



## JACKSONVILLE CITY COUNCIL

### TRUE COMMISSION PERFORMANCE COMMITTEE MEETING MINUTES March 5, 2009 3:00 p.m.

City Council Conference Room B  
Suite 425, City Hall  
117 W. Duval Street

**Attendance:** Greg Anderson (Chair), Committee Members John Palombi, Ron Mallett (arr. 3:52), Marcella Lowe, Wes Benwick, Steve Jarecki, Mark Cowart (arr. 3:31)

**Guests:** Pam Markham – City Inspector General

The meeting was called to order at 3:09 p.m. by Chairman Greg Anderson.

#### Pam Markham – Inspector General

Ms. Markham described her office's current work projects: 1) investigation of ethics hotline calls; 2) audits of City operations; 3) process mapping of procurement and contract compliance procedures. With regard to contract compliance, her staff is trying to get a handle on *all* City contracts which is turning into a more difficult task than was expected. Contracts come in several types: 1) large formal procurements (with bid documents, contracts, tracked in the FAMIS system, etc.); 2) blanket contracts utilized by multiple departments (i.e. for temporary employees); 3) non-procurement contracts negotiated by and stored in the Office of General Counsel; and 4) other contractual agreements like leases, Memoranda of Understanding, etc. The Inspector General's Office is trying to identify contract administrators in all departments and agencies. Contract *administration* is a function separate from contract *compliance*. The Inspector General has 7 staff (4 auditors, 3 working on becoming auditors). The City is very revenue-constrained at the moment so there is no prospect of additional help. The City recognizes that contract compliance is an Achilles heel area, so is very cognizant that this is an important task.

Ms. Markham stated that her office has no authority over the operations of the independent authorities. Commissioner Palombi noted that the procurement officers of the City and its independent authorities have formed a group and begun meeting recently to talk about common issues and concerns. Commissioner Jarecki stated that process ownership is vital in both contract administration and compliance because with ownership comes responsibility and accountability. One problem that the TRUE Commission has identified in its previous work is that purchase orders are contracts, but the people on the front line who administer them never see the details – they just order a product or service and pay the bill without much thought to whether the overall process is working correctly.

Commissioner Palombi stated that the commission's procurement report several years ago recommended a debriefing process after the completion of contracts with all of the parties involved – the user agency, procurement officials, the OGC attorney who drafted the contract, and the contractor – to talk about what worked well, what didn't, and how the process could be improved. Ms. Markham stated that her office is not looking at every contract, but a sample of each of the variety of contract types to get an overview of

how things are working and what the common problem areas are. That will allow them to develop fixes for future contracts and hopefully prevent problems before they happen. Commissioner Benwick suggested that the City could impose a requirement that a contractor build the cost of a post-project audit into the contract as part of the bid package so the City would not have to fund such a review directly. It would be beneficial to both the City and the contractor to have an independent auditor review the contract at the end of the process to see what worked and what didn't.

Ms. Markham stated that she would be meeting the next morning with City department heads to talk about who will be responsible for contract administration in their departments, after which she will be meeting with Chief Administrative Officer Alan Mosley and Deputy CAO Kerri Stewart to discuss how to proceed. She also noted that her office has developed a tracking system for all recommendations from Inspector General and Council Auditor reports, independent audits, and other types of reports and studies so that they can ensure that follow-through takes place on all recommendations. The tracking system is completely internal to the IG's office.

#### Information Technology Department meeting

The committee discussed its reactions from its meeting last month with Kevin Holzendorf and the managers of the Information Technology Department. Commissioner Palombi feels that ITD will be crucial to making most kinds of improvements to City operations. This committee hasn't yet gotten to the nitty-gritty of immediate ITD priorities and funding. Commissioner Jarecki felt that ITD seems to be making a good start but he needs to hear more details. He sees the need for more quantitative work on their productivity improvements, metrics for evaluation, etc. The committee heard the good news, but is there anything else that should be heard as well? The committee needs to decide what aspect of ITD to explore next.

Chairman Anderson announced that Heath Beach, the city budget officer who is in charge of the performance initiative, will be the speaker at the next meeting.

There being no further business, the meeting was adjourned at 3:54 p.m.

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10:15 a.m.