



CITY AUDITOR'S OFFICE

Concerned Citizens for Community Health Contract Compliance

JUNE 4, 2012

AUDIT REPORT NO. 1208

CITY COUNCIL

Mayor W.J. "Jim" Lane
Lisa Borowsky
Suzanne Klapp
Robert Littlefield
Ron McCullagh
Linda Milhaven
Vice Mayor Dennis Robbins



June 4, 2012

Honorable Mayor and Members of the City Council:

Enclosed is the audit report, *Concerned Citizens for Community Health Contract Compliance*. After more than 35 years of collaborative efforts, the City entered into a 5-year agreement with the Concerned Citizens for Community Health (CCCH) in November 2008. The current agreement is in effect through November 2013, with two additional 5-year extensions available.

This audit determined that both parties generally comply with agreement terms. Internal control procedures over donations can be strengthened to reduce the risk of fraud or error. Access to client records can be better limited to only necessary staff to further ensure protection of confidential personal information. Additionally, consistent Contract Administrator oversight is needed to monitor compliance with key contract requirements.

We would like to thank City staff from Community Services Division and the CCCH Board for their cooperation and assistance throughout the course of this audit.

If you need additional information or have any questions, please contact me at (480) 312-7867.

Sincerely,

A handwritten signature in black ink that reads "Sharron Walker". The signature is fluid and cursive.

Sharron Walker, CPA, CFE
City Auditor

Audit Team:

Cathleen Davis, CIA — Senior Auditor
Joanna Munar, CIA — Senior Auditor

TABLE OF CONTENTS

Executive Summary	1
Background	3
Objectives, Scope, and Methodology.....	7
Findings and Analysis	9
1. Internal control procedures over donations should be strengthened to reduce the risk of fraud or error.....	9
2. Access to client records, which contain confidential information, is not limited to necessary staff.....	11
3. Contract terms can be clarified and contract administration improved.	12
Management Action Plan	15

EXECUTIVE SUMMARY

This audit of *Concerned Citizens for Community Health Contract Compliance* was included on the Council-approved fiscal year 2011/12 Audit Plan to review contract compliance and internal controls over handling and use of donations, screening, eligibility, and security of personal information.

After more than 35 years of collaborative efforts, in November 2008, the City entered into an agreement with the Concerned Citizens for Community Health (CCCH), a private non-profit organization, to work together to serve the unmet health and welfare needs of the City's residents. Currently, the City is in the fourth year of the 5-year agreement.

Through this agreement, the City and CCCH provide to eligible residents emergency financial assistance for housing, utilities, prescriptions, and transportation, as well as food, clothing and miscellaneous assistance. Together, the City and CCCH also sponsor the Adopt-a-Family, Adopt-a-Senior, Beat-the-Heat, and Back-to-School programs and provide a job preparation program. The CCCH also supplements the City's funding for senior and youth services.

Both parties generally comply with agreement terms; however, internal control procedures over donations can be strengthened to reduce the risk of fraud or error and contractual requirements can be clarified.

CCCH cash handling guidelines are not clear on key internal control procedures to be used by City staff handling CCCH cash and cash equivalent donations. Specifically, they do not address timely recording, segregation of duties, record keeping, and training. At a minimum, City staff should be following guidance that is available in the City's Administrative Regulation 268 – *Cash Handling*.

Additionally, City management should better limit access to client records to only necessary staff to better ensure protection of confidential personal information.

City management should work with the CCCH to amend the contract terms to clarify each party's level of responsibility for fundraising and accounting activities. Also, the contract administrator duties, which were overlooked after a staff member retired, should be performed to ensure key contract requirements are monitored and to comply with Administrative Regulation 215 – *Contract Administration*.

BACKGROUND

Concerned Citizens for Community Health (CCCH) is a non-profit agency whose mission is to develop services for unmet health and welfare needs of Scottsdale residents. The City's Community Services Division, through its Human Services programs and facilities, provides access to those families and individuals in need of the services and assistance. These facilities include:

- Granite Reef Senior Center at Granite Reef & McDowell
- Paiute Neighborhood Center at Osborn & 64th St.
- Via Linda Senior Center at Via Linda & Shea
- Vista del Camino at Roosevelt & Miller

However, CCCH activities are primarily operated out of the Vista del Camino location.

Collaborative Services Contract

While the City has had a collaborative relationship with the CCCH for more than 35 years, it was not until November 2008 that a written contract documented the rights and responsibilities of both parties. In recognition of mutual best interests and to continue their cooperative efforts to benefit the community, the City Council approved a 5-year contract, which can be extended for two additional 5-year terms. Figure 1 displays the primary responsibilities of each party according to contract terms.

Figure 1. Contract Responsibilities of Each Party



CONCERNED CITIZENS FOR COMMUNITY HEALTH

- Provide funding and actively engage in developing funding for projects. Collaborate with the City on marketing.
- Develop written procedures, in conjunction with the City, for receiving, documenting, and distributing donations.
- Budget and account for monies received and expended. Provide annual financial statements audited by a CPA or public accounting firm.
- Meet quarterly with Vista del Camino staff to review financials and program accomplishments.
- Fund 1.0 FTE for the Job Preparation Program.



CITY OF SCOTTSDALE

- Provide public facilities and office space for projects, including telephone service, office equipment, computers, and basic supplies at these facilities.
- Provide City staff with expertise to assist with projects.
- Document receipt and distribution of donations (cash, cash equivalents, and in-kind).
- Account for monies expended in support of projects.
- Provide a quarterly report to the CCCH Board of Directors.

SOURCE: Auditor analysis of Concerned Citizens for Community Health Contract 2008-174-COS.

Additional contract terms require the CCCH to maintain public liability and crime insurance, avoid conflicts of interest, and ensure compliance with immigration laws. The City provides the CCCH with office space at Vista del Camino to operate a career center. In addition, City staff screens and assesses potential clients, prepares grant applications, maintains accounting records, and prepares reports for the CCCH Board of Directors.

Currently, the Vista del Camino Human Services Manager serves as the contract administrator.¹

CCCH Programs

Together, the City and CCCH provide the following programs and activities:

- **Emergency Services Program** – Provides financial assistance for rent or mortgage, utility, prescription, and transportation, as well as food, clothing, and miscellaneous assistance in crisis situations. Many of these services are based on income eligibility, proof of crisis, and an eligibility assessment.
- **Special Events & Seasonal Programs** – Annual special events and seasonal programs are directed at City residents with special needs and income eligibility.
 - ✓ **Adopt-a-Family Program** – Provided food and gifts to approximately 350 families for Thanksgiving and Christmas.
 - ✓ **Adopt-a-Senior and Beat-the-Heat Programs** – Provided food, toiletries, gifts, and resources to approximately 225 homebound senior citizens in July or August, and in December.
 - ✓ **Back-to-School Clothing Program** – Provided clothing, shoes, backpacks, school supplies and haircuts to approximately 425 students.
- **Senior Services** – The CCCH provides supplemental funding for a variety of senior services, such as emergency assistance for housing, medical needs, moving expenses, or household repairs, and the Gleaners Brown Bag food program.
- **Vista/Paiute Job Preparation Program** – A one-stop career center based at Vista del Camino partners with the Maricopa County Workforce Connection with supplemental funding from United Way. This program provides computer access, readiness skills and workshops, and hosts job- and education-related fairs and events several times per year.
- **Youth Services** – The CCCH provides supplemental funding for a wide array of after-school and summer educational, recreational, and cultural programs.

¹ Administrative Regulation 215 - *Contract Administration*, states the Contract Administrator is responsible for monitoring all aspects of the written contract and is the primary source for day-to-day administration, update of contract provisions, and vendor compliance.

CCCH Revenues

The majority of CCCH operating funds come from donations (“contributions”), grants, and program revenue, which have declined in recent years likely due to the economic downturn. As shown in Table 1, CCCH grants declined from \$135,000 in fiscal year (FY) 2008/09 to \$90,000 in FY 2010/11. Similarly for the same period, contributions and awards declined from \$244,000 to \$129,000.²

Table 1. CCCH Revenue Sources

	FY 2008/09	FY 2009/10	FY 2010/11
Contributions and Awards	\$ 244,083	\$ 169,142	\$ 129,236
Grants	135,240	153,377	90,448
Program Revenue	51,835	88,712	86,146
Interest and Other Income	5,144	4,438	1,978
Total	\$ 436,302	\$ 415,669	\$ 307,808

SOURCE: City Auditor analysis of the Concerned Citizens for Community Health financial statements audited by Henry & Horne, LLP for fiscal years 2008/09 through 2010/11.

The City and CCCH solicit donations on their websites, at special events, and through advertisements and fliers. As well, both City and CCCH staff are actively involved in fundraising efforts to support their various programs. Donors may contribute in the form of cash, check, credit card (through PayPal), cash equivalent, or in-kind. In addition, the CCCH receives grants from Scottsdale Cares, State Housing Trust, United Way, and other entities.³

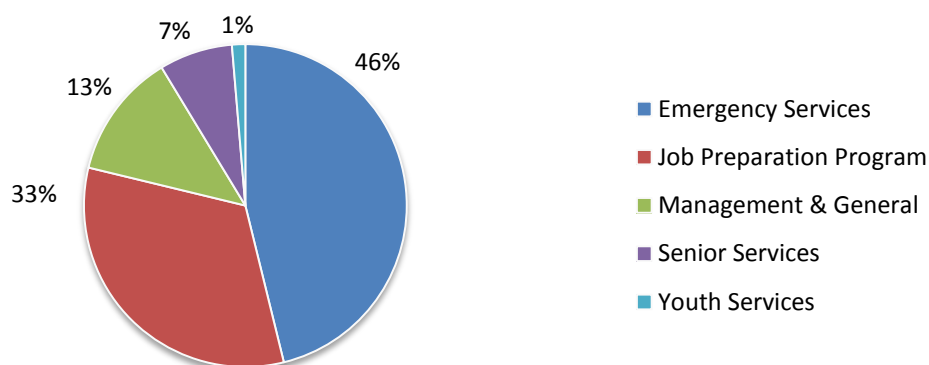
CCCH Expenses

According to the CCCH's audited financial statements for FY 2010/11, the Emergency Services and Job Preparation programs represent the majority of program expenses, at 46% and 33% respectively, as shown in Figure 2 on page 6.

² In contrast, according to the staff's Council Action Report (Item 19 on January 13, 2009, City Council agenda), the CCCH received more than \$300,000 in grant funds and \$500,000 in cash and in-kind donations in FY 2007/08.

³ The Scottsdale Cares Program is funded by Scottsdale residents who voluntarily donate by adding \$1 to their utility bill payments. Funds are awarded on a competitive basis to non-profit 501(c)(3) agencies that serve Scottsdale residents.

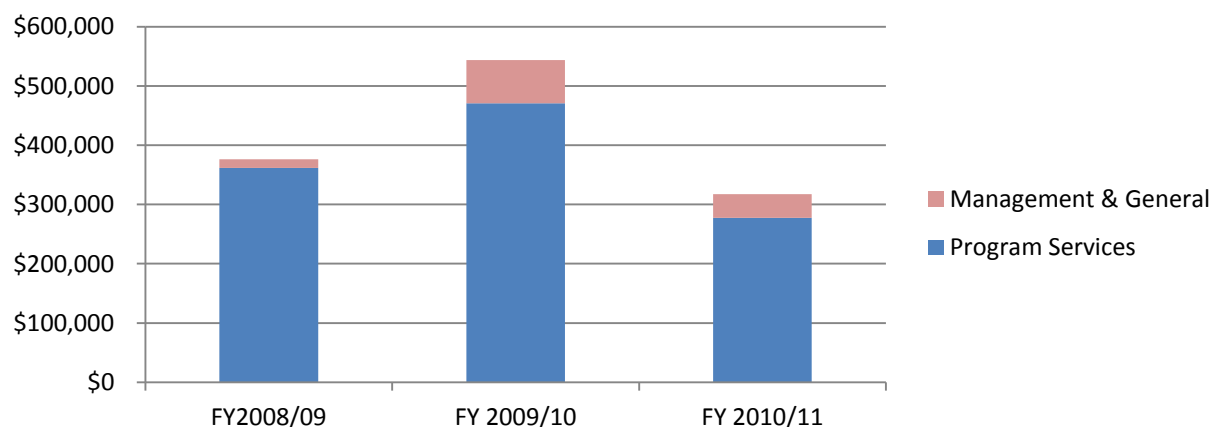
Figure 2. Allocation of CCCH Program Expenses



SOURCE: City Auditor analysis of the Concerned Citizens for Community Health financial statements audited by Henry & Horne, LLP for fiscal year 2010/11.

Comparatively, Figure 3 depicts three years of allocation of functional expenses for FY 2008/09 through 2010/11.

Figure 3. CCCH Allocation of Functional Expenses



SOURCE: City Auditor analysis of the Concerned Citizens for Community Health financial statements audited by Henry & Horne, LLP for fiscal years 2008/09 through 2010/11.

Program Screening, Eligibility, and Security of Personal Information

City Human Services staff at Vista del Camino screens potential clients and then collects their personal information to determine eligibility for specific services from Maricopa County human services programs, the City and/or the CCCH. This process requires the collection and maintenance of confidential personal information. For security purposes, this information is maintained in a limited access area.

OBJECTIVES, SCOPE, AND METHODOLOGY

An audit of *Concerned Citizens for Community Health Contract Compliance* was on the City Council-approved fiscal year (FY) 2011/12 Audit Plan. The audit objectives were to review contract compliance and internal controls over handling and use of donations, screening, eligibility, and security of personal information.

To gain an understanding of the contract and the Concerned Citizens for Community Health (CCCH), we reviewed:

- Contract No. 2008-174-COS with the CCCH, effective November 17, 2008, and the related City Council Report (Item 19 on the January 13, 2009, agenda).
- Annual Professional Services Agreement No. 2011-091-COS, effective July 1, 2011, awarding *Scottsdale Cares* funding to the CCCH, and the related Scottsdale Revised Code § 2-138 and City Ordinance No. 2744 that established the *Scottsdale Cares Program*.
- City Administrative Regulations (AR) 215 – *Contract Administration*, and AR 268 – *Cash Handling*.
- Prior audit work, including the CCCH's annual financial statements audited by Henry & Horne, LLP, for FY 2006/07 through 2010/11, and Audit Report No. 0616, *Voluntary Utility Billing Donation Program*, which is an audit of the Scottsdale Cares program completed by the City Auditor's office in June 2008.
- Five-Year Housing and Human Services Plan for FY 2010 - 2014.
- Vista del Camino and CCCH cash handling policies and Vista del Camino's Human Services Manual for eligibility and operating procedures.

We interviewed Vista del Camino staff, including the Human Services (HS) Manager, HS Coordinator, HS Representative, and Senior Account Specialist. Further, we attended the CCCH Board of Directors' quarterly meeting held on April 24, 2012.

To assess contractual compliance and internal controls over cash handling of donations, we:

- Reviewed procedures for accepting donations, issuing receipts, and recording donations to evaluate the design of internal control procedures.
- Analyzed CCCH receipt and deposit records for FY 2010/11 through April 2012 to evaluate deposit composition trends. For FY 2009/10 through April 2012, compared issued receipts to deposits to verify completeness and timeliness of deposits.
- Performed an unannounced inventory of CCCH cash and cash equivalent donations at Vista del Camino, Paiute Neighborhood Center, Granite Reef, and Via Linda Senior Centers.
- Compared the CCCH and Vista del Camino cash handling policies to AR 268, which is the Finance & Accounting Division's adopted cash handling policy.

- Interviewed the Human Services Planner and City staff of Paiute Neighborhood Center, and Granite Reef, and Via Linda Senior Centers.

To review screening, eligibility, and distribution of donations, we compared program in-kind assistance records, CCCH accounting records, and City client files to verify the assistance provided to a sample of clients.

To evaluate security of personal information, we analyzed Municipal Security's access authorization reports and reports showing access to restricted office space containing confidential client information for October 2011 through February 2012.

Based on these audit procedures, we conclude that the City and CCCH generally comply with contract terms. However, to reduce the risk of fraud or error, internal control procedures for handling donations should be strengthened and written procedures should be clarified. Access to client records containing confidential information should be more limited to improve the protection of personal data. Certain aspects of the contract can be clarified and contract oversight improved.

We conducted this audit in accordance with generally accepted government auditing standards as required by Article III, Scottsdale Revised Code, §2-117 et seq. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Audit work took place from March through May 2012, with Cathleen Davis and Joanna Munar conducting the work.

FINDINGS AND ANALYSIS

1. Internal control procedures over donations should be strengthened to reduce the risk of fraud or error.

As part of the contractual agreement with the CCCH, City staff often receives cash, gift cards, and vouchers donated for CCCH programs and services. The agreement provides that, when handling CCCH donations, City staff will follow written procedures approved by the CCCH.

A. The quantity and value of gift card and voucher donations varies with the season and fundraising activities, but can be quite a significant amount. The City's inventory of CCCH gift cards and vouchers could not be fully reconciled. Further, the cards are not used on a first-in, first-out basis to ensure they retain value and the amount kept on-hand could be reduced.

1) Donors provide a variety of gift cards and vouchers for grocery stores, bookstores, hair salons, or other purposes. In addition, City staff uses CCCH funds to purchase cards for gas stations, pharmacies, or additional needs. Because these cards and vouchers have cash value, they are considered cash equivalents and should be handled accordingly.

- When these cash equivalents are purchased by or donated to the CCCH, they are manually recorded in logs by gift card type (e.g., Fry's, Bashas' or Safeway) and secured pending distribution. When the cards or vouchers are issued to a client, the distribution is also manually recorded in the log by the social worker assisting the client. However, the logs do not contain sufficient information to allow the cash equivalents to be confirmed to donor records and receipts, and do not facilitate accounting and reconciliation of donations.

The value of donated cards and vouchers is not recorded in CCCH accounting records nor reflected in its financial statements.

- At an unannounced cash count and physical inventory, we found cash equivalents totaling \$820 for CCCH programs that were on hand but not yet recorded in the logs and another \$40 that were logged but were not on hand. All cash equivalent donations should be recorded immediately upon receipt to protect against undetected theft or loss.
- The daily opening of mail, which may often contain donations, is not performed in dual custody. Instead, the Vista del Camino Human Services Manager opens mail alone in her office. Opening the mail together with the employee assigned to cash handling duties better protects the mail opener and the integrity of accounting for donations.

2) The inventory of gift cards and vouchers is not used on a first-in, first-out basis.

- After a period of time, some types of cards may incur fees or lose their value. Therefore, they should be issued on a more systematic basis.
- The amount on-hand at the time of our inventory seemed to exceed routine

daily or weekly needs. Due to the manual log records of receipts and issuances, it was not feasible to calculate a specific excess or recommended on-hand amount during this audit. However, to minimize the City's risk of loss and the amount of staff time involved, the CCCH should secure the card inventory and issue them to City staff based on typical usage needs, in a manner similar to a petty cash fund.

Maintaining complete and accurate records of donations received, held in inventory, and distributed is an important element of accountability. Implementing internal control procedures to provide complete and timely recording and segregation of duties reduces the risk of undetected theft or loss. While the CCCH Cash Handling Policy states that the CCCH follows the policies set out in the Vista del Camino Cash Handling Manual, that manual does not provide guidance for handling cash and cash equivalent donations received by City staff on behalf of the CCCH.

- B. City staff does not follow the guidance of the City's Administrative Regulation 268 – *Cash Handling* when handling CCCH donations. More specific information on certain practices was provided in a supplemental memo to the Community Services Executive Director.
- **Timeliness** – City staff do not record donations received on behalf of the CCCH when received. Instead, staff is recording cash donations at the time the weekly deposit is prepared. The CCCH Cash Handling Policy, which should be providing the applicable guidance, has conflicting direction on how often to record donations. For example, there is direction to “log” donations on the day the donation is received, but there is also instruction to document all donations in a receipt log weekly.
 - **Segregation of Duties** – At Vista del Camino, Via Linda Senior Center, and Granite Reef Senior Center, custody of the donated cash and cash equivalents is not adequately separated from recordkeeping and transaction authorization. Separating these incompatible functions would provide better accountability over donations.
 - **Security** – Access to the secured cash room is not sufficiently limited to necessary staff, and some CCCH cash and cash equivalents could be better secured. In addition, physical security measures can be improved at some locations, such as the addition of security cameras.
 - **Manual Receipts** – Pre-numbered, generic receipt books provided by the CCCH are not consistently used in numerical sequence and book order. The over-the-counter receipt books currently being used cannot ensure numerical sequence integrity. Another method, such as using receipt books preprinted with the CCCH's name and unique number sequences or an electronic cashiering system, would improve accountability of receipts.
 - **Training** – The City employee who serves as the Vista del Camino cash handler has been in position since October 2011. This employee has not received City-required cash handling training.

- **Miscellaneous Observations** – During this audit, we noted certain other practices that should be improved.
 - A few donor checks made payable to Vista del Camino were altered to add “CCCH” to the payee line. Donations must be made directly to a 501(c)(3) charitable organization to be tax deductible.
 - In a few instances, white-out was used on the logs to alter the amount of funds donated. While the noted alterations appeared to be minor, white-out should never be used to alter cash handling records. Instead, a legible correction should be noted, along with supervisory approval.
 - In one instance, City staff withdrew CCCH funds to obtain change fund cash for a fundraising event. Using a third-party bank ATM resulted in fees being incurred for the transaction. With advance planning, staff could have avoided the cash withdrawal and the ATM fee.

The CCCH Cash Handling Policy does not include procedures for recording cash equivalent donations and has insufficient procedures to ensure all donation types (cash, check, and/or cash equivalents) are recorded and deposited accurately and promptly.

Recommendation:

The Community Services Executive Director should ensure the Contract Administrator works with the CCCH to:

- A. Improve controls over CCCH gift cards and vouchers to ensure better accountability of receipt, inventory, and distribution. In particular, the inventory on-hand at City facilities should be reduced to more immediate needs, with the additional cards and vouchers being secured by the CCCH.
- B. Incorporate the City’s AR 268 cash handling requirements for any CCCH cash or cash equivalents handled by City staff. The CCCH-specific internal control procedures should address timeliness, segregation of duties, use of manual receipts, and training.

2. Access to client records, which contain confidential information, is not limited to necessary staff.

The Maricopa County Human Services Department (MCHSD) procedures do not allow the City to maintain electronic client case files. Rather, case files and supporting records are paper documents, maintained in a limited access area. Case files generally contain copies of personal documents, eligibility verification letters from the Department of Economic Security or the Social Security Administration, the CCCH assistance history, and case notes.

The room containing client files is in an “employees only” restricted area. However, this room also houses the office copier, fax, and general supplies. The file room and locking file cabinets containing client records and personal information are unlocked during business hours to facilitate access by social workers, who are seeing clients throughout

the day. However, as a result of the fax, copier, and supplies being in the same room, client files are more exposed to unauthorized access than necessary. Alternative arrangements for the equipment and supplies or the client records could better secure client confidential information.

Recommendation:

The Community Services Executive Director should ensure an alternate arrangement is developed to limit client record access to only the necessary staff.

3. Contract terms can be clarified and contract administration improved.

The CCCH contract has a 5-year term, but can be extended for two 5-year periods. The upcoming renewal in 2013 is an opportunity to clarify and strengthen its terms. Figure 4 on page 13 is a flowchart of CCCH-related activities and provides a general overview of the collaborative efforts toward CCCH programs and administration.

- A. Both the CCCH and City staff work actively to solicit funds for CCCH programs. Contract terms require the CCCH to engage actively in developing funding for the projects. However, we could not determine whether the proportion of efforts is reasonable or equitable because necessary information is not actively tracked.

While it is not possible to estimate the amount of time that the CCCH Board members or volunteers spend on fundraising activities, City staff spends a substantial amount of time on CCCH programs and administration. From management estimates and auditor-conducted interviews, we calculated that 14 members of City staff spend a total of 86 hours on average per week on CCCH programs and activities. This time represents about 15% of these staff's work week and approximately \$131,000 in annual compensation and benefits.

Accounting for CCCH donations is one area where more clarification of contractual responsibilities is needed. Currently, City staff receives, records, deposits, and maintains QuickBooks accounting records for CCCH cash donations. In addition, City staff receives, records, and maintains control over CCCH cash equivalent and in-kind donations. A more appropriate alignment of duties may be to transfer accounting and inventory duties to the CCCH after the donations have been received and/or deposited. This would provide the CCCH with more control of CCCH assets and would relieve City staff of the added responsibilities at a time when staff reductions have affected their ability to provide services.

- B. Contract Administrator duties were overlooked after the previous Contract Administrator retired in December 2010. Also, the new Contract Administrator has not obtained related training and does not maintain the required contract administration file. AR 215 – *Contract Administration* requires the contract administrator to maintain a file with the signed contract, required bonds, insurance certificates, and all documents pertaining to key contract activity.

Recommendation:

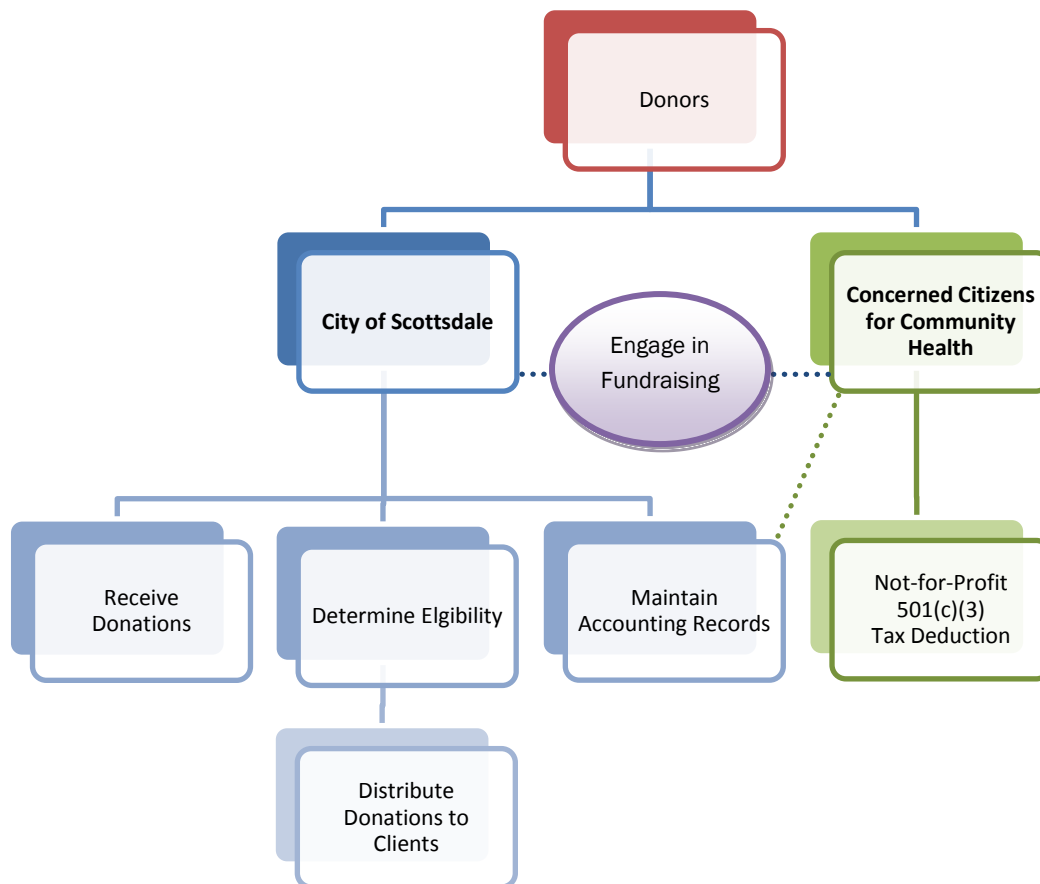
The Community Services Executive Director should:

- A. Seek to amend the contract terms to clarify the level of responsibility for certain

activities, and in particular, for fundraising and accounting.

- B. Ensure the Contract Administrator attends the City's Contract Administrator's Academy, monitors the status of key contract requirements, and maintains a contract administration file.

Figure 4. Flowchart of CCCH Related Activities



SOURCE: City Auditor analysis of the distribution of activities between Concerned Citizens for Community Health and the City of Scottsdale.

MANAGEMENT ACTION PLAN

1. Internal control procedures over donations should be strengthened to reduce the risk of fraud or error.

Recommendation(s):

The Community Services Executive Director should ensure the Contract Administrator works with the CCCH to:

- A. Improve controls over CCCH gift cards and vouchers to ensure better accountability of receipt, inventory and distribution. In particular, the inventory on hand at City facilities should be reduced to more immediate needs, with the additional cards and vouchers being secured by the CCCH.
- B. Incorporate the City's AR 268 cash handling requirements for any CCCH cash or cash equivalents handled by City staff. The CCCH-specific internal control procedures should address timeliness, segregation of duties, use of manual receipts, and training.

MANAGEMENT RESPONSE: Agree

PROPOSED RESOLUTION: Human Service staff will continue to work on improving controls related to CCCH gift cards and vouchers this summer while also reviewing and updating overall cash handling procedures to be in accordance with City Administrative Regulation 268 and will draw on assistance/expertise from Financial Services.

RESPONSIBLE PARTY: William B. Murphy, Community Services Executive Director

COMPLETED BY: 9/30/2012

2. Access to client records, which contain confidential information, is not limited to necessary staff.

Recommendation(s):

The Community Services Executive Director should ensure an alternate arrangement is developed to limit client record access to only the necessary staff.

MANAGEMENT RESPONSE: Agree

PROPOSED RESOLUTION: The current physical space at Vista del Camino is very limited and we will review and evaluate possible solutions and associated costs with our Facility Management staff and space planning personnel to look at possible design modifications to convert an existing office to a copy/office/supply room with additional security and add security cameras in the file room and vault

RESPONSIBLE PARTY: William B. Murphy, Community Services Executive Director

COMPLETED BY: 9/30/2012

3. Contract terms can be clarified and contract administration improved.

Recommendation(s):

The Community Services Executive Director should:

- A. Seek to amend the contract terms to clarify the level of responsibility for certain activities, and in particular, for fundraising and accounting.
- B. Ensure the Contract Administrator attends the City's Contract Administrator's Academy, monitors the status of key contract requirements, and maintains a contract administration file.

MANAGEMENT RESPONSE: Agree

PROPOSED RESOLUTION: The Community Services Executive Director, Human Services Planner, and Human Services Manager at Vista del Camino will meet with the President and liaison board members from Concerned Citizens for Community Health this summer to address specific contract terms related to accounting and fundraising.

There is a large discrepancy in how we may interpret the actual time, as indicated by the auditors, as being contributed to the functions that are solely those of the non-profit. Staff that support functions such as the food bank and special events are in actuality supporting city events and functions, not those of the non-profit and their time should be recorded as such. Administrative time to ensure that accounting, fundraising and compliance are achieved is considerably lower than outlined in the audit report.

Staff from Vista del Camino will attend next City of Scottsdale Contract Administrator Academy which is scheduled for the fall 2012.

RESPONSIBLE PARTY: William B. Murphy, Community Services Executive Director

COMPLETED BY: 9/30/2012

City Auditor's Office

4021 N. 75th St., Suite 105
Scottsdale, Arizona 85251
(480) 312-7756

www.ScottsdaleAZ.gov/departments/City_Auditor

Audit Committee

Councilwoman Suzanne Klapp, Chair
Councilman Robert Littlefield
Councilwoman Linda Milhaven

City Auditor's Office

Kyla Anderson, Senior Auditor
Lai Cluff, Senior Auditor
Cathleen Davis, Senior Auditor
Lisa Gurtler, Assistant City Auditor
Joanna Munar, Senior Auditor
Sharron Walker, City Auditor



The City Auditor's Office provides independent research, analysis, consultation, and educational services to promote operational efficiency, effectiveness, accountability, and integrity in response to City needs.