	↑		
Program expenditures per capita	\$6.82	\$6.00	\$9.34	-	↔		















Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Preparedness							
Number of community partners engaged per FTE	1,138	1,441	1,721	-	↑		
Program expenditures per capita	\$8.27	\$8.70	\$8.01	-	↔		
Animal Services							
Average daily animal population: Total	72.16	72.81	68.15	-	↓		
Average daily animal population: Dogs	35.81	39.08	40.19	-	↓		
Average daily animal population: Cats	36.35	33.73	27.93	-	↓		
Animal Services O&M expenditures per average daily animal population	\$5,494	\$8,312	\$12,659	-	↔		
Public Works							
Streets and Transportation							
Street pavement overall condition rating	N/A	71.33	70.03	-	↑		
Streets & Transportation O&M cost per lane-mile street maintained	N/A	\$5,295	\$2,650	-	↔		

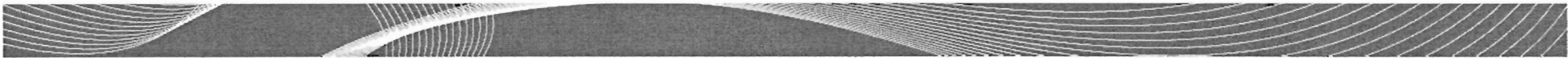
Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Streets and Transportation (Cont.)							
Percent of capital dollars spent to plan	78%	69%	194%	100%	↑		
Stormwater							
Annual curb miles swept	N/A	N/A	N/A	-	↑		N/A
Stormwater O&M expenditures per parcel	N/A	N/A	N/A	-	↔		N/A
Percent of capital dollars spent to plan	N/A	N/A	N/A	100%	↓		N/A
Transit							
Ridership	152,115	183,716	189,358	-	↑		
User and grant fees received as a percentage of operating costs	19.2%	19.3%	20.0%	-	↑		
JAC O&M costs per rider	\$3.23	\$2.92	\$2.74	-	↔		
Passengers per service hour	10.89	13.09	13.67	-	↑		

Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Water							
Annual number of water line maintenance tasks completed	N/A	N/A	N/A	-	↑		N/A
Total number of permit exceedances	N/A	N/A	N/A	0	↓		N/A
Water O&M expenditures per connection	N/A	N/A	N/A	-	↔		N/A
Percent of capital dollars spent to plan	58%	73%	119%	100%	↔		
Sewer							
Treatment plant flow capacity remaining	100%	100%	100%	100%	↔		
Total number of permit exceedances	0	1	3	0	↓		
Sewer O&M expenditures per connection	\$518	\$511	\$546	-	↔		
Percent of capital dollars spent to plan	51%	73%	16%	100%	↔		

Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Fleet Management							
Percentage of vehicles exceeding replacement criteria	N/A	N/A	N/A	0%	↓		N/A
Fleet O&M expenditures per vehicle	N/A	N/A	N/A	-	↔		N/A
Community Development							
Total business licenses issued per FTE, business	699	603	628	-	↔		<input type="radio"/>
Total other licenses issued per FTE other	63	47	53	-	↔		<input type="radio"/>
Total fees collected per FTE	\$127,660	\$123,471	\$130,222	-	↑		<input checked="" type="radio"/>
Percent O&M cost recovery through fees	545%	537%	597%	100%	↔		<input type="radio"/>
Community Development O&M expenditures per capita	\$7.94	\$7.14	\$8.55	-	↔		<input type="radio"/>
Business Development							
Total jobs created	-265	-77	406	-	↑		<input checked="" type="radio"/>
Business Development O&M expenditures per capita	\$69.60	\$72.08	\$34.10	-	↔		<input checked="" type="radio"/>

Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Library							
Visitation rates	N/A	N/A	N/A	-	↑		N/A
Library O&M expenditures per registered borrower	N/A	N/A	N/A	-	↔		N/A
Public Safety							
Sheriff							
Crime rate: Comstat Part 1 crimes	23.24	25.6	22.13	-	↓		
Rate of incident response time per 1,000 calls, P1 crimes	0.34	0.36	0.39	-	↓		
Rate of incident response time per 1,000 calls, P2-6 crimes	1.20	1.26	1.35	-	↓		
Sheriff O&M costs per capita	\$272.63	\$273.52	\$292.31	-	↔		
Corrections							
Average daily inmate population, male	134	140	151	-	↓		
Average daily inmate population, female	31	45	53	-	↓		
Average total daily inmate population	165	185	204	-	↓		

Performance Measure	FY 10-11	FY 11-12	FY 12-13	Goal	Desired Trend	Three Year Trend	On Track
Corrections (Cont.)							
Corrections O&M costs per daily total inmate population	\$22,130	\$19,568	\$18,569	-	↔		
Fire and EMS							
Rate of incident response time per 1,000 calls: Fire	0.41	0.39	0.34	-	↓		
Rate of incident response time per 1,000 calls: EMS	0.38	0.33	0.32	-	↓		
Percent of fires contained in structure of origin	3.63%	2.08%	4.34%	-	↑		
Fire Department O&M expenditures per capita	\$146.97	\$141.52	\$159.00	-	↔		
Alternative Sentencing							
Annual number of office and home visits per FTE	1,475	3,112	3,998	-	↑		
Alternative Sentencing O&M expenditures per capita	\$20.70	\$26.70	\$27.00	-	↔		



Department Metrics



FINANCE & RISK MANAGEMENT

1. *Objective:* To effectively and efficiently manage City revenues and expenditures.
2. *Outcome Measure*
 - Balanced budget with reserve funds meeting or exceeding target levels
 - Number of worker days lost per claim
3. *Efficiency Measure*
 - Finance O&M expenditures per City FTE
4. *Strategic Goals Impacted*
 - Open and accessible government
 - Vibrant, diverse, and sustainable economy



PURCHASING & CONTRACTS

1. *Objective:* To assist City departments in the purchasing of appropriate and high quality materials and services from approved vendors at competitive costs in a timely manner.
2. *Efficiency Measure*
 - Purchasing & Contracts O&M expenditures per City FTE
3. *Strategic Goals Impacted*
 - Open and accessible government
 - Vibrant, diverse, and sustainable economy



HUMAN SERVICES

1. *Objective:* To help Carson City residents in need, through service and education.
2. *Outcome Measures*
 - Number of clients seen per FTE
3. *Efficiency Measures*
 - Percent revenue received vs. program expense
 - Program expenditures per capita
4. *Strategic Goals Impacted*
 - Healthy community



CLINIC SERVICES

1. *Objective:* Through education and service, to promote health and impact the lives of those living in our community.
2. *Outcome Measures*
 - Number of clients seen per FTE
3. *Efficiency Measures*
 - Percent revenue received vs. program expense
 - Program expenditures per capita
4. *Strategic Goals Impacted*
 - Healthy community



PREPAREDNESS

1. *Objective:* To assure the most effective response possible to outbreaks of disease and other public health threats and emergencies.
2. *Outcome Measures*
 - Number of community partners engaged per FTE
3. *Efficiency Measures*
 - Program expenditures per capita
4. *Strategic Goals Impacted*
 - Healthy community
 - Safe and secure community



ENVIRONMENTAL HEALTH

1. *Objective:* To protect and promote the health and welfare of the community through education, intervention, prevention, and assistance to residents and visitors.
2. *Outcome Measures*
 - Number of routine inspections per FTE
3. *Efficiency Measures*
 - Program expenditures per capita
4. *Strategic Goals Impacted*
 - Healthy community
 - Clean and healthy environment



ANIMAL SERVICES

1. *Objective:* To protect and improve the quality of life for our community through disease prevention, education, and support services.
2. *Outcome Measures*
 - Average daily animal population: Dogs, cats, and total
3. *Efficiency Measure*
 - Animal services operations and maintenance expenditures per average daily animal population
4. *Strategic Goals Impacted*
 - A safe and secure community



HUMAN RESOURCES

1. *Objective:* Focus on employee retention through career development and succession planning to transfer institutional knowledge and skills throughout the organization.
2. *Outcome Measures*
 - Turnover rate
3. *Efficiency Measure*
 - HR O&M expenditures per City FTE
4. *Strategic Goals Impacted*
 - Open and accessible government



INFORMATION TECHNOLOGY

1. *Objective:* To provide residents and employees with efficient access to government.
2. *Outcome Measures*
 - Percent of annually planned projects delivered
 - Annual customer satisfaction rating
 - Annual system up time (%)
3. *Efficiency Measure*
 - IT O&M expenditures per City FTE
4. *Strategic Goals Impacted*
 - Open and accessible government



LIBRARY

1. *Objective:* To be a valuable resource to the entire community for information, education and entertainment
2. *Outcome Measure*
 - Visitation rates
3. *Efficiency Measure*
 - O&M expenditures per registered borrower
4. *Strategic Goals Impacted*
 - A community dedicated to excellence in education and lifelong learning
 - A community rich in history, culture, and the arts



PARKS, RECREATION, & OPEN SPACE

1. *Objective:* To build a healthy community through parks, programs, and partnerships.
2. *Outcome Measure*
 - Program registration
 - Direct cost recovery
3. *Efficiency Measures*
 - Parks & Recreation O&M costs per capita
 - Parks maintenance cost per acre
 - Open space maintenance cost per acre
4. *Strategic Goals Impacted*
 - Healthy community
 - Active and engaged community
 - Physically connected community



FACILITIES MAINTENANCE

1. *Objective:* To provide City departments and residents with facilities that are safe and meet their needs.
2. *Outcome Measures*
 - Sq. feet maintained per FTE
 - Monthly average job orders completed per FTE
3. *Efficiency Measure*
 - Facilities Maintenance O&M expenditures per sq. feet maintained
4. *Strategic Goals Impacted*
 - Safe and secure community



STREETS & TRANSPORTATION

1. *Objective:* To plan and provide for the safe, efficient, and convenient movement of people and goods.
2. *Outcome Measure*
 - Street pavement overall condition ratings
3. *Efficiency Measures*
 - O&M cost per lane-mile of street maintained
 - Percent of capital dollars spent to plan
4. *Strategic Goals Impacted*
 - Safe and secure community
 - Physically connected community
 - Vibrant, diverse, and sustainable economy



WATER

1. *Objective:* To oversee the city's water production, distribution, metering, fire hydrants, and infrastructure.
2. *Outcome Measure*
 - Annual number of water line maintenance tasks completed
 - Total number of permit exceedances
3. *Efficiency Measures*
 - Water Division O&M expenditures per connection
 - Percent of capital dollars spent to plan
4. *Strategic Goals Impacted*
 - Clean and healthy environment
 - Healthy community



SEWER

1. *Objective:* To operate and maintain the city's sewer collection system.
2. *Outcome Measure*
 - Treatment plant flow capacity remaining
 - Total number of permit exceedances
3. *Efficiency Measures*
 - Sewer Division O&M expenditures per connection
 - Percent of capital dollars spent to plan
4. *Strategic Goals Impacted*
 - Clean and healthy environment
 - Healthy community



STORMWATER

1. *Objective:* To operate and maintain the City's stormwater collection system.
2. *Outcome Measure*
 - Curb miles swept
3. *Efficiency Measures*
 - Stormwater O&M expenditures per parcel
 - Percent of capital dollars spent to plan
4. *Strategic Goals Impacted*
 - Clean and healthy environment
 - Healthy community



TRANSIT (JAC)

1. *Objective:* To plan and provide for the safe, efficient, and convenient movement of people and goods.
2. *Outcome Measure*
 - Ridership
 - User and grant fees received as a % of operating costs
3. *Efficiency Measures*
 - JAC O&M costs per rider
 - Passengers per service hour
4. *Strategic Goals Impacted*
 - Safe and secure community
 - Physically connected community



FLEET MANAGEMENT

1. *Objective:* To maintain the City's vehicle fleet.
2. *Outcome Measure*
 - Percentage of vehicles exceeding replacement criteria
3. *Efficiency Measures*
 - Fleet O&M expenditures per vehicle
4. *Strategic Goals Impacted*
 - Safe and secure community
 - Open and accessible government



BUSINESS DEVELOPMENT

1. *Objective:* To build, revitalize, and sustain a quality community for Carson City businesses and residents.
2. *Outcome Measures*
 - Total jobs created
3. *Efficiency Measure*
 - Business Development O&M expenditures per capita
4. *Strategic Goals Impacted*
 - Vibrant, diverse, and sustainable economy
 - Community rich in history, culture, and the arts



COMMUNITY DEVELOPMENT

1. *Objective:* To build, revitalize, and sustain a quality community for Carson City businesses and residents.
2. *Outcome Measures*
 - Total number of licenses issued per FTE, business and other
 - Total fees collected per FTE
3. *Efficiency Measure*
 - Percent O&M cost recovery through fees
 - Community Development O&M expenditures per capita
4. *Strategic Goals Impacted*
 - Vibrant, diverse, and sustainable economy
 - Community rich in history, culture, and the arts



SHERIFF

1. *Objective:* To enforce the law and reduce crime in Carson City.
2. *Outcome Measures*
 - Crime rate: Comstat Part 1 crimes
 - Average incident response time per 1,000 calls, by type
3. *Efficiency Measure*
 - Sheriff's Department O&M costs per capita
4. *Strategic Goals Impacted*
 - Safe and secure community



CORRECTIONS

1. *Objective:* To enforce the law and reduce crime in Carson City.
2. *Outcome Measures*
 - Average daily inmate population, male and female
3. *Efficiency Measure*
 - Corrections O&M costs per daily total inmate population
4. *Strategic Goals Impacted*
 - Safe and secure community



FIRE DEPARTMENT & EMS

1. *Objective:* To protect lives and property through fire suppression, prevention, and emergency response.
2. *Outcome Measures*
 - Time of dispatch to on-scene per 1,000 calls, Fire and EMS
 - Percent of fires contained in structure of origin
3. *Efficiency Measure*
 - Fire Department O&M expenditures per capita
4. *Strategic Goals Impacted*
 - Safe and secure community



ALTERNATIVE SENTENCING

1. *Objective:* To reduce recidivism in Carson City.
2. *Outcome Measures*
 - Annual number of office and home visits per FTE
3. *Efficiency Measure*
 - Alternative Sentencing O&M costs per capita
4. *Strategic Goals Impacted*
 - Safe and secure community