

Hernando County Clerk of Circuit Court's
Audit Services Department
BOARD OF COUNTY COMMISSIONERS'
PARKS AND RECREATION
LORICK ASSOCIATES CONSULTING, INC.,
MAINTENANCE MANAGEMENT SYSTEM PROJECT
FOLLOW-UP 2
July 12, 2007

HERNANDO COUNTY CLERK OF CIRCUIT COURT
AUDIT SERVICES DEPARTMENT
MEMORANDUM

TO: Charles "Pat" Fagan, Parks and Recreation Department Director

VIA: Karen Nicolai, CPA, Clerk of Circuit Court

FROM: Peggy Prentice, CIA, CISA, CFE, Audit Services Director

DATE: July 12, 2007

SUBJECT: Parks and Recreation, Lorick Associates Consulting, Inc. (LAC)
Maintenance Management Project, Follow-Up 2

The Audit Services Department's (ASD's) Audit Projects Schedule included a follow-up to the LAC Project Report issued January 11, 2000, and to the Follow-Up 1 Report issued February 13, 2003. When the LAC report was issued, the Parks and Recreation Department was organized under the Department of Public Works (DPW). The DPW's corrective action was addressed previously. The Parks and Recreation Department's corrective action is addressed in this follow-up assignment (herein "Follow-Up 2"). Based on Parks and Recreation's management response and implementation, ASD has produced the attached Follow-Up 2 Report for your review.

The Follow-Up Report contains a summary of the recommendation, management response, discussion point, and follow-up recommendation, as applicable, for each of the original report comments.

A copy of this Follow-Up 2 Report has been forwarded to the Board of County Commissioners as an agenda "correspondence to note" item.

I would like to take this opportunity to extend my appreciation to the Parks and Recreation staff and to Harry Lorick, Principle of LAC, for the courteous treatment extended to the ASD during this follow-up process.

If you have any questions, concerns, or need additional information in regard to the above or the attached report, please do not hesitate to contact me at 352-540-6235, extension 72384, or just stop by my office.

ATTACHMENT

copy: BOARD OF COUNTY COMMISSION:

Commissioner Christopher "Chris" Kingsley
Commissioner Diane Rowden
Commissioner Rose Rocco
Commissioner Dave Russell, Jr.
Chairman Jeff Stabins
Gary Kuhl, County Administrator
Larry Jennings, Deputy County Administrator
George Zoettlein, Office of Management and Budget Director
Jon Jouben, Assistant County Attorney

CLERK OF CIRCUIT COURT:

Amy Gillis, CPA, Finance Director

OTHER:

Lori Nissen, Partner, KPMG
Hernando Today
St. Petersburg Times - Hernando Edition
WWJB Radio Station
Hernando County Public Library
Harry Lorick, Lorick Associates Consulting, Inc. (LAC)

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Acknowledgement

Other minor findings, not included in this report, have been communicated to management and/or corrected during the audit process. I thank the management and staff for their cooperation throughout the audit.

Fieldwork was performed by Peggy Prentice, CIA, CISA, Audit Services Director.

Assistance was provided by Harry Lorick, PE, Lorick Associates Consulting, Inc. (LAC), and Nancy Brown, Audit Administrative Assistant.

Management's response was provided by Pat Fagan, Parks and Recreation Department Director, and was authorized by Gary Kuhl, County Administrator.

This report was reviewed and authorized by Karen Nicolai, CPA, Clerk of Circuit Court, on July 6, 2007.

Purpose and Scope

PURPOSE

The Audit Services Department (ASD) considered corrective action, or lack of the same, by the Parks and Recreation Department's parks and waterways maintenance functions in response to the Lorick Associates Consulting, Inc. (LAC) recommendations. The purpose is neither to address the adequacy of LAC's work nor equipment, materials, or labor rates/calculations, frequency of maintenance plans, benchmarks, best practices, or other specific factors as these were created under the guidance of LAC. Rather, the ASD provided an appraisal as to whether the Department implemented the spirit of the consultant's recommendations.

SCOPE

The ASD requested a second management response to the LAC report. The ASD communicated with key personnel and Harry Lorick, Principle of LAC, observed information system data entry and work performance, performed park and recreation area inspections, and performed testing. The ASD provided an appraisal as to whether management implemented the spirit of the consultant's recommendations. Implementation, or lack of the same, was evaluated under current conditions and tested, as appropriate.

An evaluation of the success of continuous improvements and recommendations, or lack of the same, may be addressed at a future date, as applicable.

Executive Summary

During the late 1990's, the Department of Public Works (DPW) and the parks and waterways functions were integrated. At that time, the County had 19 parks and 51 buildings that required continuous maintenance. The DPW management sought consulting assistance to review its maintenance operations and to assist in identifying the most effective and efficient practices to manage its operations. Lorick Associates Consulting, Inc. (LAC) was contracted to perform this study. The purpose of Phase One of this study was to define, assess and document the existing levels of maintenance operations in the County; develop ideas that could improve the current operations; and to formulate recommendations to improve operations.

LAC performed Phase One of a two phase management consulting project for the parks and waterways maintenance operations. Phase One identified opportunities for improvement. The LAC report cited that litter pickup and restroom maintenance accounted for nearly 50% of the total maintenance effort; and with facilities, four activities accounted for 75% of the work. Overall, the LAC report cited 30 recommendations that could generate efficiency savings for the DPW (including the parks and waterways functions) of over \$400,000 annually. The report cited that:

- computer automation was under-utilized in the department and that multiple databases existed independently;
- the County's maintained assets were extensive and in relatively good-fair condition;
- a comprehensive inventory of features needed to be compiled to effectively develop work plans;
- access to work tracking data and use of management reports was limited;
- standard operating procedures existed for parks and facilities;
- work was generally grouped into defined geographical locations;
- equipment availability appeared to be sufficient for the workload;
- the County's inmate program was innovative but loosely structured; certain staff throughout the maintenance operation reported directly to the work site;
- work was a combination of response and pro active work; and
- a complete systematic approach to planning, organizing, scheduling, and controlling/ improving work was needed.

For many years, the County had a Parks and Recreation Department and a DPW. In the late 1990's the two departments merged. During the merger, the parks and waterways functions were placed under the DPW. In November 1999 the County reorganized and the parks and waterways functions were separated (split off) from the DPW. Other functions such as recreation and facilities maintenance were also affected by the reorganizations. All of these functions have come back together recreating the Parks and Recreation Department which is supervised by the Parks and Recreation Director. Some of the functions performed by this Department include: waterways maintenance, facilities maintenance, recreation, and parks and facilities administration. This second follow-up project and the first follow-up, performed in late 2002 to early 2003, focused on parks and waterways maintenance operations.

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The spirit of the LAC maintenance management plan, when viewed as a whole, is to provide a continuous improvement plan based on efficiency, effectiveness, and performance based budgeting. With full implementation of the maintenance management plan, the annual life cycle of planning, organizing, scheduling, and controlling provides for better management decision making. Full implementation of all four components maximizes the Department's efficiency and effectiveness. The first follow-up project found that the Department had implemented about half of the process. In addition, the Department had taken steps to implement at least some of the general improvement recommendations which had to be fully implemented before the plan could reach maturity.

The recommendations implemented as of 2003 provided a good basis for executing the rest of the maintenance management plan (the annual process). This follow-up project identified an enhanced management commitment to the long-term continuous improvement goal. Management reinforced the Department personnel's knowledge of how the annual components (planning, organizing, scheduling and controlling) were to interact. Since much of the plan's success relies upon effective management decision-making based upon interpreting outputs of the system (i.e., accurate and reliable reports), management provided additional coaching, training and education of personnel which enhanced their ability to use outputs of the system.

The Department has made great strides to fully implement and commit to the plan. The maintenance management system appears to be working as desired. In FY 2006/07, management took the initiative to begin expansion of the plan into the facilities and custodial maintenance areas. Since full implementation is based upon historical data, it may take a few years for the planning, organizing, scheduling, and improving in these areas to fully develop into an annual life cycle.

Status of Implementation of Recommendations:

General Recommendations (recommendations 1-3): It appears that recommendations 1 and 2 were fully implemented. Recommendation 3 is not applicable to parks maintenance.

Planning Improvements (recommendations 4-10): It appears that recommendations 1-8 and 10 were fully implemented. Recommendation 9 was implemented but it requires fine tuning which began during fieldwork and is anticipated to be complete prior to September 30, 2007.

Organizing Improvements (recommendations 11-22): The ASD did not test the status of recommendations 11 and 19. Recommendations 13, 14, 18, 21, and 22 were not applicable to parks maintenance. Recommendations 12, 15-17, and 20 appear to have been fully implemented.

Scheduling Improvements (recommendations 23-25): It appears that all three recommendations were fully implemented.

Controlling Improvements (recommendations 26-30): It appears that all five recommendations were fully implemented.

Recommendations, Management's Responses, Discussion Points & Follow-up Recommendations

GENERAL IMPROVEMENTS

LAC Recommendation 2, January 2000: Expand the use of computers and computer automation within the Maintenance Operation.

FOLLOW-UP 1

Management Response, February 2002: Completed 50% of recommendation. The Administration Office was approved for an additional staff person to perform the required data entry for the program. Office employees have been provided computers and trained on the DSI system (MMS). Parks Maintenance staff members have been provided with computers, however, due to technology constraints beyond our control, the DSI system (MMS) cannot be accessed from their offsite location at the old MVI Station at the Fairgrounds.

ASD Discussion Point, February 2003: Based on observations and MMS reporting, it appears that the Department expanded the use of computers and computer automation within the maintenance operation. The automated information flow is interconnected. Generally, key personnel have either direct (input or read-only) access to the MMS or access to output (i.e., reports). However, two key personnel (who work at the offsite location and are responsible for planning, organizing, scheduling and controlling activities) do not have direct access to the MMS. Not having direct access negatively affects their ability to make management decisions based upon interpreting outputs of the system. Therefore, effective and efficient planning activities are impaired. Based on communications with Technology Services, immediate access via the Internet can be made available to these two persons at no or little cost to the County. During fieldwork the Director indicated that a move to another facility is anticipated where direct access will be made available to them.

ASD Recommendation, February 2003: Consideration should be given to exploring the Internet access option with the purpose of providing both key personnel located at the offsite location with immediate direct access to the MMS. If favorable, access should be provided as soon as is feasibly possible. Postponing access is not recommended.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – High speed internet access by maintenance yard and assignment of staff to use system.

Management Response, March 2007: Parks has implemented the recommendation. The internet access option was implemented at the Parks MVI Office shortly after the February 2003 audit follow-up. In May of 2005, three new computers were purchased for use by key employees at this offsite location when Technology Services made direct access to the county network available.

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ASD Discussion Point, July 2007: The Department expanded the use of computers and computer automation within the Maintenance Operation. The recommendation appears to have been fully implemented.

PLANNING IMPROVEMENTS

LAC Recommendation 5, January 2000: Establish levels of service (frequencies of maintenance) for all activities; for rural and suburban environments.

FOLLOW-UP 1

Management Response, February 2002: Completed 60% of recommendation. Basic levels of service for general day-to-day maintenance have been defined for each location and are met on a daily basis. Due to the daily interruptions in scheduled activities and assignments that are non preventable, levels of service change daily. Parks staff schedules are subject to the ever-changing needs and demands of the public, athletic leagues, commissioners, and senior management.

ASD Discussion Point, February 2003: The Department implemented part of the recommendation by establishing levels of service activities. Based on park and recreation area site inspections, it appears that the facilities are maintained in good condition. However, the Department has not yet achieved the spirit of the recommendation in which routine and preventative maintenance activities are planned on an annual basis (the annual work plan tied to the budget) and carried down to the weekly scheduling process.

ASD Recommendation, February 2003: To increase efficiency, consideration should be given to planning established levels of service in the annual work plan then pulling down these planned activities into the scheduling process.

FOLLOW-UP 2

LAC Status Update, October, 2006: Done – Now system is systematically updated annually by Department administration with maintenance support. Completed most recently four months ago.

Management Response, March 2007: Parks has implemented the recommendation. Levels of service are established every year before October 1st. Past reports are reviewed and used to generate an estimated work schedule based on the previous year's data. Daily schedule interruptions still exist, but to a much lesser extent. Anything that is not a safety hazard or emergency is typed on a service request and placed on a schedule. Based on the system's capabilities, we believe this has been addressed to the best of our abilities. See response to Recommendation #12 for additional information.

ASD Discussion Point, July 2007: Based upon a review of the reports provided from the Department's MMS, it appears that the Department established levels of service (frequencies of maintenance) for the tested activities. Therefore, it appears that the recommendation has been implemented. No material concerns were identified during testing.

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LAC, Recommendation 8, January 2000: Establish appropriate overhead rates using avoidable cost, and use them when comparing outsourcing alternatives or bench marking.

FOLLOW-UP 1

Management Response, February 2002: Completed. Cost and rates have been defined and are updated regularly.

ASD Discussion Point, February 2003: LAC made the initial estimates of the overhead rates. Hourly labor rates (excluding employee benefits and other indirect costs) were established.

ASD Recommendation, February 2003: Consideration should be given to expanding the labor rate table so that it captures indirect costs as follows:

1. an overhead labor rate that captures employee benefit costs;
2. a billable rate that matches the budget;
3. a rate that captures support staff and administration expenditures; and
4. an overtime rate excluding employee benefits.

At the current time, only the first two rates are needed, the remaining two rates are optional and can be implemented as the maintenance plan matures. The rates should be updated annually and matched to the budget.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Now system is systematically updated annually by Department administration. Completed most recently four months ago.

Management Response, March 2007: Parks has implemented the recommendation. The overhead rate is updated annually along with the update of the Management System Budget. Even though Parks does not bill for its services, the billable rate now closely matches the approved county budget. This information is reviewed and updated annually. The support staff, including the Parks Manager, Secretary, Maintenance Foreman and Operations Specialist all complete daily work logs. This allows for the proper tracking of expenditures. As for the overtime rate, the Management System will automatically calculate this amount when hours are marked as overtime.

ASD Discussion Point, July 2007: Based upon the Department's data, it appears that management implemented the recommendation. Department administration has annually updated the MMS. The MMS labor rate factors/multipliers for regular, overtime, and double time utilized this fiscal year required fine tuning which was accomplished during fieldwork.

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LAC Recommendation 9, January 2000: Establish equipment rates that are actual costs incurred by the County.

FOLLOW-UP 1

Management Response, February 2002: Completed. Equipment rates have been defined for all equipment used. These are defined in hourly rates and charged to each site accordingly.

ASD Discussion Point, February 2003: Per Harry Lorick, Principle of LAC, the equipment rates are based on estimates not on actual costs. ASD verified that these rates have been updated.

ASD Recommendation, February 2003: Consideration should be given to establishing equipment rates that are actual costs incurred by the County. The Fleet Division should be responsible for providing these actual cost values to them.

FOLLOW-UP 2

LAC Status Update, October 2006: Done for Parks with evaluation and process available and ready to compile upon receipt of fleet data.

Management Response, March 2007: These rates are still estimates, based on suggested rates provided by Harry Lorick. A request was sent to Fleet for actual hourly rates; however they are unable to provide this information. Staff has verified that DPW is using estimates as well. Discussions with staff determined that the establishment of actual costs incurred could be calculated, but this would be a very time intensive process, and would need to be figured on an annual basis to keep the information current. Data now available from Fleet includes equipment purchase price, annual maintenance costs, annual fuel costs for vehicles only, and insurance rates. Smaller equipment is maintained in-house and most equipment is fueled at the individual parks, making the tracking of actual costs even more difficult. Staff is currently researching FEMA rates to see how they compare with our numbers.

ASD Discussion Point, July 2007: The Department has not yet fully implemented the recommendation. Not all of the established hourly equipment rates are based upon actual costs incurred by the County. Small equipment rates are based upon historical data and estimates while large equipment rates are based upon a combination of: FEMA rates, historical MMS data, and LAC established rates (by broad category. Based upon testing a judgmentally selected sample of 15 vehicles and equipment (or 9% of the population), it appears that some categories of vehicle and equipment hourly rates may not be reliable and require fine tuning. During fieldwork, the auditor assisted administration in developing an easy to use Excel spreadsheet that would provide a basis for establishing actual costs. Some of the actual costs were calculated during fieldwork. Management committed to completing this task prior to the beginning of the next fiscal year.

ASD Recommendation, July 2007: Consideration should be given to fine tuning the vehicle and equipment rates utilized in the MMS to bring them as close as is feasibly possible to the actual costs incurred by the County.

ORGANIZING IMPROVEMENTS

LAC Recommendation 12, January 2000: Implement a complete MMS that includes planning and organizing capabilities.

FOLLOW-UP 1

Management Response, February 2002: Completed 60% of recommendation. Database has been established, park activities are scheduled, and service requests are automated. Planning and organizing efforts are still in progress.

ASD Discussion Point, February 2003: The Department implemented some of the recommendation by implementing a MMS. Using MMS, the Department tracks customer requests, a detail accounting of work performed, and maintains an inventory of critical infrastructure assets. Weekly work schedules are created but are not rolled down from the annual work plan as the annual plan has not yet been created and tied to the budget. The objective of creating and maintaining the MMS is to provide management with the information needed to plan and organize maintenance operations. The MMS appears to be capable of providing this information but management has not yet optimized its use.

ASD Recommendation, February 2003: Consideration should be given to fully utilizing the MMS for planning, scheduling, organizing and controlling activities. The information flow should begin with an annual work plan that is interfaced with the budget. This annual plan should be input into the MMS by monthly objectives. Monthly objectives should be rolled down to weekly maintenance staff schedules. Any additional unscheduled maintenance activities (i.e., work orders) should also be inserted into the weekly schedules, as applicable. The actual versus planned activities should then be compared on a monthly and semi-annual basis. The annual plan and activity guidelines may need to be tweaked/adjusted during the year to address extraordinary or non-scheduled maintenance obligations. This is normal. The annual work plan tied to the budget and inserted into the MMS is the foundation for planning, scheduling, organizing and controlling activities.

Scheduling is also addressed at Recommendation 25.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Now system is systematically updated annually by administration with maintenance support. Completed most recently four months ago.

Management Response, March 2007: The annual estimated work plan is updated before October 1st of each year through the establishment of monthly objectives. According to Ian Sutton-Brown of Technology Services, the Management System does not currently have the capabilities of scheduled maintenance processing and is not set up to “roll down” data. The Management System is not capable of generating weekly work schedules on its own. However, this is done by staff on a manual basis when preparing schedules. Staff has the ability to review last year’s plan/actual work performance and make a best estimate as to the activities that should be reviewed and scheduled

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monthly. We believe that the Parks Maintenance Division has come a long way since the implementation of this program in utilizing the MMS for planning, scheduling, organizing and controlling activities.

ASD Discussion Point, July 2007: Based upon the Department's data records, it appears that the Department implemented a MMS that includes planning and organizing capabilities. The recommendation appears to have been fully implemented.

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LAC Recommendation 16, January 2000: Re-evaluate the Department's internal organizational structures to provide a more balanced span of control situation.

FOLLOW-UP 1

Management Response, February 2002: Not implemented. The organizational structure is as indicated - the Facilities Manager functions more administratively over both Parks and Facilities, while the Parks Manager and the Facilities Foreman oversee maintenance operations. The Facilities Manager oversees two distinct operations - Facilities Maintenance, with 19 employees, and Custodians, with a Supervisor and 18 custodial staff.

ASD Discussion Point, February 2003: ASD did not review management's response.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Completed with reorganization after retirement of management employee.

Management Response, March 2007: Parks has implemented the recommendation. Upon the retirement of the previous Facilities Maintenance Manager, some reorganization of duties was made. The current Facilities Maintenance Manager oversees the maintenance operations (there is no longer a Facilities Foreman position), a new position of Parks & Facilities Operations Assistant oversees the custodial staff and administrative operations of both the Parks and Facilities Divisions. The Parks Division now has a Maintenance Foreman to assist the Manager, an Operations Specialist to oversee the Maintenance Management System, and two Maintenance Worker III lead positions to oversee the two largest sports complexes – Anderson Snow Park and Ernie Wever Youth Park.

ASD Discussion Point, July 2007: Management re-evaluated the Department's organizational structures which provided for a more balanced span of control situation. Therefore, it appears that the recommendation was implemented. Although the current span of control is at an acceptable level, as the County continues to grow additional layers of management may be necessary in the parks maintenance area.

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LAC Recommendation 17, January 2000: Establish a formal potentially enlarged in-house inmate program directed by County staff.

FOLLOW-UP 1

Management Response, February 2002: Completed. Contract with Sumter Corrections Institute has been implemented for the use of five inmates with a Corrections Officer. Parks no longer uses inmates from the Hernando County Jail. Parks Manager coordinates work to be done through Corrections Officer.

ASD Discussion Point, February 2003: During fieldwork, the Department increased its inmate program from one full-time five (5) inmate squad to an eight (8) inmate squad. This squad performs various duties including painting, trash/debris pickup, installing posts/barriers, and weed removal/cutting. A Sumter County Correctional Work Squad Officer supervises this squad. The squad's work schedule is directed by County staff. There is concern that the squad is not used to its full potential which decreases efficiency.

ASD Recommendation, February 2003: To maximize the efficiency of the inmate squad, consideration should be given to assigning only those tasks that are congruent with the type of work a squad of this type can perform as a whole. This squad consists of unskilled workers who require direct supervision, constant monitoring, and specific directives. The squad's strength is a large work unit that is capable of performing repetitive, labor intensive, time-consuming tasks. The annual work plan which flows down to the weekly schedules should consider this squad's strengths and weaknesses and plan work accordingly. With adequate planning and coordination, this squad's strengths can be maximized which will increase efficiency.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – No additional clarification of ASD's follow-up.

Management Response, March 2007: Parks has implemented the recommendation. Every effort is made to schedule the inmate work squad to perform labor intensive tasks as noted above.

ASD Discussion Point, July 2007: Based upon the information provided by the Department, it appears that the recommendation was implemented. The inmate squad appears to be scheduled to perform job functions that are useful and align with this type of labor force (wood chip spreading, planting, manual watering, tree pruning, etc.). These job duties do not require experience or expertise and they are repetitive in nature.

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LAC Recommendation 20, January 2000: Utilize the budget and annual plan to estimate resource needs (labor, equipment, materials).

FOLLOW-UP 1

Management Response, February 2002: In progress. Not currently used, but the data has been collected and organized for future use.

ASD Discussion Point, February 2003: ASD did not review management's response but the spirit of the recommendation was addressed at Recommendations 12 and 23.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – System used on annual basis to justify resources based on work needs and historical data. Used in 2007 budget request (see Attachment A).

Management Response, March 2007: Parks has implemented the recommendation. The MMS was used in the 2007 budget process to justify the need for additional personnel – three new staff and two vehicles were added to the Division as a result. Budgetary constraints for the 2008 and 2009 fiscal years have strongly discouraged any requests for new personnel and equipment.

ASD Discussion Point, July 2007: Based upon information obtained from the MMS and interviews with key Department personnel, it appears that the recommendation has been implemented.

SCHEDULING IMPROVEMENTS

LAC Recommendation 23, January 2000: Implement scheduling of all maintenance staff work in 1 to 2 week time units.

FOLLOW-UP 1, PART A

Management Response, February 2002: Completed. Schedules are done in two (2) week time units.

ASD Discussion Point, February 2003: Although maintenance staff schedules are manually prepared in bi-weekly time units, these schedules are not a roll down from the annual work plan. Rather, the schedules are created based on management's on-site observations, knowledge of seasonal activities, and work orders. Scheduling in this manner is inefficient.

ASD Recommendation, February 2003: To ensure efficient and effective maintenance operations, consideration should be given to creating a well thought out and defined annual work plan that is automatically rolled down into the weekly schedules. See Recommendation 12 for additional information.

FOLLOW-UP 2, PART A

Management Response, March 2007: Scheduling is currently completed on a bi-weekly basis. An estimated annual work plan is updated every year before October 1st. Staff is able to review past data to help determine which months certain activities need to be scheduled. The system does not have the capability to automatically "roll down" data from the annual work plan to the schedules. See response to Recommendation #12 for additional information.

ASD Discussion Point, July 2007: Although management's response indicates that the annual work plan is "rolled-down" (further defined) into bi-weekly schedules and non-routine activities (work/service orders) are tracked in the MMS and manually added to bi-weekly schedules, it appears that the manual scheduling of non-routine activities is necessary and is efficient.

FOLLOW-UP 1, PART B

ASD Discussion Point, February 2003: There is a lack of management commitment to scheduling. Performance of non-scheduled work is disruptive and inefficient. Non-scheduled work may disrupt labor, materials and equipment delivery/utilization causing a domino effect.

Before maintenance staff can be held accountable for the timely performance of scheduled work, management must commit to the scheduling concept. Too many disruptions are occurring, many of which are avoidable. When staff members are directed to perform as scheduled and they are scheduled for 40 hours weekly, they can be held accountable for the timely performance of the work assigned. Management has differing interpretations of how scheduling should be applied.

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ASD Recommendation, February 2003: To enhance efficiency, consideration should be given to committing to the schedule and to minimizing scheduling disruptions by implementing at least one of the following:

1. Work order assignments should be placed on the schedules as often as is feasibly possible.

2. Assign two (2) maintenance staff as “immediate response” persons who are the primary contacts/performers of non-scheduled activities. This will allow other staff to perform work as scheduled without interruptions. The “immediate response” persons should have an overall knowledge of park maintenance, can operate most of the equipment/machinery, and have adequate maintenance experience.

FOLLOW-UP 2, PART B

Management Response, March 2007: Parks has implemented the recommendation. Work Orders/Service Requests are placed on the schedules as often as possible. Parks now generates in-house service requests for any work the Manager feels needs to be accomplished. Instead of pulling staff off projects, these items are now scheduled unless there is an emergency or a safety issue. There has been a significant decrease in non-scheduled work disrupting established schedules, so the use of “immediate response” personnel is not considered necessary.

ASD Discussion Point, July 2007: Test results indicate the service requests are generally received and closed out in 7.9 calendar days. Based upon these test results, it appears that service requests are scheduled and work is performed in a reasonable time period. It appears the recommendation has been implemented.

FOLLOW-UP 1, PART C

ASD Discussion Point, February 2003: Based on testing, maintenance staff members are not scheduled 40 hours weekly. Some staff members are scheduled significantly more or less than their normal work hours.

ASD Recommendation, February 2003: Scheduling should be reasonable (i.e., 40 hours weekly) and define management’s intent.

FOLLOW-UP 2, PART C

Management Response, March 2007: Parks has implemented the recommendation. Schedules currently reflect 40 hours per week. If for some reason staff is unable to complete a scheduled task, this is noted and the item is rescheduled.

ASD Discussion Point, July 2007: Based upon sample testing, it appears that work schedules are reasonable (i.e., 40 hours weekly) and clearly define management’s intent.

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It should be noted that during sample testing, the ASD found a limited number of labor data input inaccuracies within the MMS database. Specifically, these were caused by: 1) field employee coding errors and illegible information written on time records, and 2) MMS data input errors. Although this finding did not appear to be significant when it was discovered, if the inaccuracies continued they had the potential of negatively affecting the long-term reliability of the MMS output (which management utilizes for decision making). When this concern was brought to management's attention, management took immediate corrective action by communicating, in writing, the long-term potential negative impact these recordkeeping inaccuracies could have on the MMS' outputs and management's desire for more attention to detail.

FOLLOW-UP 1, PART D

ASD Discussion Point, February 2003: When overtime is available, parks maintenance staff have an equal opportunity to volunteer to work the overtime hours. It appears that a majority of the overtime is expended in the evenings or weekends from April through October in order to setup prior to, cover during, and clean up after Recreation Department activities (i.e., ball games and special events). Interestingly, staggered work weeks have not been implemented; therefore, coverage is dependent upon overtime. For the first 11 months of 2002, the Department (#04451) expended more than 2,000 hours or \$31,000 in overtime, a 25% increase from FY 1999/2000. This concern was reported in the November 16, 1999, Payroll audit report. Management has not utilized the MMS output (i.e., reports) to address this concern.

ASD Recommendation, February 2003: A staggered work week may or may not reduce overtime. Without analyzing the MMS output, management does not know if overtime is required to accomplish the Department's goals. In other words, if each staff member is working efficiently and is working a full 40 hours per week, either overtime or additional staff is needed. If however, there is down time or inefficiencies overtime may not be needed. The MMS is designed to assist management with these types of decision making. The MMS is also capable of performing "what if" scenarios. Consideration should be given to assessing departmental needs and evaluating the necessity of supporting a staggered work week.

FOLLOW-UP 2, PART D

Management Response, March 2007: Parks has been utilizing a staggered work week (Tuesday through Saturday) for two new full-time positions. In addition, gate attendant staff works staggered shifts during the November 15-February 15 period when there is no parking fee collected at Pine Island. While the MMS is a useful management tool in showing the need for additional staff, budgetary constraints limit the number of personnel. As the athletic leagues in the county continue to grow, utilizing our park facilities seven days a week, day and night, overtime continues to be necessary to cover all parks as needed. Current MMS reports indicate that, for the most part, staff is working efficiently. At current levels of service, MMS reports indicate that the Parks Maintenance Division will have a staff shortage of 13.5 people for the 2008 budget year. However; due to budget constraints, no new staff will be added for the next two years, so overtime remains an absolute necessity.

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FOLLOW-UP 2**

ASD Discussion Point, July 2007: During the time period reviewed, it appears that an employee was regularly scheduled to work on Saturdays and another was regularly scheduled to work on Sundays. Other employees worked an occasional Saturday or Sunday. Based upon this analysis, it appears that the Department implemented the recommendation by implementing staggered work schedules for its maintenance workers to reduce mandatory overtime.

FOLLOW-UP 1, PART E

ASD Discussion Point, February 2003: The scheduling process is manual and inefficient as routine repetitive maintenance activities are handwritten on each staff member's schedule.

ASD Recommendation, February 2003: Consideration should be given to using automation to decrease the amount of time expended on creating the weekly schedules. This can be done by preparing pre-printed schedules for each position that lists the routine recurring activities so that they do not need to be handwritten on each staff members schedule each week.

FOLLOW-UP 2, PART E

LAC Status Update, October 2006: Done – Some additional clarification for ASD's audit follow-up is that now schedules cover all time which are now a combination of routine, projects and response.

Management Response, March 2007: Parks has implemented the recommendation. Basic schedules with the daily and weekly tasks have been computer generated. Staff and Parks Management update this information with additional handwritten tasks and service requests that need to be completed during the schedule time frame.

ASD Discussion Point, July 2007: It appears that the recommendation has been implemented. The annual work plan is "rolled down" from the MMS into bi-weekly schedules. Routine activities are placed on employee schedules through automation (via Excel spreadsheets). Non-routine activities (service requests/work orders) are tracked in the MMS then manually added to these bi-weekly schedules. The manual process is adequate and does not require automation.

Recommendation 25: Relate schedules to annual and routine programs.

FOLLOW-UP 1

Management Response, February 2002: Completed 60% of recommendation. This includes seasonal changes, basic preparation, and general upkeep.

ASD Discussion Point, February 2003: The Department has not yet related schedules to annual and routine programs but has taken steps in the right direction by creating the MMS.

The spirit of the recommendation is to provide management with performance measurements based on annual and routine programs. The MMS is designed for planning, organizing, scheduling, and controlling these maintenance program activities. The MMS is tracking maintenance activities but not annual and routine programs.

Creating and maintaining the MMS and tracking maintenance activities (actual and/or planned) can be costly if the plan administration expenditures are not offset by improved operations. Until the Department fully implements all four components of the annual maintenance management plan (planning, organizing, scheduling, and controlling), the costs of administering the plan will outweigh the benefits received.

There are two (2) components of performance measurement: effectiveness and efficiency. Effectiveness is measured by user satisfaction. Efficiency is measured by productivity. Based on site inspections of park and recreation areas, the Department is effective. These areas are maintained in good condition. The Department may not be efficient. The Department has neither created an annual work plan (based on annual and routine programs) nor utilized the MMS output to maximize productivity.

ASD Recommendation, February 2003: The MMS is a reliable data tool, that when fully utilized, provides management the information needed to make the appropriate operational (effectiveness and efficiency) decisions. The Department's efficiency goal should be to become less reactive and more pro active. To accomplish this objective, consideration should be given to establishing an annual work plan (based on annual and routine programs) that is tied to the budget. This plan should be organized in the MMS by monthly objectives. Weekly schedules can then be created to accomplish these goals. The annual work plan begins with non-specific big picture goals which are funneled down to specific time frames and activities (weekly schedules). Every department has emergencies and crisis, this is normal. So, the annual work plan may occasionally require fine tuning or adjustment. When non-scheduled work is identified, management must act appropriately (to maintain efficiency) by either responding immediately to or deferring the work.

Scheduling was also addressed at Recommendation 12.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Routines are integrated in the schedule with explicit service request (see attachment B).

Management Response, March 2007: Parks has implemented the recommendation. An annual work plan tied to the budget has been established and is updated annually. As previously discussed, there has been significant improvement in the approach to scheduling and response to non-scheduled work. Efficiency has improved as the shift to a more proactive approach, as opposed to reactive, has been embraced by management. We believe the spirit of the recommendation has been met as each year we continue to improve on our utilization of the MMS.

ASD Discussion Point, July 2007: It appears that the recommendation has been implemented. Management has related schedules to annual and routine programs.

CONTROLLING IMPROVEMENTS

LAC Recommendation 27, January 2000: Train staff to utilize the information in the database and to hold staff accountable for the work planned, productivity and costs incurred.

FOLLOW-UP 1

Management Response, February 2002: Key staff members have been trained to utilize the information from reports that are generated to provide daily, weekly, monthly, and annual tracking. Reports are used to review the amount of work and time spent for specific tasks and areas, as well as on a particular project. Management can then use these figures to determine if the total number of employees/hours spent on a task is necessary in order to successfully complete the work in a timely manner.

ASD Discussion Point, February 2003: The recommendation has been partially implemented. Key staff members have adequate knowledge of what reports can be generated by the MMS. However, there is a lack of commitment to benefiting from this knowledge as this information is used moderately for decision making, planning and budgeting activities which lessens the potential for continuous improvement.

ASD Recommendation, February 2003: To provide for a continuous improvement environment, consideration should be given to maximizing the utilization of MMS outputs (i.e., reports).

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Daily request retrieval and monthly reports are done at the maintenance yard. Annual plan review done by a collection of staff.

Management Response, March 2007: Key staff members are trained and able to run many different reports. The Parks Operations Specialist reviews these reports with the Parks Manager and the information is useful in the generation of schedules and to verify certain activities were accomplished. The Administrative Secretary II who oversees the MMS is extremely knowledgeable on the generation and interpretation of MMS reports and keeps the Department Director and administrative staff updated and informed on the Parks Division's data and accomplishments. Perhaps the biggest deterrent to management becoming more involved in utilization of these reports is the user-unfriendliness of the report formats. These reports are very difficult to generate and read and, unless one works with the system on a regular basis, interpretation of the codes and data can be very cumbersome.

ASD Discussion Point, July 2007: It appears that the Department trained key staff members to utilize the information in the database. Departmental records show that staff meetings are held and staff members are held accountable for work planned, productivity, and costs incurred.

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FOLLOW-UP 2**

LAC Recommendation 28, January 2000: Provide feedback to the maintenance staff on the state of maintenance on a quarterly basis.

FOLLOW-UP 1

Management Response, February 2002: Quarterly meetings for a specific purpose are not held. Staff attends weekly meetings which provide general information/feedback on basic maintenance.

ASD Discussion Point, February 2003: The recommendation was not implemented.

ASD Recommendation, February 2003: The spirit of this LAC recommendation is to provide open communications between management and staff on the status of the annual work plan. To ensure that maintenance staff members do not lose focus of the Department's goals and objectives, consideration should be given to holding meetings with staff on a quarterly basis. The purpose of these meetings should be to encourage continuous improvement and participation, to address planned versus actual performance, and to promote pride for the work performed. Keeping in mind that accurate data produces reliable reporting, these meetings can also be used to communicate the value of accurate record keeping. The meetings should be scheduled in advance. Both management's and staff's commitment to the spirit of the maintenance management plan is required to fully realize the potential benefits.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – Several meetings have occurred to demonstrate the information to crews. Most recent was 6 months ago. Suggest scheduling on a routine basis of sharing summary data with crews on a six month basis.

Management Response, March 2007: We agree with Harry Lorick that meetings should be scheduled on a routine basis every six months. It was determined that the best times were October when the new fiscal year and budget starts and again in April for an update. The Parks Operations Specialist and the Administrative Secretary held meetings in 2006 - one with all staff to provide them with reports and graphs and one with key staff in each area to update guidelines. The Operations Specialist also held quarterly update meetings with all staff and one meeting with key staff and people who were having difficulty completing the paperwork properly to review forms and procedures. We have found the creation of graphs from the MMS system to be an excellent tool to explain results to maintenance staff in a clear, concise manner. The October meeting was never held since administrative staff were in the middle of bringing all of Facilities Maintenance onto the MMS. A meeting has been scheduled for April and staff will be provided with information on the annual work plan and budget, planned versus actual performance, number of service requests completed, etc. Staff will have the opportunity to participate and ask questions about the program.

ASD Discussion Point, July 2007: It appears that the recommendation has been implemented. Management provides feedback to the entire maintenance staff on the state of the maintenance on a semi-annual basis and more frequently (3-6 times a year) in smaller informal group settings throughout the year. A recent meeting was held on April 12, 2007.

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FOLLOW-UP 2

LAC Recommendation 29, January 2000: Establish a continuous improvement process with a high degree of worker involvement.

FOLLOW-UP 1

Management Response, February 2002: In progress. Worker involvement is limited due to time spent in the field. Weekly meetings are used for basic information and employee input.

ASD Discussion Point, February 2003: ASD did not review management's response but the spirit of the recommendation was addressed at Recommendation 28.

FOLLOW-UP 2

LAC Status Update, October 2006: Done – However, could have more of input. Suggest integration with suggestion in 28 to share information twice a year and obtain input for next years plan. As a most positive sign, recently Parks created a new report (Employee Performance) that is planned to be shared with each employee based on their annual effort.

Management Response, March 2007: Maintenance staff met to review the Activity Guidelines - all employees reviewed this information and made the appropriate changes. All maintenance staff are also involved in the creation of bi-weekly schedules. Crew Leaders and Specialists are contacted during the MMS annual budget update to verify park inventory, level of efforts, material prices, and all other information. Staff has been advised to contact the Parks Operations Specialist with any ideas or suggestions to help improve this system. Operations Specialist also tries to meet with key staff on a quarterly basis to keep them up to date on the program. See response to Recommendation #28 for additional information.

ASD Discussion Point, July 2007: It appears that management implemented the recommendation by establishing a continuous improvement process with worker involvement.

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FOLLOW-UP 2**

LAC Recommendation 30, January 2000: Establish a process to evaluate the most cost-effective method for providing maintenance. This will allow “in-house” and alternative contract maintenance options to be considered for candidate services having a high potential for outsourcing.

FOLLOW-UP 1

Management Response, February 2002: Completed. Data input into the system is available for comparison. Monthly reports can be reviewed and the total costs for activities can be compared to quotes for contracted services. This allows the department to decide the best use of available dollars and manpower. For example, much of the mowing services at parks is contracted out, with the exception of athletic fields.

ASD Discussion Point, February 2003: ASD did not review management’s response as the Department has not yet fully implemented the maintenance management plan.

FOLLOW-UP 2

LAC Status Update, October 2006: Done on an as needed basis.

Management Response, March 2007: Parks has implemented the recommendation. Information is available for comparison when needed.

ASD Discussion Point, July 2007: It appears that management established a process to evaluate cost-effective methods for providing maintenance that allows analysis of comparing "in-house" costs to perform work to alternative contract maintenance options (potential outsourcing).