OFFICE OF INTERNAL AUDIT

REPORT TO THE BOARD OF SUPERVISORS

FACILITIES MANAGEMENT CUSTODIAL SERVICES

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Executive Summary

The Pinal County Office of Internal Audit has completed an audit of Custodial Services. This audit was included in the Office of Internal Audit's Fiscal Year 2011-2012 Annual Audit Plan, approved by the Pinal County Board of Supervisors. Our audit was planned and conducted in accordance with Generally Accepted Government Auditing Standards. The purpose of our audit was to evaluate the effectiveness and efficiency of the Custodial Services Division of the Facilities Management Department.

Within Pinal County, custodial services are provided by an in-house staff of twenty-seven (27) custodians at a cost of about $1.5 million annually. Staff is responsible for cleaning about seventy (70) buildings, including a total of about 600,000 square feet of cleanable space, throughout Pinal County. Generally, custodial duties include emptying trash cans, cleaning restrooms, vacuuming floors, dusting and other services necessary to maintain a clean, safe and healthy environment for citizens, and County employees, visiting and working in those facilities.

Our overall conclusion is custodial services are generally conducted in an effective manner, although there may be opportunities for improved efficiency with organizational modifications. We specifically noted the following:

- According to a survey conducted by Internal Audit, overall customer satisfaction with custodial services is very high; however:
    - An effective custodial inspection program has not been established
    - Some custodial services, such as vacuuming, are not performed as scheduled
    - An effective customer feedback system has not been established to ensure Facilities Management is notified when custodians are not effectively performing their duties
    - The largest and most public County Facility, the County Courthouse, is not assigned custodial staff during operating hours
    - One major facility, the Housing Department, does not receive custodial services
- The Custodial Services Division is not organized for optimal efficiency:
    - Pinal County's annual cost per square foot to clean county facilities is about $2.59. This is significantly higher than the average of $1.50, per a 2008 survey[1]; or a recently contracted rate of $1.93 for the new health clinics (exclusive of periodic floor maintenance)
    - The inefficiency may even be understated because, in some cases, custodians are given credit for space not cleaned. For example, custodial staff did not perform all

[1] Source: International Facility Management Association (IFMA)

scheduled services on some days, due to employee absences. Also, County costs for workers' compensation and unemployment were not included in the Division's budget

- Pinal County custodians clean about 24,000 square feet of space daily, adjusted for travel time, compared to a national average of 27,000 square feet daily
- Use of an in-house workforce is less flexible and may be more costly than contracting with a vendor for these services. For example, use of County staff requires costly benefits, including about $100,000 in contributions to the State Retirement System, and incorporates a rigid system using full-time equivalent employees. Alternatively, a contractor would likely be responsible for a much larger volume of square footage and use a more flexible workforce, such as part-time and temporary employees

As we visited facilities throughout the County during the course of this audit, we noted some additional material internal control issues, although not directly related to Facilities Management, which we believe require action by County Management:

- The County provides custodial services to a community center, primarily used for private events; however, no fees are charged to citizens for holding these events
- The County provides custodial services and office space to a State agency, without a properly administered lease. The Office of Internal Audit notes the lack of proper lease, and other revenue, administration is an ongoing organization-wide problem, which has been identified in several other audits conducted by this office

Based on our findings and conclusions, specific recommendations for improvements include:

- Develop a formal, effective custodial inspection program
- Update facility contact information; and establish a feedback system with those contacts to identify deficiencies in custodial service
- Assign custodial staff to the County Courthouse during operating hours
- Determine and assign appropriate custodial services for the Housing Department
- Verify accuracy of square footage and cleaning days scheduled, to ensure workload is properly assigned; and establish target square footage to be cleaned for each custodian
- Examine other staffing options, such as use of more part-time staff, to determine if increased efficiency can be achieved
- Perform a study to determine if contracting for some or all custodial operations would result in significant cost savings
- Discontinue cleaning services for the Dudleyville Community Center; establish a fee schedule; and require customers to return the facility to its previously clean condition
- Establish appropriate leases for facilities currently used by State agencies; accurately compute cleaning and other costs charged for those facilities; and establish controls to ensure lease payments are invoiced and collected when due

- Establish a program to identify County-wide internal control weaknesses in lease, and other revenue, administration; to include timely billing, recording and accounting for amounts due/paid

We would like to thank the management and staff of the Facilities Department for their assistance and cooperation during the course of this audit.

The following report provides additional details of our audit observations and recommendations.

Lori Brooks
Pinal County Internal Audit Officer

Background

The Pinal County Office of Internal Audit has completed an audit of Custodial Services. This audit was included in the Office of Internal Audit's Fiscal Year 2011-2012 Annual Audit Plan, approved by the Pinal County Board of Supervisors. Our audit was planned and conducted in accordance with Generally Accepted Government Auditing Standards. The purpose of our audit was to evaluate the effectiveness and efficiency of the Custodial Services Division of the Facilities Management Department.

Within Pinal County, custodial services are provided by an in-house staff of twenty-seven (27) custodians at a cost of about $1.5 million annually. Staff is responsible for cleaning about seventy (70) buildings, including about 600,000 square feet of cleanable space, throughout Pinal County. Generally, custodial duties include emptying trash cans, cleaning restrooms, vacuuming floors, dusting and other services necessary to maintain a clean, safe and healthy environment for citizens, and County employees, visiting and working in those facilities.

Scope and Methodology

The purpose of our audit was to evaluate the effectiveness and efficiency of the Custodial Services Division of the Facilities Management Department. Our specific objectives were to determine if:

- An effective custodial inspection program has been established
- Custodial services are provided as scheduled
- Custodial customers are satisfied with services provided
- Costs to provide custodial services are reasonable
- Efficiency of custodial services are accurately computed and reported
- The Custodial Division of Facilities is organized in an efficient manner

To accomplish our objectives, we:

- Interviewed appropriate Facilities management and staff
- Reviewed policies, procedures and other documents related to custodial services
- Conducted a County-wide survey of the quality of custodial services performed
- Measured space cleaned, and inspected a random sample of facilities that receive custodial services
- Surveyed methods for providing custodial services in other government organizations
- Compared costs and space cleaned, per custodial employee, to national statistics
- Reviewed results of facility inspections
- Compared cleaning services provided to cleaning services scheduled
- Verified accuracy of individual facility points of contact in the Maintenance Connect Data System

Pinal County Performance Management

The Facilities Management Department's Strategic Business Plan includes one performance measure relating to Custodial Services. The plan includes the goal that 90% of County facilities will meet or exceed basic cleaning scheduled each quarter. For the fourth quarter of 2011, the Facilities Department reported 99.73% of scheduled cleaning was performed. We reviewed the supporting documentation and determined 93.16% of the scheduled cleaning was performed. Although not accurate, the reported measurement did not contradict the end result, which was achievement of the stated goal. Management agreed, however, prior staff had not accurately reported performance data, and the Division is currently improving the reporting process to achieve accuracy. We further noted the measurement, as defined, may be misleading to readers. As stated in their plan, the completion of *minimum* cleaning is measured, rather than completion of scheduled full cleaning. If the percentage of full cleaning had been measured and reported, the goal of 90% effectiveness would not have been met for the quarter. Management agreed this is a more meaningful measure of success and plans to revise the stated measurement.

SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS

Overall Evaluation

Our overall conclusion is custodial services are generally conducted in an effective manner, although opportunities may exist for improved efficiency with organizational modifications. We specifically noted the following:

- According to a survey conducted by Internal Audit, overall customer satisfaction with custodial services is very high; however:
  - An effective custodial inspection program has not been established.
  - Some custodial services, such as vacuuming, are not performed as scheduled.
  - An effective customer feedback system has not been established to ensure Facilities Management is notified when custodians are not effectively performing their duties.
  - The largest and most public County Facility, the County Courthouse, is not assigned custodial staff during operating hours.
  - One major facility, the Housing Department, has not received any custodial services.
- The Custodial Services Division is not organized for optimal efficiency.
  - Pinal County's annual cost per square foot to clean county facilities is about $2.59. This is significantly higher than the average of $1.50 per a 2008 survey; or a recently contracted rate of $1.93 for new health clinics (exclusive of periodic floor maintenance).
  - The inefficiency may even be understated because, in some cases, custodians are given credit for space not cleaned. For example, custodial staff did not perform all scheduled services on some days, due to employee absences. Also, County costs for workers' compensation and unemployment were not included in the Division's budget.

- Pinal County custodians clean about 24,000 square feet of space daily, adjusted for travel time, compared to a national average of 27,000 square feet daily.
- Use of an in-house workforce is less flexible and may be more costly than contracting with a vendor for these services. For example, use of County staff requires costly benefits, including about $100,000 in contributions to the State Retirement System, and incorporates a rigid system using full-time equivalent employees. Alternatively, a contractor would likely be responsible for a much larger volume of square footage and use a more flexible workforce, such as part-time and temporary employees.

As we visited facilities throughout the County during the course of this audit, we noted some additional material internal control issues. Although not directly related to Facilities Management, we believe they require timely action by County Management:

- The County provides custodial services to a Community Center, primarily used for private events; however, no fees are charged to citizens holding these events.
- The County provides custodial services and office space to a State Agency, without a properly administered lease. The Office of Internal Audit notes the lack of proper lease and other revenue administration is an ongoing County problem, which has been identified in several other audits conducted by this office.

Details of our findings are discussed in the audit results section below.

Audit Results

A. Custodial Service Effectiveness

Although County personnel were generally very satisfied with custodial services provided, overall effectiveness could be improved.

- Custodial management has not implemented an effective inspection system to ensure custodians are providing adequate services. We noted in a four month period, most work performed by custodians had not been inspected. An inspection form is used by the custodian supervisor, which includes a signature block for the custodian to acknowledge the inspection results; however, none of the forms reviewed were signed. Management stated the results of inspections are not discussed with the custodians, despite the fact that thirteen (13) of the fifteen (15) inspections noted deficiencies. Although the twenty-six (26) customers we surveyed were generally very satisfied, four stated service was provided less frequently than scheduled. We also received some comments indicating need for improvements, such as the quality of service depended on which custodian was working on a particular day; floors were dirty; dead bugs were allowed to accumulate; and a custodian spent excessive personal time on his/her cell phone.
- Custodial services were frequently not performed as scheduled. We noted 4,427 facility cleanings were performed in the 4th quarter of 2011. Forty-four percent (1,951 cleanings) were incomplete. Only minimal cleaning, consisting of emptying trash cans and cleaning

restrooms, were completed. Full scheduled cleaning services, including vacuuming and dusting, were not performed. Customers in seventeen (17) of the twenty-six (26) facilities surveyed (65%), stated their floors were cleaned only periodically and not daily.

- Custodial management has not implemented an inspection program that includes customer feedback. Management has established primary facility contacts at each location within the Maintenance Connect System; however, we noted 34% of the contacts listed in the system no longer work for Pinal County. Further, in some cases, the primary facility point of contact is not even identified in the system. Also, none of the facility contacts had been provided a cleaning schedule, which would identify the days and items to be cleaned in their facility. Of the twenty-six (26) customers surveyed, 46% stated they were unaware of what custodial services should be provided in their facility. Setting up an effective customer feedback system will assist Facilities in supplementing the current, limited inspection program; and focusing on problem areas.
- Custodial Services has not assigned custodial staff to the Pinal County Superior Courthouse during operating hours, although it is the largest public building in use by Pinal County. Courthouse management stated this is a significant issue, as there is no custodial staff present during the day to maintain clean, stocked restrooms or respond to issues that arise during operating hours. We noted five assigned full time custodians are assigned to clean the building, but all work the evening shift, after hours.
- The Housing Department, which also serves the public every day, has no custodial staff assigned. Prior County management believed the Department paid a groundskeeper to perform custodial service, but our inspection of the building indicated an unclean building. Professional administrative staff stated they perform the cleaning, as time allows. We found no other locations within Pinal County in which professional staff members are required to clean the facility.

Recommendations:

1. ***The Facilities Director should develop a formal custodial inspection process, to include subsequent discussions with employees about performance issues, and development of corrective action plans, as necessary.***
2. ***The Facilities Director should update the list of primary facility contact persons in the Maintenance Connect System, to ensure an appropriate point of contact is identified at each facility, for purposes of custodial monitoring and performance feedback.***
3. ***The Facilities Director should provide each primary facility contact with a cleaning schedule and list of services to be performed; and establish procedures for providing feedback to Custodial Management.***
4. ***The Facilities Director should assign one or more custodians to the County Courthouse during operating hours.***
5. ***The Facilities Director should determine the appropriate level of custodial service, and assign staff, for Housing Department cleaning and maintenance.***

B. Custodial Service Efficiency

The Custodial Services Division is not organized for optimal efficiency and economy of operations. Pinal County spends about $2.59[2] per square foot annually, to provide custodial service to the various County facilities. Several factors indicate the current cost is excessive. For example, a 2008 survey indicated the average cost per square foot for custodial services was $1.50[3]. Further, the County recently contracted out for certain custodial services at $1.93 per square foot.[4] Although higher than the 2008 national average, it is less than the County's current cost for in-house custodial services. The County's higher than average custodial costs are reflective of the following as well:

- Pinal County custodians are assigned about 24,000 square feet of space to clean daily (when adjusted for travel time) as compared to a national average of 27,000 square feet daily. No Pinal County custodian cleans 27,000 square feet daily, and it was noted one custodian regularly cleans less than 16,000 square feet daily.
- Use of the County's in-house workforce is less flexible and may be more costly than contracting with a vendor for these services. The County's personnel system is designed for professional, inherently governmental functions, which results in high salary and employee benefit costs for ancillary services such as cleaning. The County benefits are costly and generous. For example, about $100,000 annually is paid into the State Retirement System for custodial workers. A contractor providing the same services would not experience this cost. Also, the County uses a system consisting of full time workers that does not allow for the flexibility a contractor would typically utilize. For example, a contractor may employ part-time and/or temporary staff, to accommodate increases/decreases in square footage covered. A contractor most likely would have a larger workforce, allowing for flexibility and coverage during employee absences.

The cost of $2.59 to provide custodial service appears to be understated, as well, as discussed earlier in the report. (Finding A) As noted, custodians frequently do not perform all services scheduled, due to employee absences. County personnel costs are fixed. Employees are generally paid for vacation or sick leave when absent, therefore, custodial costs remain constant while custodial services are reduced. Alternatively, a contractor would not be paid for services not performed and must incorporate employee leave costs in the contracted rate.

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[2] During post audit discussions, Facilities Management stated they were implementing efficiency changes and believed next year's costs would be reduced to $2.35 per square foot.
[3] Due to variables among facilities, as noted in a National Proclean article, (http://www.nationalproclean.com/id144.html), use of one national average may not reflect achievable costs at every organization. We used this average simply to illustrate current costs may be higher than necessary.
[4] We noted the contracted service is for about 23,000 square feet, which is a fraction of the County's total of about 600,000 square feet. As such, the contracted cost per square foot of $1.93 may not be representative of the rate a vendor could provide with a larger contract. Also, this rate does not include periodic floor maintenance, such as carpet cleaning and waxing hard floors.

Custodial costs are also understated because workers' compensation and unemployment costs were not included in the division budget. Further, custodians were sometimes given credit for cleaning services actually performed by inmates. In addition, reported square footage cleaned was overstated in some cases due to reduction in facility hours; and discrepancies between scheduled and actual cleaning days.

Recommendations:

6. ***The Facilities Director should periodically verify square footage cleaned in each facility; identify changes in facility operating hours; and assign staff, as required, to ensure equitable allocation of cleaning responsibilities.***
7. ***The Facilities Director should assign custodial staff using a standard target of 27,000 square feet per day, and consider use of part time and/or temporary personnel to accommodate a more flexible workforce.***
8. ***The County Manger, after allowing the Facilities Department to restructure its current operations, should require that Facilities conduct an analysis of other cost saving opportunities, including use of additional contracted services.***

C. Services Provided to Non-County Entities

The County provides custodial and other services to non-county entities without adequate compensation.

- The Dudleyville Multi-Generational Community Center is cleaned weekly. The facility is used by community residents for various private functions, such as weddings and parties. Although residents are required to complete a form acknowledging the "Rental Agreement Guidelines," in our opinion, this is misleading as no actual rent is charged.

  Staff stated they recognize rent should be charged for private functions, but County Management has been unable to resolve logistics issues, such as a method to transfer collected funds to the County Treasurer's Office. We noted that rental agreements are signed in Mammoth, and the County also operates a health clinic in Mammoth, which utilizes regular transport service to the County Treasurer's Office. It would appear reasonable to transport funds collected for events at the Community Center, along with the Health Clinic's deposit.

  We noted the facility was constructed at a cost of about $400K and has been operating in this manner for four years. This is more than sufficient time to develop an operating plan to properly charge for, and collect, revenue. In addition to cleaning services, the County incurs utility and general maintenance costs for operating the building. Finally, since the rental agreement specifically requires the users to clean the facility, it is not clear why the County provides regular custodial services for the building.

The County provides custodial services for space occupied by the State Motor Vehicle Division.

- In 1992, the County leased a building in Apache Junction to the State of Arizona at a fair market rate, to operate a Motor Vehicle Office. In 2000, the lease was amended to reduce the lease rate to only the cost of maintaining the facility (i.e. cleaning costs, utilities, and building maintenance). For the most current year, total rent per square foot was $6.80. As part of the audit, we reviewed the custodial cost per square foot charged to the state, and noted it is only 96 cents, or 37% of the actual cost of $2.59 per square foot. Therefore, it appears the annual adjustment provision of the lease, established to ensure the County recovers all costs, was not enacted. We did not review the other costs such as utilities and maintenance for accuracy.

  Further, the State was required to pay the annual 2011-2012 fiscal year operating costs of approximately $24K in July 2011; however, Pinal County never billed or collected the payment for the current fiscal year. We also noted payments for previous years, beginning in 2008, were not collected until March 2011. Finally, we noted the County needed additional space in Apache Junction for County purposes and, in 2009, paid in excess of $1 Million to construct a new building, while providing essentially free space to the State of Arizona[5].

  The County also provides space for the Motor Vehicle Division in San Manuel. We noted the costs related to cleaning for the proposed lease rate for FY 12-13 were understated, because Facilities was applying a base cost per square foot of $1.85, instead of the actual current cost of $2.59 (as indicated in Finding B). This calculation resulted from their assumption of total square footage of 740K Countywide, while we could only verify about 600K.

- Issues related to improper lease administration, including deficiencies in recording and collecting revenues due to the County, has been an ongoing systematic problem resulting in material internal control weakness; as illustrated in several internal audits conducted since 2010.
  - In February 2010, we reported the Sheriff's office did not record accounts receivable for amounts due from County cities for jail beds occupied
  - In November 2010, we reported County Management did not invoice or record accounts receivable for lease payments due from the contractor for landfill lease
  - In June 2011, we reported the Public Health Department did not record accounts receivable for amounts due from Funeral Homes for death certificates provided
  - In November 2011, we reported the Airport Economic Development Department did not monitor, adjust and invoice for lease payments due from the Pinal Airpark tenant; or properly invoice and record transactions for hangar leases

[5] County Management stated major changes in facility use and management have been initiated since that time, which should prevent similar occurrences in the future.

In our opinion, this recurring problem continues to be an issue, due to decentralized management of financial transactions; inadequate oversight; and a lack of proper attention to invoicing, recording and monitoring leases and other receivables[6].

Recommendations:

9. ***The Assistant County Managers for Development and Administrative Services should discontinue providing custodial services to the Dudleyville Community Center and require private parties to clean area after use.[7] A fee schedule should be developed to charge for private party use.***
10. ***The Assistant County Manager for Administrative Services should determine if space(s) currently occupied by the State Motor Vehicle Division is needed for County purposes and reclaim the space(s), if needed. Alternatively, if it is actually surplus space, ensure lease(s) are properly executed at rates, which accurately recover operating costs, at a minimum, and ensure the lease is properly administered, to include invoicing, recording, collecting and adjusting, per lease requirements.***
11. ***The County Manager should designate a central responsible party to identify all unbilled leases and other fees Countywide, and establish proper financial controls for invoicing, recording and collecting monies due the County.***

Evaluation of Management Response (attached): Management generally concurred with the audit recommendations for Custodial Services improvement; however, in some cases they noted concurrence is contingent upon filling vacant positions and potential reallocation of staff. Although management stated the workload standard presented in the audit report is subjective, they agreed to review and adjust the staffing structure to improve workload distribution.

Attachment:

Management Response and Action Plan

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[6] County Management stated the creation of a new position, *Grants Coordinator*, in the Finance Department will address this ongoing issue.

[7] During the audit, responsibility for the Facilities Department transferred from Administrative Services to Development Services.

Audit Recommendation	**Concur** (Yes or No)	**Management's Response and Action Plan**	**Target Date**	**Individual(s) Responsible**
1. The Facilities Director should develop a formal custodial inspection process, to include subsequent discussions with employees about performance issues, and development of corrective action plans, as necessary.	Yes	Recent Board approval of Facilities' reorganization of the Custodial and Maintenance divisions will allow for a Custodial Day Shift and a Night Shift Lead position to conduct quality control inspections, performance recommendations and follow up reviews of staff performance. Facilities' previously did not have staffing for this.	07-31-2012	Director
2. The Facilities Director should update the list of primary facility contact persons in the Maintenance Connect System, to ensure an appropriate point of contact is identified at each facility, for purposes of custodial monitoring and performance feedback.	Yes	Facilities' will review and update County Departments that may have changed Designated Service Requesters who are contacted monthly for performance feedback.	07-31-2012	Facilities Admin Staff
3. The Facilities Director should provide each primary facility contact with a cleaning schedule and list of services to be performed; and establish procedures for providing feedback to Custodial Management.	Yes	Facilities' will develop and provide a written list of services per facility with a weekly cleaning schedule.	07-31-2012	Custodial Supervisor

Audit Recommendation	**Concur** (Yes or No)	**Management's Response and Action Plan**	**Target Date**	**Individual(s) Responsible**
4. The Facilities Director should assign one or more custodians to the County Courthouse during operating hours.	Pending resources	Facilities will discuss with Customer. Facilities' intentionally limits Custodial tasks in high traffic areas to reduce interruption in customer services. While there are no custodians stationed at the building during the day, there are custodians at nearby facilities that can be dispatched immediately if needed. We have discussed providing a part time, day-shift assignment, to areas of the building that are restricted after normal business hours. If we are able to provide staff for this, the position may also be used for daytime needs. Reallocation of resources will result in a decrease in services at another location; in addition, a factor for duplication in square foot service will need to be made.	Pending resources	Facilities Director
5. The Facilities Director should determine the appropriate level of custodial service, and assign staff, for Housing Department cleaning and maintenance.	Pending resources	At the time of this Audit, the Housing Division had a funded position for maintaining the Housing Administration Office. Facilities did not track and was not responsible for cleaning the office areas. Recent discussions with Executive Staff have resulted in reassigning the Housing Admin Facility to Facilities' once Custodial vacancies are filled.	07-31-2012 Pending resources	Facilities Director

Audit Recommendation	**Concur** (Yes or No)	**Management's Response and Action Plan**	**Target Date**	**Individual(s) Responsible**
6. The Facilities Director should periodically verify square footage cleaned in each facility; identify changes in facility operating hours; and assign staff, as required, to ensure equitable allocation of cleaning responsibilities.	Yes	The Facilities Management Department adjusts this data as identified. The challenge is when departments move staff from site to site without notification. We will continue to make adjustments as we discover or are notified.	Ongoing	Facilities Admin Staff
7. The Facilities Director should assign custodial staff using a standard target of 27,000 square feet per day, and consider use of part time and/or temporary personnel to accommodate a more flexible workforce.	subjective	Estimates for staffing averages are subject to service levels and space usage (i.e. office, conference, lobby, public/private restrooms, common space etc). I have been unable to find clear and current reference for staffing standards. Most research indicates the need for detailed space evaluation in order to develop accurate assessments. Using educational facilities, data from National Pro Clean Corp. shows an average of 27,500 sf per custodian. Facilities' is working on exchanging full time Custodial Worker I position(s) for equal hour Part Time Positions.	July 2012	Facilities Director

Audit Recommendation	**Concur** (Yes or No)	**Management's Response and Action Plan**	**Target Date**	**Individual(s) Responsible**
8. The County Manger, after allowing the Facilities Department to restructure its current operations, should require that Facilities conduct an analysis of other cost saving opportunities, including use of additional contracted services.	Yes	Staff will review operational costs for custodial services at the end of FY 12-13, and compare costs vs available data for contract custodial operations (to include reviews of areas currently served by contract custodians) and determine if contracting of any or part of custodial services would be appropriate.	July 2013	ACM-DS/Facilities Director
9. The Assistant County Managers for Development and Administrative Services should discontinue providing custodial services to the Dudleyville Community Center and require private parties to clean area after use. A fee schedule should be developed to charge for private party use.	Yes	Routine custodial services at the Dudleyville Community Center have been discontinued. A Fee Schedule will be prepared for consideration by the Board of Supervisors.	September 2012	ACM-DS
10. The Assistant County Manager for Administrative Services should determine if space(s) currently occupied by the State Motor Vehicle Division is needed for County purposes and reclaim the space(s), if needed. Alternatively, if it is actually surplus space, ensure lease(s) are properly executed at rates, which accurately recover operating costs, at a minimum, and ensure the lease is properly administered, to include invoicing, recording, collecting and adjusting, per lease requirements.	Yes	The Master Facilities Planning and Construction Committee (MFPCC), via Policy 10.5, is now reviewing leases in an effort to ensure the additional space requirement is valid and that leases are not issued when other space is available. Justification for leasing was added to the policy in the August 2011 update. Lease rates will be reviewed when leases are updated/renewed.	Ongoing	MFPCC, chaired by ACM-AS

Audit Recommendation	**Concur** (Yes or No)	**Management's Response and Action Plan**	**Target Date**	**Individual(s) Responsible**
11. The County Manager should designate a central responsible party to identify all unbilled leases and other fees Countywide, and establish proper financial controls for invoicing, recording and collecting monies due the County.	Yes	This will be reviewed with the County's Chief Financial Officer. Currently this responsibility falls on individual departments that lease space. The new financial system that the county is procuring will have an accounts receivable function which will make this function easier to track – whether consolidated under a central department or by individual departments. Finance is currently recruiting for an employee that will have lease oversight duties as part of their job requirements.	December 2012	CM, ACM's and CFO.