

# Social Development Commission

## Internal Audit Report

**Audit of: CR-SDC Facility's Department**

*FINAL REPORT*

DISTRIBUTED: March 11, 2010

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By SDC – Internal Audit Department

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February 9, 2010

Mr. Patrick Valdez, Director of Operations  
Social Development Commission  
40410 N. Richard St.  
Milwaukee, WI 53212

Dear Mr. Valdez:

The Internal Audit Department of the Social Development Commission has completed a review of the Facility's Department, and enclosed is the report on that review. The overall objective of the audit was to evaluate policies, procedures, management practices and controls in SDC's Facility Department of the Operations Division.

Please submit a written response **no later than March 9, 2010** to the findings, concerns and recommendations outlined in the audit report. Your response should address the recommendations contained in the report and summarize your plan for implementation. If you have any questions or concerns, I can be reached at 906-2708.

Based on the Internal Audit Department's review of the Facility Department, the audit has found a lack of policies, procedures and management best practices within the Facility Department. Audit findings and recommendations are detailed within the report followed by responses from the Director of Operations. The Audit Department will conduct a follow-up of all audit findings and recommendations within six months after the audit report is issued and approved by the Board of Commissioners.

We, in the Internal Audit Department appreciate the assistance and cooperation extended by you and your staff during the department review. We also look forward to our continued partnership with you and your staff in ensuring that the programs and departments of CR-SDC are operating at optimal levels of accountability and efficiency.

Sincerely,

Nateida Jarnigan  
Audit Director

Enclosure: Internal Audit Report

Distribution: Deborah Blanks, CEO  
Patrick Valdez, Director of Operations  
Fred Royal, Jr., CR-SDC Board Chair  
Audit Committee  
Board of Commissioners

**INTERNAL AUDIT PROGRAM REPORT**  
**Facility's Department**  
**Community Relations-Social Development Commission (CR-SDC)**

This internal audit report addresses the evaluation of policies, procedures, management practices and controls in SDC's Facility Department of the Operations Division. Findings, concerns and recommendations are presented in this report as part of the ongoing commitment by the CR-Social Development Commission to excellence.

**AUDIT SCOPE AND OBJECTIVES**

The review of internal control was conducted through detailed analysis, tests, and compliance with agency policy and procedures. The audit included interviews of personnel in the Facility's Department of the Operations Division. The Internal Audit Department of the CR-SDC began its review in September 2009, by conducting an entrance conference with the Director of Operations and appropriate staff.

The audit is most concerned with the lack of policies and procedures within the Facility's Department. The concern is the department is not operating at optimal levels, due to lack of policies and procedures and training of those policies and procedures. The audit findings and recommendations will highlight key areas of improvement that will allow the department to run more effectively and efficiently.

# FACILITY DEPARTMENT

## AUDIT FINDINGS & RECOMMENDATIONS

### I. Personnel/Staff Interviews

#### Finding

The audit found after interviews were conducted with staff within the Facility's Department in some, but not all cases, the job descriptions do not accurately reflect the employee's job related duties and responsibilities. As a result of the changes in management that have occurred over the past several years; job descriptions for employees have not been fully revisited and edited to accurately reflect current duties and responsibilities.

#### Recommendation

To prevent overlapping of job responsibilities, job descriptions should be reviewed by the Director of Operations to ensure that the Facility Department employees' job descriptions are current and accurate. A memo was issued to all Executive and Supervisory staff on July 23, 2009 by the Director of Human Resources stating Management should review employee's job descriptions to ensure that the basic job duties are still current.

### II. Facility Department Policies & Procedures

#### Findings

The audit found the Facility Department does have an updated Emergency Procedures Manual that is posted at each SDC owned site and is made available to all employees via eServices. The Emergency Procedures Manual was recently updated in July of 2009 as a result of an audit that was conducted of the Youth and Family Division by the Internal Audit Department. However, during the Internal Audit Department's review of the Facility Department it was noted the department lacks policies and procedures that addresses the following:

1. Work Order Process and Key Request Policy: The current work order process and key request policies were dated as of February 25, 2008. Per the Facility Manager, the Work Order Process and Key Request Policy are currently in the process of being updated.
2. Site Visit/Facility Maintenance Schedule: The Facility Department currently does not have a facility maintenance schedule. This area will be discussed in more detail in the 'Facility Site Visit' section.
3. Disposing of depreciated assets or unused equipment (i.e. old computers, desks, chairs).
4. Donation of depreciated assets or unused equipment (i.e. old computers, desks, chairs)
5. Fixed Asset/Equipment Preventative maintenance Schedule. For example, the Teutonia Food Service site has refrigerators, freezers and other equipment that are

- not properly maintained. This would also include maintenance changes such as replacing heating and cooling filters, etc.
6. Security: when to use “in-house” security versus contracting with a third party for security services.

#### Recommendations

The Internal Audit Department recommends that policies and procedures are developed for the Facility Department and that the Operations Manager review and train appropriate staff. The Facility Department Policy and Procedure Manual should include but is not limited to the following:

1. The Work Order and Key Request policy are updated to reflect changes that were made by the Operation’s Manager. In addition, the Facility Department should maintain accurate records of the agency’s keys;
2. Site Visit/Facility Maintenance Schedule;
3. Disposing of depreciated assets or unused equipment;
4. Donation of depreciated assets or unused equipment;
5. Fixed Asset/Equipment Preventative maintenance schedule;
6. Updated Security Policies & Procedures

NOTE: During the interim meeting that was held with the Director of Operations and Facility Manager on January 27, 2010, the Director of Operations stated the Facility Department is in the process of purchasing a new database, MicroMain. Per the Director of Operations this new database will address many of the findings outlined in this report and staff will be trained on how to use this new database February 24<sup>th</sup>, 25<sup>th</sup> and 26<sup>th</sup> of 2010.

### **III. Facility Site Visits**

#### Findings

The Internal Audit Department staff conducted physical site visits and facility walk through of all SDC owned and leased properties; a total of 19 sites. There were specific areas of concerns outlined for the various sites, which can be found in Attachment ‘A’ and Attachment ‘B’, enclosed with this report.

Note: The Operations Director provided the Internal Audit Department with a spreadsheet that identified each site visit concern addressed by Internal Audit, along with Managements Response and action plan. These management responses can be found in Attachment ‘C’, enclosed with this report.

#### Recommendations

The Internal Audit Department recommends that the Director of Operations and appropriate staff follow-up with those areas that have not been completed as of this audit report issue dated.

## **IV. Facilities Fleet Review**

### Findings

SDC currently maintains a fleet of sixty motor vehicles. The audit found there is a lack of an SDC agency-wide fleet management standards and enforcement. The current operation of SDC's vehicle fleet is decentralized with little central guidance or oversight. There needs to be agency-wide policies and procedures regarding decisions being made around vehicle retention and assignment. The audit did disclose that the fleet for the SDC Head Start program is unique in that the purchasing of Head Start vehicles must align with Head Start Federal guidelines.

The Internal Audit Department interviewed the Purchasing Manager during the audit. The Purchasing Manager maintains the agency's motor vehicle list as well as file insurance claims for the agency upon request. This is to ensure that proper insurance coverage is maintained for all agency vehicles and SDC property. The following are specific areas that should be addressed in management's response:

1. There are no policies or procedures in place for vehicle fleet maintenance and preventative maintenance. Vehicles are currently serviced at multiple locations, which currently lack control of vehicle costs.
2. An insurance claim was not submitted for the Teutonia site roof leak damage. Instead, the Director of Operations requested a BID for repair as opposed to filing a claim which may have resulted in the agency paying a \$1,000 deductible.
3. There is not a centralized policy or procedure manual in place for filing insurance claims. Nor, is there a reconciliation process in place once funds are distributed to SDC for insurance claims that were filed.

### Recommendations

1. A Fleet Maintenance/Preventative policy and procedural manual should be created. SDC is encouraged to implement a more centralized process when maintaining agency vehicles. For example, contracting with one automotive service company could result in costs savings and better annual maintenance of agency vehicles.
2. An agency-wide Policy and Procedure Manual should be created for filing insurance claims. This manual should include language that would address when a department should file an insurance claim versus when to process damage as a BID. This area should be addressed by the Finance Director in conjunction with the response from the Director of Operations.
3. A reconciliation process should be put in place to ensure all insurance claims that are filed in which funds are distributed to SDC from the insurance company are being processed appropriately and handled in a timely manner.

## **V. Disaster Recovery Planning**

The Internal Audit Department conducted follow-up of an audit recommendation that was issued to the Director of Operations during the Youth and Family Development Audit that was issued in 2009. The recommendation was as follows: “A Disaster Recovery Plan should be written and headed by the Director of Operations. The final version should be added to eServices and notification sent to entire SDC staff so they are aware this document exists. Training should be conducted so that staff is aware of how to conduct on-going business in the event of a disaster”. Per follow-up during this audit with the Director of Operations, the Disaster Recovery Plan is still in the process of being developed.

## **VI. IT Audit Report (issued 2008) Follow-Up**

An Audit was conducted of the IT Department by Titus, an external Auditor in contract with the SDC’s Internal Audit Department. The IT Department is overseen by the Director of Operations, therefore the audit staff conducted a follow-up of those recommendations made by Titus during the Facility Audit. The Internal Audit Department would like to commend the IT Department staff on progress made to date. The IT Department is making great progress with the inventory listing of computer equipment as well as tracking disposal of computer equipment. During the time of this audit the IT Department staff has completed inventorying 14 of the 19 SDC sites and is about 85% complete with the Richards Street site.

There were several areas in which the IT Department has not completed as recommended. These areas are identified as ‘incomplete’ or ‘as ‘partially complete’ are identified in Attachment ‘D’, enclosed in this report.

## **VII. Other**

### Finding

1. During the Facility site visits and walk through, it was discovered that many of the sites that monitor and deal with small children (such as The Family Support) center lack in Blood-Borne Pathogen (BBP) training. In addition, other than many Head Start sites, staff also lacked consistent Cardiopulmonary Resuscitation (CPR) training.
2. Per the SDC Policy Manual, all new employees are to receive an SDC Badge when hired.

Recommendation

1. It is recommended that Blood-Borne Pathogens (BBP) and Cardiopulmonary Resuscitation (CPR) training be required at sites that monitor and deal with small children.
2. The audit department recommends the Facility Department work in conjunction with the Human Resources Department to implement this procedure. All staff should be recognized as SDC staff when entering and exiting buildings. There is an inherent security risk when SDC staff travel throughout the 19 agency sites and SDC staff aren't easily identified.

# **DEPARTMENT RESPONSE**

*Response included after this page*

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**FACILITY DEPARTMENT  
MANAGEMENT RESPONSES TO AUDIT FINDINGS & RECOMMENDATIONS**

**I. Personnel/Staff Interviews**

**Finding**

The audit found after interviews were conducted with staff within the Facility's Department in some, but not all cases, the job descriptions do not accurately reflect the employee's job related duties and responsibilities. As a result of the changes in management that have occurred over the past several years; job descriptions for employees have not been fully revisited and edited to accurately reflect current duties and responsibilities.

**Recommendation**

To prevent overlapping of job responsibilities, job descriptions should be reviewed by the Director of Operations to ensure that the Facility Department employees' job descriptions are current and accurate. A memo was issued to all Executive and Supervisory staff on July 23, 2009 by the Director of Human Resources stating Management should review employee's job descriptions to ensure that the basic job duties are still current.

**Management Response**

The Operations Director has been with the organization for less than two-years, within that time the Operations Assistant position was developed by the Operations Director dated 7/2008; the Operations Manager position was developed by the Operations Director dated 6/2009; and the Security Services Specialist position was updated by the Operations Director dated 8/2009. The Maintenance Specialist positions, the Administrative Services Technician position and the Switchboard Operator position job descriptions will be reviewed by the Operations Manager. Updates and modifications will coincide with staff evaluations.

## **II. Facility Department Policies & Procedures**

### **Findings**

**The audit found the Facility Department does have an updated Emergency Procedures Manual that is posted at each SDC owned site and is made available to all employees via eServices. The Emergency Procedures Manual was recently updated in July of 2009 as a result of an audit that was conducted of the Youth and Family Division by the Internal Audit Department. However, during the Internal Audit Department's review of the Facility Department it was noted the department lacks policies and procedures that addresses the following:**

- 1. Work Order Process and Key Request Policy: The current work order process and key request policies were dated as of February 25, 2008. Per the Facility Manager, the Work Order Process and Key Request Policy are currently in the process of being updated.**
- 2. Site Visit/Facility Maintenance Schedule: The Facility Department currently does not have a facility maintenance schedule. This area will be discussed in more detail in the 'Facility Site Visit' section.**
- 3. Disposing of depreciated assets or unused equipment (i.e. old computers, desks, chairs).**
- 4. Donation of depreciated assets or unused equipment (i.e. old computers, desks, chairs)**
- 5. Fixed Asset/Equipment Preventative maintenance Schedule. For example, the Teutonia Food Service site has refrigerators, freezers and other equipment that are not properly maintained. This would also include maintenance changes such as replacing heating and cooling filters, etc.**
- 6. Security: when to use "in-house" security versus contracting with a third party for security services.**

### **Recommendations**

**The Internal Audit Department recommends that policies and procedures are developed for the Facility Department and that the Operations Manager review and train appropriate staff. The Facility Department Policy and Procedure Manual should include but is not limited to the following:**

- 1. The Work Order and Key Request policy are updated to reflect changes that were made by the Facility's Manager. In addition, the Facility Department should maintain accurate records of the agency's keys;**
- 2. Site Visit/Facility Maintenance Schedule;**

3. Disposing of depreciated assets or unused equipment;
4. Donation of depreciated assets or unused equipment;
5. Fixed Asset/Equipment Preventative maintenance schedule;
6. Updated Security Policies & Procedures

**NOTE:** During the interim meeting that was held with the Director of Operations and Facility Manager on January 27, 2010, the Director of Operations stated the Facility Department is in the process of purchasing a new database, MicroMain. Per the Director of Operations this new database will address many of the findings outlined in this report and staff will be trained on how to use this new database February 24th, 25th and 26th of 2010.

### **Management Response**

The Operations Department has purchased MicroMain, a work order database system that tracks work orders, labor time/costs, preventive maintenance schedules, key database, fleet inventory with maintenance schedules, and other facilities management inventory and tracking issues. The Operations Manager is working with the Community Relations Department to develop a useable form across departments to track disposing and donation of equipment. The Operations Manager is updating the "facility site visit" form to include preventive maintenance and permit issues such as BOZA. The Security Policies and Procedures manual is also being updated to include processes relating to outsourcing security services and hiring limited term employees.

### **III. Facility Site Visits**

#### **Findings**

The Internal Audit Department staff conducted physical site visits and facility walk through of all SDC owned and leased properties; a total of 19 sites. There were specific areas of concerns outlined for the various sites, which can be found in Attachment 'A' and Attachment 'B', enclosed with this report.

**Note:** The Operations Director provided the Internal Audit Department with a spreadsheet that identified each site visit concern addressed by Internal Audit, along with Managements Response and action plan. These management responses can be found in Attachment 'C', enclosed with this report.

## Recommendations

The Internal Audit Department recommends that the Director of Operations and appropriate staff follow-up with those areas that have not been completed as of this audit report issue dated.

## Management Response

Facility staff is complying with the responses provided in the spreadsheet referenced.

## IV. Facilities Fleet Review

### Findings

SDC currently maintains a fleet of sixty motor vehicles. The audit found there is a lack of an SDC agency-wide fleet management standards and enforcement. The current operation of SDC's vehicle fleet is decentralized with little central guidance or oversight. There needs to be agency-wide policies and procedures regarding decisions being made around vehicle retention and assignment. The audit did disclose that the fleet for the SDC Head Start program is unique in that the purchasing of Head Start vehicles must align with Head Start Federal guidelines.

The Internal Audit Department interviewed the Purchasing Manager during the audit. The Purchasing Manager maintains the agency's motor vehicle list as well as file insurance claims for the agency upon request. This is to ensure that proper insurance coverage is maintained for all agency vehicles and SDC property. The following are specific areas that should be addressed in management's response:

1. There are no policies or procedures in place for vehicle fleet maintenance and preventative maintenance. Vehicles are currently serviced at multiple locations, which currently lack control of vehicle costs.
2. An insurance claim was not submitted for the Teutonia site roof leak damage. Instead, the Director of Operations requested a BID for repair as opposed to filing a claim which would (MAY) have resulted in the agency paying a \$1,000 deductible.
3. There is not a centralized policy or procedure manual in place for filing insurance claims. Nor, is there a reconciliation process in place once funds are distributed to SDC for insurance claims that were filed.

## **Recommendations**

- 1. A Fleet Maintenance/Preventative policy and procedural manual should be created. SDC is encouraged to implement a more centralized process when maintaining agency vehicles. For example, contracting with one automotive service company could result in costs savings and better annual maintenance of agency vehicles.**
- 2. An agency-wide Policy and Procedure Manual should be created for filing insurance claims. This manual should include language that would address when a department should file an insurance claim versus when to process damage as a BID. This area should be addressed by the Finance Director in conjunction with the response from the Director of Operations.**
- 3. A reconciliation process should be put in place to ensure all insurance claims that are filed in which funds are distributed to SDC from the insurance company are being processed appropriately and handled in a timely manner.**

## **Management Response**

**The work order database recently purchased will assist in the issue of preventive maintenance for SDC assets to include vehicles. The development of a policy and procedure manual to address vehicle maintenance and single sourcing vehicle maintenance (if allowable) will be developed by the Operations Department.**

**The Operations Department will work with the Finance Department (accounting/purchasing) to develop a policy and procedural manual to address insurance claims and bid process delineating the decision making process for utilizing one or the other.**

**The reconciliation process, from the Operations Department perspective is a Finance Department issue.**

## **V. Disaster Recovery Planning**

The Internal Audit Department conducted follow-up of an audit recommendation that was issued to the Director of Operations during the Youth and Family Development Audit that was issued in 2009. The recommendation was as follows: "A Disaster Recovery Plan should be written and headed by the Director of Operations. The final version should be added to eServices and notification sent to entire SDC staff so they are aware this document exists. Training should be conducted so that staff is aware of how to conduct on-going business in the event of a disaster". Per follow-up during this audit with the Director of Operations, the Disaster Recovery Plan is still in the process of being developed.

### **Management Response**

A disaster recovery plan is being developed and will require additional input from all departments. The Operations Director is developing the template that will require narrative to address the topic. A complete disaster recovery plan is critical for the continued operation of an organization in case of a disaster. With that being said, the planned date of completion is June 2010.

## **VI. IT Audit Report (issued 2008) Follow-Up**

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There were several areas in which the IT Department has not completed as recommended. These areas are identified as 'incomplete' or 'as 'partially complete' are identified in Attachment 'D', enclosed in this report.

## **Management Response**

**This portion of the audit was conducted directly with the IT Manager. Responses and continued action was communicated between the Audit Department and the IT Manager.**

## **VII. Other**

### **Finding**

- 1. During the Facility site visits and walk through, it was discovered that many of the sites that monitor and deal with small children (such as The Family Support) center lack in Blood-Borne Pathogen (BBP) training. In addition, other than many Head Start sites, staff also lacked consistent Cardiopulmonary Resuscitation (CPR) training.**
- 2. Per the SDC Policy Manual, all new employees are to receive an SDC Badge when hired.**

### **Recommendation**

- 1. It is recommended that Blood-Borne Pathogens (BBP) and Cardiopulmonary Resuscitation (CPR) training be required at sites that monitor and deal with small children.**
- 2. The audit department recommends the Facility Department work in conjunction with the Human Resources Department to implement this procedure. All staff should be recognized as SDC staff when entering and exiting buildings. There is an inherent security risk when SDC staff travel throughout the 19 agency sites and SDC staff aren't easily identified.**

## **Management Response**

**The Operations Director will review the finding and recommendation with the Head Start Director and Program Services Director regarding BBP and CPR training. The question management has, is future follow-up regarding these issues a facilities issue or program specific issue?**

**Administration is currently reviewing security issues including staff identification and access control identification cards. The Executive Team as a whole will review and work together to implement an SDC security system that operates off a staff identification system.**

## Audit Findings

### Facilities Audit

1. Sites visited to date as of 10/8/09:
  - 2354 S. 61<sup>st</sup> Street – Head Start
  - 6682 W. Greenfield - \*new\* Head Start Site
  - 5809 S. Packard – Head Start
  - 931 W. Madison Ave - \*old\* Energy Site (SDC Owned)
  - 2701 S. Chase - \*new\* Energy Site
  - 3025 W. Mitchell – Family Support Center (SDC Owned)
  - 2460 W. Clybourn – Weatherization
  - 2422 W. Clybourn – Weatherization Garage
  - 1000 S. Layton – Head Start
  
2. Some issues we've seen at the various sites visited to date:
  - Facilities currently do not have access to all of the sites, nor all storage areas. This is currently being worked on by Facilities.
  - A few of the sites had excess assets lying around: TVs, VCRs, and Microwaves all unused.
  - Family Support Center: Handicap access not operable, wires hanging from walls in the basement (Garden Level). Evacuation signs are not clear, need to be updated, Fire Extinguishers are marked to be replaced this month, ripped screens and shades in rooms (due to children/residents), and the Program Mgr would like to have a full time maintenance person assigned to site. Child protection caps are missing throughout the building for outlets. There is a lack of storage space, there are medical records and personal information accessible to anyone that has a key to the room. A BID is currently out to have the storage area outside repaired do to damage caused by a Garbage truck hitting the building. Per the Facilities Mgr. only one BID was received to repair the storage area. General maintenance of building could be in better shape, weeds, grass unkept. No handicap parking available, fencing is needed around new ventilation system. Also graffiti is on the building.
  - Weatherization: the main building (2460) is well kept, very clean and organized. The Garage location (2422) need surveillance. There is the potential of theft (internally or externally) without anyone really knowing. Weatherization is currently looking into conducting monthly physical inventory counts and also purchasing an inventory system. Audit concern here is shrinkage = theft.
  - Teutonia (Food Service) location currently has BIDs out to repair a caved in roof. We have not visited this site yet.
  - 1000 S. Layton Site: Surveillance TV needs to be replaced, currently broken (doesn't record), Site Supervisor stated it's sometimes challenged to get the

owner to repair things around the building. Currently there are holes in the wall that are covered by paper. The office is very small, there are 4 employees, plus other staff that use the office. Site Supervisor would like more space and would like to have SDC talk with owner about possible having the additional storage space that's next to the main office. They struggle with privacy issues when parents come in. This building does not have an alarm system nor does the SDC Head Start office have an alarm system. Site supervisor stated they have not had any issues to date with theft or break-ins.

- Richards: Employee manual states all employees are to have badges. The Director of Operations was made aware of this at the entrance meeting and will work with HR to put this in place. Handicap signs in back are not visible, covered by over grown shrubs. Additionally during the entrance meeting, audit discussed with the Director of Operations the need to have the back lot parking spaces and walk-ways made visible, currently there are potential hazards and employees/guests park in a hap-hazard way at times. There are abandoned vehicles on the lot with expired tags from several years ago.
- West Wing, this is a very nice new area, it looks great. However, one of the things we will highlight in this audit is the cost to "build-out" in a building we do not own and from what I'm told the lease expires in a couple of years. There is quite a bit of money that was put into the retrofit of this addition and I'm not sure at this time what SDCs ROI will be once our lease is up. There have been a few change orders which of course increase costs. Not sure what the costs are now compared to budget for this project.

### Audit Findings

#### Facilities Audit

1. Sites visited between 10/08/09 to 10/30/09:
  - 2434 W. Wells St. – Head Start Site
  - 10230 W. Fond Du Lac – Head Start Site
  - 3418 S. 22<sup>nd</sup> St. – Transitional Living Center (aka TLC)
  - 3744 W. Greentree Rd. – Head Start Site
  - 5305 W. Capital Drive – Head Start Site
  - 7833 W. Capital Drive – Head Start Site
  - 606 W. Concordia – Head Start Site (SDC Owned Facility)
  - 6848 W. Teutonia – Energy Site (SDC Owned Facility)
  - 6850 N. Teutonia – Food Service (SDC Owned Facility)
  - 4041 N. Richards Street – Main Office (Leased)
  
2. Some issues we've seen at the various sites visited between 10/8/09 to 10/30/09:
  - **2434 W. Wells – Head Start:**
    - ✓ This site lacks storage space, however, the walk thru noted it appears much of the lack of storage space can be handled by this site conducting a major purging and tossing of old materials.
    - ✓ Walk thru of playground area revealed the need for a lock receiver on the back gate. Gate was open, which is easily accessible by the residents of the adjoining buildings.
    - ✓ Site Assistant stated the computers are very slow and outdated (the current PCs are 10 yrs old).
    - ✓ Evacuation signs posted in the classrooms and hallway should be updated and made more clearly.
    - ✓ Food Service License was outdated, expired 6/30/09.
    - ✓ Site Supervisor stated the SDC Head Start sign above the main entrance needs to be replaced.
  - **10230 W. Fond Du Lac – Head Start Site:**
    - ✓ This site does not have video surveillance. Video surveillance is needed for the main entrance, back lot (playground area) and classrooms as evidenced in other Head Start sites visited to date. Due to the way this building is setup allowing teachers to pull up surveillance on their computer monitors in the classroom allows them to see who is entering the building in the front and in the back.
    - ✓ Site Supervisor likes the location where the Head Start is situated, but would feel more secure with additional video surveillance due to the Church that shares the same complex as the Head Start site having been robbed.

- ✓ Room # 1 needs to have the door readjusted. Per Head Start rules the door should open to the outside, it currently opens to the inside of the room. Confirmed by the Operations Manager, current setup would cause issues in an emergency.
- ✓ Room # 2, fire extinguisher, is currently located behind a bookshelf and is not visible. This needs to be moved to a more visible and accessible location.
- ✓ Evacuation plans throughout the building need to be updated.
- ✓ There is currently a Bee problem in the building. Per the site supervisor the owner is trying to take care of this issue. The Bees appear to get in through the ceiling of the Head Start kitchen.
- ✓ The playground area needs to be properly maintained: there were two loose tiles and leaves covering the entire playlot.
- ✓ The utility box near the back door exit needs to be covered. There are wires hanging from the box currently.
- **3418 S. 22<sup>nd</sup> St. – Transitional Living Center (aka TLC):**
  - ✓ Lead Case Mgr and/or Part Time employee are responsible for cutting grass or having grass cut by Housing Authority (cost = \$40 per unit, there are 10 Units at the Southlawn location). Case Mgr. and part time employee also shovel/plow snow. If this is not completed on a regular basis SDC risks being fined by the Milwaukee Housing Authority for uncut grass or unplowed snow. NOTE: Facilities staff should be taking care of this.
  - ✓ Lead Case Mgr. and/or part time employee transport clients to Dr. Appts, Grocery shopping, moving people from the shelter into apartments. Also responsible for cleaning units when residents move out.
  - ✓ SDC work van – inoperable for 2 weeks (as of 10/19/09). Maintenance on vehicles are not maintained, often have to take to David Hobbs for repair.
  - ✓ Fire Extinguishers are needed in all residential apartments, at all three sites. The Operations Mgr provided the Lead Case Mgr with 3 Fire Extinguishers for her location on 10/19/09.
- **3744 W. Greentree Rd. – Head Start Site:**
  - ✓ Site needs updated Site Operations Plans, currently have 2007/2008, need 2008/2009
  - ✓ Site needs updated SDC Food Service License – not displayed
  - ✓ Surveillance monitor need to be replaced – Green Tree Apartments will replace per Site Supervisor.
- **5305 W. Capital Drive – Head Start Site:**
  - ✓ Exit sign above door in classroom is paper, should be replaced with a proper exit sign.
  - ✓ Site needs a SDC-Food Service License – need to display.
- **7833 W. Capital Drive – Head Start Site:**

- ✓ Need to check with Facilities – bungee cord in classroom currently used to keep door closed, potential fire hazard.
  - ✓ Site needs current SDC Food Service license – need to display.
  - ✓ Per site supervisor, this site goes through annual flooding problems. Area affected is the basement, staff would need to move upstairs until the basement area is cleaned.
  - ✓ Per site supervisor, excavating is needed in the parking lot, many pot holes, and cracks. This has been requested from landlord on numerous occasions.
  - ✓ Copier is currently unused at this site (in lower level office area). Site has purchased a new copier, old copier still at this site unused. Request was made in June 2009 to SDC for the copier to be moved.
  - ✓ Surveillance system recorder doesn't properly work.
  - ✓ The complex Fire Alarm system is not connected throughout the entire complex. If there is a fire in another part of the building the Head Start office would not be aware of it. The site supervisor gave an example of when there was a fire in the hair salon in the same complex, but the office in which Head Start is located was not notified.
  - ✓ Site is behind on completing their required monthly fire drills and safety checks. September 09 & October 09 were not completed as of 10/22/09.
  - ✓ Landlord is not good about picking up garbage receptacles, and there is a pest control issue with Rats.
- **606 W. Concordia – Head Start Site (SDC Owned Facility):**
    - ✓ Surveillance: surveillance has been inoperable for over 7 yrs, it currently doesn't record. There was a break in at the site 2 weeks ago, recorder wasn't working. Currently, there are no cameras that monitor behind the building on the playground or near the shed area.
    - ✓ Storage room inside the lunch room/gym room appeared to have mice pellets underneath shelving.
    - ✓ There are two refrigerators located inside the lunch room/gym room not being utilized. One refrigerated appeared to be broken as the temperature gauge read 80\*.
    - ✓ There are several outdated fire extinguishers throughout the building (mainly in the stage area inside the lunch room/gym room).
    - ✓ Building is not equipped with a sprinkler alarm system.
    - ✓ Garage: The garage was hit 3 years ago and to date still have not been repaired, nor has the shed behind the garage been repaired. The garage has miscellaneous equipment inside such as: office chairs and other office equipment.
    - ✓ Water fountains: currently do not work, per the Program Secretary there is a strong sewage order that comes through the faucets of the water fountains. Kids are not drinking from the fountains. Program Secretary would prefer if the fountains were covered or removed.

- **6848 W. Teutonia – Energy Site (SDC Owned Facility):**
  - ✓ Parking Lot: maintenance of parking lot needed (e.g. pot holes, parking lines are not visible).
  - ✓ Surveillance: Site currently doesn't have video surveillance or monitoring.. (Note: Site has hired 3<sup>rd</sup> party security staff)
  - ✓ Evacuation sign needed for main waiting area of building.
- **6850 N. Teutonia – Food Service (SDC Owned Facility):**
  - ✓ Roof: currently caved in above one of the Freezer storage areas. Leaks in through wall and roof causing ice build up inside of the freezer. BIDs are currently out and due to close on November 5<sup>th</sup> per Operations Mgr.
  - ✓ Food Service Mgr would like to see video surveillance throughout the refrigerator and freezer storage areas for monitoring.
- **4041 N. Richards Street – Main Office (Leased):**
  - ✓ SDC contracts with a 3<sup>rd</sup> party vendor for landscaping services. Need shrubs cut, leaves raked around the building.
  - ✓ Landlord provided a diagram of the new parking lot lay-out, this includes excavation of the entire rear lot as well as repainting of rear parking lot lines, which the Dir. Of Operations reported at the October Audit Committee meeting. The excavating was to be completed by year-end, however, per the Operations Manager the Landlord has not begun any work, therefore; the Operations mgr has begun repainting the parking lines in the rear-lot.
  - ✓ There is a storage area in the Welcome Center that has multiple stored light fixtures. Per the Operations Mgr. there will be an energy audit conducted that will allow SDC to get rid of the old light fixtures and receive payment for them.
  - ✓ Potential electrical/fire hazards: as the audit conducted the walk-thru of this facility there was an on-going “theme” of employees overloading electrical power strips with multiple appliances: toasters, microwaves and fridges. For Example: the Energy area “lunch room” had one power trip with a toaster, microwave and fridge plugged into it going into a single outlet. Per the Operations Mgr, this has caused multiple power outages in that particular area, which affected many office spaces (cubicle areas).
  - ✓ Excess PC inventory: as the audit conducted the walk thru at this facility of the various storage areas throughout the building, there are either obsolete, or unused computers, monitors, towers, throughout. Per the Operations Mgr, IT has worked on a BID that will allow one company to come and take the older computers, monitors and towers. This is currently a work in progress.
  - ✓ Excess Furniture, Equipment, Cubicles, Partitions: as the audit conducted the walk thru at this facility it was noted in the garage storage areas there is an abundance of old books in boxes not being utilized, old calendars, chairs, desks, basketball hoops, etc. The Operations Mgr. is currently trying to minimize the amount of excess

storage the agency currently has, but it is a work in progress and needs to be continually worked on and maintained.

- ✓ Planning Storage Area: There is currently a refrigerator unused in the storage room that should be disposed of, not needed (currently plugged in and not being utilized)

2009 OPERATIONS AUDIT FINDINGS AND RESPONSES				
SITE	AUDIT CONCERNS/FINDINGS <u>M</u> = Maintenance, <u>P</u> = Programs, <u>S</u> = Surveillance, <u>L</u> = Landlord, <u>O</u> = Operations	PERSON RESPONSIBLE	COMPLETED YES or NO	OPERATIONS RESPONSE/COMMENTS
Family Support Center:	1.) Handicap access not operable, wires hanging from walls in the basement (Garden Level). <u>M</u>	Roy M.	<b>NO</b> - Handicap Access system to be operable by end of February 2010. <b>YES</b> - Hanging Wires Resecured	Handicap access to be repaired. The repair will include the ability to lock the handicap access system at non-peak hours of operation (10 p.m. - 6 a.m.) The ability to lock the handicap access is strictly to address security concerns meaning controlled access during determined hours. Also a staff or security personnel are continuously stationed at front desk located directly in front of the main entrance. Wires hanging from the basement wall were resecured to the moldings holding them in place.
	2.) Evacuation signs are not clear, need to be updated <u>M</u>	Roy M.	YES	Immediately completed upon obtaining electronic version of FSC floor plans.
	3.) Fire Extinguishers are marked to be replaced this month <u>M</u>	Roy M	YES - On schedule	Fire Extinguishers are scheduled to be recertified January 2010. Operations will comply by required date.
	4.) Ripped screens and shades in rooms (due to children/residents) <u>M</u>	Roy m./Patrick V.	NO	Screens replacement will be moved from last year to 2010 for the Family Support Center. Information taken from the 3 year facilities plan. Will complete in Spring 2010.
	5.) The Program Mgr would like to have a full time maintenance person assigned to site <u>M</u>	Roy M./Patrick V.	YES	Maintenance staff is housed at Family Support Center. Called to report to other sites when necessary based on limited maintenance staff.
	6.) Child protection caps are missing throughout the building for outlets <u>M</u>	Roy M.	YES	Hardware purchased and installed on outlets.
	7.) There is a lack of storage space <u>P</u>	Roy M./ Sandra W.	NO	On-site Manager (Program Staff) need to assess maximizing space with the assistance of Operations Manager.
	8.) There are medical records and personal information accessible to anyone that has a key to the room <u>P</u>	Program Manager	YES	Medical Records and other information are kept in this locked room as required.Accessible only to authorized individuals
	9.) A BID is currently out to have the storage area outside repaired do to damage caused by a Garbage truck hitting the building. Per the Facilities Mgr. only one BID was received to repair the storage area <u>M</u>	Roy M.	YES	Received multiple bids, but only one contractor had the capacity to meet all the requirements delineated in the bid.
	10.) General maintenance of building could be in better shape, weeds, grass unkept <u>M</u>	Roy M.	YES	New maintenance plan developed and monitored by Operations Manager. Also reviewed during monthly site visits.
	11.) No handicap parking available <u>O</u>	Roy M.	YES	Required number of spots created
	12.) Fencing is needed around new ventilation system <u>O</u>	Roy M./Patrick	NO	Received estimated cost from vendor used for existing fence along the opposite and adjacent sides of the area in 2009. Will complete project by April 2010 weather being a factor.
	13.) Graffiti is on the building <u>M</u>	Roy M.	YES	Graffiti has been removed.
Weatherization:	1.) The Garage location (2422) need surveillance <u>S</u>	Patrick/Roy/Lisa	NO	Operations Dept.(facilities&IT) will research how extensive of a surveillance system is needed at the site then obtain cost estimates to complete surveillance at location.
	2.) There is the potential of theft (internally or externally) without anyone really knowing Weatherization is currently looking into conducting monthly physical inventory counts and also purchasing an inventory system. Audit concern here is shrinkage = theft. <u>S</u>	Weatherization Mgnt. Staff		IT will assist in installation of inventory software.
Teutonia (Food Service)	1.) Location currently has BIDs out to repair a caved in roof. We have not visited this site yet <u>O</u>	Roy/Patrick	NO - Started	Contractor selected, trusses ordered expected time of arrival is two weeks which puts into first week of February to readily start job. Coordinating with Earl Guyton to ensure no interruption of service
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1000 S. Layton Site:	1.) Surveillance TV needs to be replaced, currently broken (doesn't record) <u>S</u>	Patrick	YES	Contacted Bonded alarm to make necessary repairs. Work completed in November 2009.
	2.) Site Supervisor stated it's sometimes challenged to get the owner to repair things around the building <u>L</u>	Patrick/Roy	YES	Contacted Landlord, Operations Staff will do continuous follow-up with SDC Headstart staff and the landlord to address problems immediately. Lease Term ends June 30,2010.
	3.) Currently there are holes in the wall that are covered by paper <u>M</u>	Roy	NO	Working with landlord to complete repairs.
	4.) The office is very small, there are 4 employees, plus other staff that use the office. Site Supervisor would like more space <u>P</u>	Headstart Mgnt.	Undetermined	HeadStart Management has indicated there are work schedules and areas where staff are to be working which should alleviate this issue if scheduling is followed.
	5.) Site Supervisor would like to have SDC talk with owner about possible having the additional storage space that's next to the main office <u>P</u>	Gail/Patrick	NO	Will work with Gail for her approval. Based on approval Patrick will meet with landlord.

	6.) They struggle with privacy issues when parents come in <u>P</u> 7.) This building does not have an alarm system nor does the SDC Head Start office have an alarm system. Site supervisor stated they have not had any issues to date with theft or break-ins <u>S</u>	Headstart Mgnt. Patrick/Roy	Undetermined NO	Seems to be a problem specific to Headstart programming and space utilization. Will follow-up with landlord (church Pastor) to verify a lack of building alarm. If it is the case Operations will work with our vendor to install an alarm system for our area.
<b>Richards:</b>	1.) Employee manual states all employees are to have badges. The Director of Operations was made aware of this at the entrance meeting and will work with HR to put this in place. <u>Q</u>	Mike-HR/Patrick	YES	Verified in the employee manual that the only staff requiring badges are staff the complete home visits or other activities that require proper identification.. This is currently being complied with.
	2.) Handicap signs in back are not visible, covered by over grown shrubs <u>M</u>	Roy	YES	Landscaping Company trimmed shrubs.
	3.) Additionally during the entrance meeting, audit discussed with the Director of Operations the need to have the back lot parking spaces and walk-ways made visible, <u>M</u>	Roy	YES	SDC facilities staff and Operations Manager re-painted parking lines. Will repeat as necessary.
	4.) Currently there are potential hazards and employees/guests park in a hap-hazard way at times. <u>M</u>	Roy	YES	Operations manager addressed the issue through continuous communications, via email, with individuals creating the parking problems. Individuals were identified by using license plate numbers.
	5.) There are abandoned vehicles on the lot with expired tags from several years ago. <u>M</u>	Roy/Chappelle	YES	Vehicles unaccounted for were removed.
<b>West Wing:</b>	1.) One of the things we will highlight in this audit is the cost to "build-out" in a building we do not own and from what I'm told the lease expires in a couple of years. There is quite a bit of money that was put into the retrofit of this addition and I'm not sure at this time what SDCs ROI will be once our lease is up. There have been a few change orders which of course increase costs. Not sure what the costs are now compared to budget for this project. <u>Q</u>	Executive Team		The Operations Department (facilities) completes the work necessary to accommodate Programs and obtain all necessary items to ensure project is legally operational. Operations/facilities staff complete bid specifications, purchasing department send RFB to contractors, lowest bidder selected upon verification of references and personal interview. Current programming in the West Wing targets current clients being served at Richards Street location.
<b>SITE</b>	<b>AUDIT CONCERNS/FINDINGS</b> <u>M</u> = Maintenance, <u>P</u> = Programs, <u>S</u> = Surveillance, <u>L</u> = Landlord, <u>Q</u> = Operations	<b>PERSON RESPONSIBLE</b>	<b>COMPLETED YES or NO</b>	<b>OPERATIONS RESPONSE/COMMENTS</b>
<b>2434 W. Wells - Head Start:</b>	1) This site lacks storage space, however, the walk thru noted it appears much of the lack of storage space can be handled by this site conducting a major purging and tossing of old materials. <u>P</u>	HeadStart Mgnt.	undetermined	Facilities staff will work with Headstart staff to remove items not needed and clean identified space as requested.
	2) Walk thru of playground area revealed the need for a lock receiver on the back gate. Gate was open, which is easily accessible by the residents of the adjoining buildings. <u>L</u>	Patrick/Landlord	YES & NO	Headstart staff are the only group using the playground at this time. There have not been any issues affecting the playground for term of SDC's occupancy of the facility. Patrick will contact landlord to get a better resolution to this potential problem.
	3) Site Assistant stated the computers are very slow and outdated (the current PCs are 10 yrs old). <u>P</u>	Patrick/Lisa	Pending	Headstart sites are getting new computers.
	4) Evacuation signs posted in the classrooms and hallway should be updated and made more clearly. <u>M</u>	Roy	YES	Problem addressed.
	5) Food Service License was outdated, expired 6/30/09. <u>P</u>	HeadStart Mgnt.	Follow-Up	Working with Headstart Manager to determine need for food service license and if necessary who has the most recent. Headstart obtains the food service licenses.
	6) Site Supervisor stated the SDC Head Start sign above the main entrance needs to be replaced. <u>P</u>	HeadStart Mgnt./Patrick	NO	Headstart needs to work with facilities to order appropriate sign.
<b>10230 W. Fond Du Lac Head Start Site:</b>	1. This site does not have video surveillance. Video surveillance is needed for the main entrance, back lot (playground area) and classrooms as evidenced in other Head Start sites visited to date. Due to the way this building is setup allowing teachers to pull up surveillance on their computer monitors in the classroom allows them to see who is entering the building in the front and in the back. <u>S</u>	Patrick/IT/Headstart	NO	Patrick and Lisa (IT) will work with Headstart staff and vendors to get bids and determine security camera locations.
	2. Site Supervisor likes the location where the Head Start is situated, but would feel more secure with additional video surveillance due to the Church that shares the same complex as the Head Start site having been robbed. <u>S</u>	Patrick/IT/Headstart	NO	Patrick and Lisa (IT) will work with Headstart staff and vendors to get bids and determine security camera locations.
	3. Room # 1 needs to have the door readjusted. Per Head Start rules the door should open to the outside, it currently opens to the inside of the room. Confirmed by the Operations Manager, current setup would cause issues in an emergency. <u>L</u>	Patrick/Landlord	NO - Landlord issue	Need to follow-up with owner to get the job completed. Door structure does not allow SDC maintenance to do the work and this lease requires the landlord to complete all repairs/changes.

	4. Room # 2, fire extinguisher, is currently located behind a bookshelf and is not visible. This needs to be moved to a more visible and accessible location. <b>M</b>	Roy	YES	Fire extinguisher re-located.
	5. Evacuation plans throughout the building need to be updated. <b>M</b>	Roy	Pending	Operations Manager obtained floor plan will be posting within the week.
	6. There is currently a Bee problem in the building. Per the site supervisor the owner is trying to take care of this issue. The Bees appear to get in through the ceiling of the Head Start kitchen. <b>L</b>	Roy/Landlord	YES	Landlord addressed issue. Landlord contracts with pest control vendor.
	7. The playground area needs to be properly maintained: there were two loose tiles and leaves covering the entire playlot. <b>M</b>	Roy/Landlord	YES	Landlord has church maintenance staff addressing the up keep of the area.
	8. The utility box near the back door exit needs to be covered. There are wires hanging from the box currently. <b>L</b>	Roy/Landlord	YES	Landlord stated the work on the phone system was completed and the cover for the box with the wires would be placed back on. Roy will verify through site visit.
SITE	AUDIT CONCERNS/FINDINGS <b>M</b> = Maintenance, <b>P</b> = Programs, <b>S</b> = Surveillance, <b>L</b> = Landlord, <b>O</b> = Operations	PERSON RESPONSIBLE	COMPLETED YES or NO	OPERATIONS RESPONSE/COMMENTS
3418 S. 22 <sup>nd</sup> St. – Transitional Living Center (aka TLC):	1) Lead Case Mgr and/or Part Time employee are responsible for cutting grass or having grass cut by Housing Authority (cost = \$40 per unit, there are 10 Units at the Southlawn location). Case Mgr. and part time employee also shovel/plow snow. If this is not completed on a regular basis SDC risks being fined by the Milwaukee Housing Authority for uncut grass or unplowed snow. NOTE: Facilities staff should be taking care of this. <b>P</b>	Roy	YES & NO	The property managers for the City Housing Authority met with Operations Manager and TLC staff. They addressed the issue of responsibility for shoveling and grass cutting. They confirmed that it is the responsibility of the individual tenant. Facilities staff will and have assisted with the shoveling and grass cutting in times of extreme need and will continue to do so.
	2) Lead Case Mgr. and/or part time employee transport clients to Dr. Appts, Grocery shopping, moving people from the shelter into apartments. Also responsible for cleaning units when residents move out. <b>P</b>	Program Staff		Facilities staff have assisted in moves in the past.
	3) SDC work van – inoperable for 2 weeks (as of 10/19/09). Maintenance on vehicles are not maintained, often have to take to David Hobbs for repair <b>P</b>	Program Staff	YES	Responsibility not clearly defined.
	4) Fire Extinguishers are needed in all residential apartments, at all three sites. The Operations Mgr provided the Lead Case Mgr with 3 Fire Extinguishers for her location on 10/19/09. <b>M</b>	Program Staff & Facilities	NO - refer to comments	Fire extinguishers not required in apartments based on the installation of electrical fire alarms located in each apartment unit. Will supply for additional safety if requested.
3744 W. Greentree Rd. – Head Start Site:	1) Site needs updated Site Operations Plans, currently have 2007/2008, need 2008/2009 <b>M</b>	Roy/HS Manager	YES	Site manager will download from e-services.
	2) Site needs updated SDC Food Service License – not displayed <b>P</b>	HeadStart Mgnt.	Follow-Up	Working with Headstart Manager to determine need for food service license and if necessary who has the most recent. Headstart obtains the food service licenses.
	3) Surveillance monitor need to be replaced – Green Tree Apartments will replace per Site Supervisor. <b>S</b>	Landlord	YES	Operations Manager will verify.
5305 W. Capital Drive – Head Start Site:	1) Exit sign above door in classroom is paper, should be replaced with a proper exit sign. <b>M</b>	Roy	NO	Will install an appropriate Exit sign.
	2) Site needs a SDC-Food Service License – need to display. <b>P</b>	HeadStart Mgnt.	Follow-Up	Working with Headstart Manager to determine need for food service license and if necessary who has the most recent. Headstart obtains the food service licenses.
SITE	AUDIT CONCERNS/FINDINGS <b>M</b> = Maintenance, <b>P</b> = Programs, <b>S</b> = Surveillance, <b>L</b> = Landlord, <b>O</b> = Operations	PERSON RESPONSIBLE	COMPLETED YES or NO	OPERATIONS RESPONSE/COMMENTS
7833 W. Capital Drive – Head Start Site:	1) Need to check with Facilities – bungee cord in classroom currently used to keep door closed, potential fire hazard. <b>M</b>	Roy/HS Manager	YES	Operations Manager informed Headstart Manager to remove the bungee cord from the door.
	2) Site needs current SDC Food Service license – need to display. <b>P</b>	HeadStart Mgnt.	Follow-Up	Working with Headstart Manager to determine need for food service license and if necessary who has the most recent. Headstart obtains the food service licenses.
	3) Per site supervisor, this site goes through annual flooding problems. Area affected is the basement, staff would need to move upstairs until the basement area is cleaned. <b>L</b>	Patrick/Landlord	YES	Landlord/Owner made necessary repairs to address several problems including flooding. An addendum to the lease was prepared by legal counsel indicating the lease renewal was contingent on the repairs being made.
	4) Per site supervisor, excavating is needed in the parking lot, many pot holes, and cracks. This has been requested from landlord on numerous occasions. <b>L</b>	Patrick/Landlord	NO	Landlord is still addressing this issue.

	5) Copier is currently unused at this site (in lower level office area). Site has purchased a new copier, old copier still at this site unused. Request was made in June 2009 to SDC for the copier to be moved. <u>M</u>	Chappelle/Roy	NO	Unaware of request to re-locate copier or remove copier. Will research and involve the necessary parties to complete the task.
	6) Surveillance system recorder doesn't properly work. <u>S</u>	Patrick/IT	NO	IT will check the equipment and take the necessary action to get the site the proper equipment for surveillance.
	7) The complex Fire Alarm system is not connected throughout the entire complex. If there is a fire in another part of the building the Head Start office would not be aware of it. The site supervisor gave an example of when there was a fire in the hair salon in the same complex, but the office in which Head Start is located was not notified. <u>L</u>	Patrick/Landlord	NO	Will work with the owner to see how we can address this concern.
	8) Site is behind on completing their required monthly fire drills and safety checks. September 09 & October 09 were not completed as of 10/22/09. <u>P</u>	HeadStart Mgmt.	NA	This may have been an oversight as reported during the audit visit. Facilities staff check the fire alarms weekly and headstart has, on my experience always complied with the required fire drills.
	9) Landlord is not good about picking up garbage receptacles, and there is a pest control issue with Rats. <u>L</u>	Patrick/Landlord	YES	This was one of the issues identified and addressed with the landlord. Roy will follow-up to see if the situation has improved.
606 W. Concordia – Head Start Site (SDC Owned Facility):	1) Surveillance: surveillance has been inoperable for over 7 yrs, it currently doesn't record. There was a break in at the site 2 weeks ago, recorder wasn't working. Currently, there are no cameras that monitor behind the building on the playground or near the shed area. <u>S</u>	Patrick/IT	NO	Budget dollars available for this building account were used to complete internal classroom repairs. Operations Director will work to identify the surveillance upgrade as a priority in 2010.
	2) Storage room inside the lunch room/gym room appeared to have mice pellets underneath shelving. <u>M</u>	Roy	YES	Operations Manager addressed the concern with the pest control vendor. The problem was that the pest control vendor did not have access to the area. The problem has been resolved.
	3) There are two refrigerators located inside the lunch room/gym room not being utilized. One refrigerated appeared to be broken as the temperature gauge read 80*. <u>M</u>	Roy	NO	Roy will work with Headstart to determine if the refrigerator should be fixed or disposed of.
	4) There are several outdated fire extinguishers throughout the building (mainly in the stage area inside the lunch room/gym room) <u>M</u>	Roy	YES	Completed
	5) Building is not equipped with a sprinkler alarm system. <u>O</u>	Patrick/Gail	NO	Patrick will work with Gail to address the concern. The installation of a sprinkler system is major capital improvement and will be added to the facilities plan for this building.
	6) Garage: The garage was hit 3 years ago and to date still have not been repaired, nor has the shed behind the garage been repaired. The garage has miscellaneous equipment inside such as: office chairs and other office equipment. <u>O</u>	Patrick/Gail	NO	Patrick will work with Gail to address the concern. The repairs may not be an immediate priority but should be included in the facilities plan for future improvements.
	7) Water fountains: currently do not work, per the Program Secretary there is a strong sewage odor that comes through the faucets of the water fountains. Kids are not drinking from the fountains. Program Secretary would prefer if the fountains were covered or removed. <u>P</u>	Roy	NO	Roy will work with Head Start Managers to make a recommendation of repair or removal.

2009 OPERATIONS AUDIT FINDINGS AND RESPONSES				
SITE	AUDIT CONCERNS/FINDINGS <small>M = Maintenance, P = Programs, S = Surveillance, L = Landlord, O = Operations</small>	PERSON RESPONSIBLE	COMPLETED YES or NO	OPERATIONS RESPONSE/COMMENTS
6848 W. Teutonia - Energy Site ( SDC Owned Facility)	1) Parking Lot: maintenance of parking lot needed (e.g. pot holes, parking lines are not visible) <u>M</u>	Roy	No	The facilities department purchased equipment to address parking lot issues late in the year. The parking lot problems at the Teutonia building will be addressed early Spring.
	2) Surveillance: Site currently doesn't have video surveillance or monitoring. ( Note: Site has hired 3rd party security staff) <u>S</u>	Patrick/Lisa	No	Patrick and Lisa (IT) will work with vendors to get bids and determine security camera locations. Operations Department will start addressing surveillance issues in February 2010.
	3) Evacuation sign needed for main waiting area of building <u>M</u>	Roy	Yes	New evacuation signs are on display in the waiting area and by the cubicle work area.
6850 N. Teutonia - Food Service (SDC Owned Facility)	1) Food Service Mgr would like to see video surveillance throughout the refrigerator and freezer storage areas for monitoring. <u>S</u>	Patrick/Lisa	No	Patrick and Lisa (IT) will work with vendors to get bids and determine security camera locations. Operations Department will start addressing surveillance issues in February 2010.
4041 N. Richards Street Main Office (Leased):	1) There is a storage area in the Welcome Center that has multiple stored light fixtures. Per the Operations Mgr, there will be an energy audit conducted that will allow SDC to get rid of the old light fixtures and receive payment for them. <u>M</u>	Roy	No	Currently researching to see if owners want materials and equipment due to the fact that most of the items were in that storage area before we moved in the facility. Activity in progress to resolve issue.
	2) Potential electrical/fire hazards: as the audit conducted the walk-thru of this facility there was an on-going "Theme" of employees overloading electrical power strips with multiple appliances: toasters, microwaves and fridges. For Example: the Energy area" lunch room" had one power strip with a toaster, microwave and fridge plugged into it going into a single outlet. Per the Operations Mgr., this has caused multiple power outages in that particular area, which affected many office spaces (cubical areas). <u>M</u>	Roy	No	The critical areas were addressed with the Program Managers in those areas. There have not been power outages reported after referencing the issue with Program Managers. A agency wide policy addressing the hazards of overloading electrical circuits and why it will not be permitted will be drafted and presented to the executive team for implementation..
	3) Excess PC Inventory: as the audit conducted the walk thru at this facility of the various storage areas throughout the building, there are either obsolete, or unused computers, monitors and towers throughout. Per the Operations Mgr, IT has worked on a BID that will allow one company to come and take the older computers, monitors and towers. This is currently a work in progress. <u>M</u>	Lisa/Roy	Yes	A current vendor was contacted for removal of obsolete and non-functioning equipment. This vendor will continue to be used as necessary.
	4) Excess Furniture, Equipment, Cubicles, Partitions: as the audit conducted the walk thru at this facility it was noted in the garage storage areas there is an abundance of old books in boxes not being utilized, old calendars, chairs, desks, basketball hoops, etc. The Operations Mgr. is currently trying to minimize the amount of excess storage the agency currently has but is a work in progress and needs to be continually worked on and maintained. <u>M</u>	Roy	No	This has been addressed and much of the materials have been donated or discarded. The remaining materials and equipment will be dispersed or removed over the course of this quarter. Activity in progress to resolve issue.
	5) Planning Storage Area: There is currently a refrigerator unused in the storage room that should be disposed of, not needed (currently plugged in and not being utilized). <u>M</u>	Roy	Yes	Room has been cleaned out and will have a new occupant in the near future.

TITUS 2008 Audit Recommendations			
Timeline/ Completed	Program Name	Recommendation	Action
11/20/2008	IT Controls	Document procedures including standards that describe the controlled processes	Create an IT policies, procedures & standards document. <b>In Process.</b> <b>Follow-up Completed 1/15/10</b>
5/22/2008	IT Controls	Password should be standardized, changed 90 day intervals	This standard has been set for ISDS. Adsystemtech. <b>Completed 5/22/08-</b> <b>Follow-up Completed 1/15/10</b>
5/22/2008	IT Controls	Provide 3 invalid password attempts.	This standard has been set for ISDS. Adsystemtech. <b>Completed 5/22/08-</b> <b>Follow-up Completed 1/15/10- During the follow up also reviewed to ensure that Financial Edge has the password restrictions as the other programs.</b>
Incomplete	IT Controls	Terminations should be communicated & access rights removed in a timely manner. H.R. should send email on day of staff termination.	HR will notify IT via Email on the same day it receives notification in the form of a Personnel Action Form from the former employee's supervisor. <b>HRD calls IT Mgr on employee last day (terminations). Follow-up Incomplete 1/15/10- per the IT Mgr., terminations are still not being reported when terminations happen.</b>
5/22/2008	IT Controls	The Business owners should review a list of active users semi annually and document any changes to be made. List should be initialed by the reviewer once reviewed.	IT will provide a list of active users of Financial Edge and ISDS/Adsystemtech to Dept Managers on a quarterly basis. <b>E-mail sent quarterly. Done on 5/22/08 and 9/30/08. Follow-up Completed 1/15/10- Emails are sent quarterly received an email from Database Administrator on Jan 2010- All emails from 2009 were dumped by the Database administrators email. A verification was done by check of the Database Administrator's email calendar. Emails are to be sent out on Jan/May/September of each year. See Example attached Email dated 1.11.2010 form the Database Administrator</b>
Partially Complete	IT Controls	Establish a User ID with restrictive rights under the Administrator role.	Administrative account created. <b>Follow-up Completed 1/15/10- Restrictive rights have been established to ensure that CFO and CEO only has access to a certain number of programs. A process needs to be developed for Restrictions which will be implemented in the IT- Administrator Procedure manual. See Attached Section IV Information Technology</b>
7/1/2009	IT Controls	Limit access to the Administrative Supervisor role on an "As Needed" basis.	Due to limited size of IT Dept & the need to frequently troubleshoot, unable to do recommendation. <b>Follow-up Completed 1/15/10- Only three have access with Administrator Role.</b>
Incomplete	IT Controls	Number of system administrators should be limited based on the risk associated with the full system authority level.	Administrative accounts have been established for the IT Manager, Database Administrator and System Administrator only. <b>Follow-up Incomplete 1/15/10- per the IT Mgr., administrative accounts have been established but a guideline is to be written that specifies who will have that authority. The guideline has not been written nor completed- IT manger will develop a guideline that will outline the administrators who will need the proper authority to specific accounts.</b>
5/22/2008	IT Controls	Confidential data, including Social Security number, should be masked on screens that can be viewed by users.	Social Security masking has been implemented in the Adsystemtech Application. <b>Follow-up Completed 1/15/10</b>
5/22/2008	IT Controls	Provide a list of authorized staff with access to the computer room.	A list of IT Staff and SDC Staff with Master Keys will be maintained in the Facilities Dept. <b>Follow-up Completed 1/15/10- See Facilities- Operations Assistant Interview WP REF _____</b>
11/20/2008	IT Controls	Provide adequate environmental controls in the computer room, air conditioners provided, fire detection system installed & fire extinguisher.	The facilities dept has purchased a fire extinguisher, will investigate replacing inadequate A/C with the property owners; in the process of redesigning the IT server room to provide adequate environmental controls. <b>Follow-up Completed 1/15/10- Audit conducted a spot check of this room, Landlord provided a new A/C for the computers ventilation.</b>

TITUS 2008 Audit Recommendations			
Timeline/ Completed	Program Name	Recommendation	Action
5/22/2008	IT Controls	Router/Wireless Router: Consider removing the equipment if they are not being used because of cost and associated risk	ISDN and Wireless Router have been removed from the network and put in storage. In the fourth quarter the Board of Commissioners requested that a wireless connection was available so that Commissioners would be able to use laptops during Board and Committee meetings. <b>Follow-up Completed 1/15/10</b>
Incomplete	IT Controls	Develop a form or database for reporting IT issues to document problem & action taken.	IT has developed a form to track IT support calls/issues for any assistance that requires a visit desk-side or requires 1 or more hours to resolve. <b>Follow-up Completed 1/15/10-Incomplete- per IT Manager, the process was started but was never finished due to lack of staff</b>
Incomplete	IT Controls	Identify expected levels of service that can be documented, tracked and measured for achievement	IT will identify basic expected levels of service and document them. <b>Follow-up Completed 1/15/10-Incomplete- still in progress</b>
Incomplete	IT Controls	The levels of service should be agreed upon annually with business management.	IT will develop more detailed metrics and share them with Management. <b>Follow-up Completed 1/15/10- Incomplete- per IT Manager due to the lack of staff that this is not complete. IT Dept. has now hired an additional person and will handle this task.</b>
Additional Note: 1/5/2010			The IT Department is making great progress with the Inventory listing. To date they have completed inventorying of 14 SDC sites and is about 85% complete with the Richards office.