

MUNICIPALITY OF ANCHORAGE



Office of the Internal Auditor
632 W. 6th Ave., Suite 600

Phone: 907-343-4438
Fax: 907-343-4370

Mayor Dan Sullivan

May 16, 2011

Internal Audit Report 2011-07
Office of the Ombudsman
Anchorage Assembly

Introduction. Anchorage Municipal Charter Section 4.07, *Ombudsman*, establishes the Office of the Ombudsman. The Ombudsman's Office is an independent, impartial municipal office that is readily available to the public and it reports directly to the Anchorage Municipal Assembly (Assembly). According to the Anchorage Municipal Charter "The jurisdiction, power and duties of the ombudsman include acts and omissions of employees and agents of the school district, as well as employees and agents of the municipality." The purpose of the Ombudsman's Office includes safeguarding the rights of citizens and promoting higher standards of competency, efficiency and equity in the provision of municipal services.

The Ombudsman's Office was staffed in 2010 by the Ombudsman, a "secretary", and a temporary employee when needed. Since 2000, the Ombudsman's Office has used a database called CityView to manage contacts received from citizens.

Objective and Scope. The objective of this audit was to conduct a performance audit of the Ombudsman's Office as of December 31, 2010. Review of calendar year 2010 activities was supplemented with statistical data from the last five years. Specifically, we reviewed selected citizen complaints in CityView to determine if the complaints were properly documented, resolved, and the citizens were properly notified of the resolution. In addition, we determined if CityView was used effectively to document and manage citizen complaints. Finally, we reviewed the annual report of activities required under Anchorage Municipal Code (AMC) 2.60.160 to be prepared by the Ombudsman.

The audit was conducted in accordance with generally accepted government auditing standards, except for the requirement of an external quality control review, and accordingly, included tests of accounting records and such other auditing procedures as we considered necessary in the circumstances. The audit was performed during the period of March through April 2011. The audit was requested by the Assembly.

Overall Evaluation. The Ombudsman's Office has been empowered to promote standards of competency and efficiency in municipal services. However, we found, during the period of our review, that the Ombudsman's Office did not always follow these standards. Our audit revealed that the Ombudsman's Office was not very efficient or well organized. For example, during the last five years, the number of unresolved cases increased significantly. In addition, our review of selected 2010 case files found that many did not have sufficient information in the hard copy case files and/or in CityView. We were also unable to find copies of any formal investigation reports completed by the Ombudsman's Office. Moreover, the Ombudsman's Office did not always prepare an annual report and did not ensure that the 2009 annual report was accurate. The Ombudsman's Office also did not have desk procedures to provide direction to staff on how to address the Ombudsman's Office's various activities. Finally, CityView lacked some basic reporting functions to readily provide management information to help manage citizen complaints.

FINDINGS AND RECOMMENDATIONS

1. Unresolved Cases Increased Over Last Five Years.

- a. Finding.** During the last five years, the number of unresolved cases increased significantly. As shown in the table below, the Ombudsman's Office has opened an average of 371 cases annually for the period 2006 through 2010. The number of resolved cases has declined 89 percent from 203 in 2006 to 23 in 2010.

Ombudsman’s Office Cases Statistics
Calendar Years 2006 – 2010

<u>Number of Cases</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Beginning of Year	75	327	469	677	1,028
Opened	455	358	389	417	233
Resolved	203	216	181	66	23
End of Year	327	469	677	1,028	1,238

Source: CityView database

- b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.

- c. **Management Comments.** Management stated, “As of May 10, 2011, the Ombudsman’s Office has closed 771 cases since January leaving only 309 open cases. The Ombudsman’s Office has also created some initial basic procedures in 2011 to include conducting routine management review of pending cases, closing cases when the resolution is entered in the CityView database, filing the closing reports consistent with the approved retention schedule, as well as other basic procedures.”

- d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.

2. **Case Documentation and Case Management Not Adequate.**

- a. **Finding.** Our review of selected 2010 case files found that many did not have sufficient information in the hard copy case files and/or in CityView. For example:

- *Hard Copy Files Not Always Complete* - According to staff, about 40 of the 233 cases opened in 2010 had hard copy files. However, we found that some of the hard copy files were not labeled, making it difficult to match them to a case in the CityView database, especially when the case notes in CityView were incomplete. In addition, some of the hard copy file folders had nothing in them.
- *Inquiry Information Not Always Complete* - Our review found that 406 of 1,407 (29 percent) inquires did not contain any information in CityView. In one instance, 136 blank inquires were created in the CityView database on a single day. This raises concerns about the accuracy of the statistical information reported in the annual report.
- *Notification Not Always Validated* - We were unable to validate if the complainant was notified of the case resolution for 7 of 11 selected closed cases in 2010. According to staff, the complainants were notified of resolutions verbally with a phone call or in person, but no entries were made in CityView regarding the notification. Even when we found documentation to support that a complainant was notified, the notification appeared questionable. For example, one entry stated the complainant was notified by telephone regarding the case outcome. However, the CityView case record showed that the complainant was an anonymous person and there was no phone number recorded. In another instance, the case notes showed a final investigation report was completed, which should have been distributed to the complainant and appropriate governmental officials. However, upon questioning, staff could not find the final investigation report.
- *Official Case Files Removed* - We also noted during our review that the former Ombudsman removed official case files from the work area and returned them in

January 2011, after her term ended. We were unable to verify that all files removed from the office were actually returned because the municipal case files removed were not logged out or identifiable in our review.

- b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.
- c. **Management Comments.** Management stated, “As noted above, the Ombudsman’s Office has created some initial basic case management procedures in 2011. The new procedures include routine management review of pending open cases, confirming that the Ombudsman’s records reflect that complainants/constituents have been notified of the resolution of cases, as well as other procedures.”
- d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.

3. **Formal Investigation Reports Could Not Be Located.**

- a. **Finding.** We were unable to find copies of any formal investigation reports completed by the Ombudsman’s Office as required by Anchorage Municipal Code of Regulations 2.60.003, *Investigations*. According to staff, some formal investigations were completed, but they were unable to find the reports. The approved records retention schedule requires original signed investigation reports be retained permanently in the office.
- b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.

- c. **Management Comments.** Management stated, “In 2011, the Ombudsman’s Office has issued several formal investigative reports as well as informal ‘closing reports’ for cases from 2009-2011. All of the informal closing reports and the formal investigative reports issued in 2011 have been filed consistent with the approved retention schedule.”
- d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.

4. **Annual Reporting Needs Improvement.**

- a. **Finding.** The Ombudsman’s Office did not always provide annual reports and did not ensure that provided annual reports were accurate. AMC 2.60.160, *Reports*, states that “The ombudsman shall submit to the assembly a report of his activities at least once a year.” According to staff, annual reports describing the Ombudsman’s activities between 2003 and 2007 were not submitted to the Assembly. However, annual reports for 2008 and 2009 were submitted. The 2008 annual report was submitted to the Assembly in October 2009 and the 2009 annual report was submitted to the Assembly in April 2010.

When we reviewed the 2009 annual report, we could not find evidence in the Ombudsman’s case files to verify the reported case resolutions for about 50 percent of the cases in the report. In addition, 5 of the 12 cases reported as resolved in the annual report were listed as “open” in the CityView database at the time of our review.

- b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.

- c. **Management Comments.** Management stated, "In 2011, the Ombudsman's Office is working to ensure that the data in the CityView database is entered accurately and is reviewed routinely to facilitate the Ombudsman's Office in producing timely and accurate annual reports."
- d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.

5. **Lack of Desk Procedures.**

- a. **Finding.** As of December 31, 2010, the Ombudsman's Office did not have desk procedures to provide direction to staff on how to address the Ombudsman's Office's various activities. Although the Anchorage Municipal Code of Regulations does provide some polices and procedures, it is not detailed enough to provide adequate direction to staff. For example, there was no guidance that defined the difference between a case, a referral, and a contact. As a result, some cases that are currently open could be referrals or contacts, which would reduce the case back log. In addition, there was no guidance that specified when CityView should be used to electronically document a case and/or when hard copy case files should be used. Although a procedure manual prepared by the most recent former Ombudsman was given to us, it was still in the process of being finalized to remove references to another city and fit the Ombudsman's Office's needs.
- b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.

- c. **Management Comments.** Management comments, “As noted above, the Ombudsman’s Office created some initial basic case management procedures in 2011 to include differentiating between a case, a referral, and a contact; determining whether matters are jurisdictional to the Office; and working to develop formal procedures for the Office that are consistent with the Municipal code.”
 - d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.
6. **CityView Reporting Function Needs Improvement.**
- a. **Finding.** CityView lacked some basic reporting functions to readily provide management information to help manage citizen complaints. Although the Information Technology (IT) Department had developed some reports in CityView, basic reports, such as how many cases were closed in a year and how many cases were currently open, were not readily available. According to IT staff, this information was only available by running several different reports and manually extracting the data. Moreover, the CityView reports could not be saved in a spreadsheet format, preventing the data from being fully analyzed and used effectively. In addition, CityView did not always accurately reflect when a case was opened, which is important for statistical purposes. For example, we found instances where the case “opened” date was prior to the case “received” date.
 - b. **Recommendation.** No recommendation required. The Assembly has already implemented corrective action and appointed a new acting Ombudsman to correct these deficiencies.

- c. **Management Comments.** Management stated, “The CityView Database contains important historical information about the Ombudsman’s Office. The CityView application is a powerful tool that has some flexibility that could be used to improve management of the Ombudsman’s Office. The Ombudsman’s Office is working with the Municipal IT Department to help the staff to better understand the application and use it more fully to its potential.”

- d. **Evaluation of Management Comments.** Management comments were responsive to the audit finding.

Discussion With Responsible Officials. The results of this audit were discussed with appropriate Municipal officials on April 14, 2011.

Audit Staff:
Scott Lee