

## Transmittal 5



### IMPACTS OF SIGNIFICANT AUDIT RESULTS

- I. **IEAS AUDIT (MARCH 2011)** recommended (1) Board review of Capital Projects' scope, cost, and schedule changes, and (2) aligning project expenditures to strategic objectives

**RESULTS:**

- *CAPITAL PROJECTS NOW APPROVED BY AUDIT COMMITTEE OF THE BOARD*
- *CHANGE ORDERS MATCH PROJECT SCOPE AND BASELINE BUDGETS ARE APPROVED BY THE BOARD*
- *POLA'S BUDGET NOW ALIGNS WITH ITS STRATEGIC PLAN*

- II. **REAL ESTATE DIVISION AUDIT (JUNE 2011)** recommended (1) redefining positions and reorganizing staff into teams by property type/specialty, (2) developing procedures for property management and documenting lease terms, (3) enforcing lease provisions, and (4) negotiating compensation resets more timely

**RESULTS:**

- *STAFF REORGANIZED BY GEOGRAPHIC AREAS*
- *REDUCTION OF EXPIRED LEASES ON HOLDOVER BY 80%*
- *NEW PROPERTY MANAGEMENT & LEASING POLICES APPROVED*
- *BETTER ENFORCEMENT OF LEASE TERMS*

- III. **FIRE BILLINGS AUDIT (AUGUST 2011)** recommended (1) reducing City Services billings for labor and overhead costs, (2) resolving past fireboat repairs, (3) conducting a San Pedro Bay-wide master plan fire services study, and (4) controlling fireboat repair and maintenance costs

**RESULTS:**

- *BOTH DEPARTMENTS HAVE SUBSTANTIALLY IMPROVED COMMUNICATIONS*
- *NEGOTIATIONS UNDERWAY TO RESOLVE BILLING OF OVERHEAD AND BATTALION CHIEF COSTS*
- *ALL ISSUES REGARDING PAST FIREBOAT REPAIRS HAVE BEEN RESOLVED*
- *A SAN PEDRO BAY-WIDE MASTER PLAN STUDY WAS COMPLETED IN MAY 2013*

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- IV. **ELECTRICAL SAFETY AUDIT (JANUARY 2013)** included 152 recommendations for improving safety culture, training, equipment testing, preventative maintenance, and equipment certifications

**RESULTS:**

- *STAFF USE OF SAFETY EQUIPMENT WILL IMPROVE*
- *DEVELOPED DETAILED INVENTORY OF ELECTRICAL EQUIPMENT BY TYPE*
- *PREVENTATIVE MAINTENANCE TESTING WILL INCREASE*
- *CROSS-FUNCTIONAL ELECTRICAL SAFETY TEAM SET UP TO MONITOR AND IMPROVE ELECTRICAL SAFETY*

- V. **CONSTRUCTION AND MAINTENANCE (C&M) DIVISION PERFORMANCE AUDIT (MARCH 2008)** included 54 recommendations to integrate C&M into POLA's overall project planning process, define its mission, create performance-based budgets, improve and automate workflow tracking, inventory its infrastructures with equipment condition assessments, and consolidate/automate warehouse functions

**RESULTS:**

- *PRODUCTIVITY ENHANCED BY 20% (62 FULL-TIME EQUIVALENT POSITIONS) FOR EXAMPLE, PILE-DRIVING INCREASED BY 28% OVER TWO YEARS*
- *ABSORBED ADDITIONAL WORK WITH SAME NUMBER OF STAFF:*
  - *MAINTAIN ADDITIONAL 500K BUILDINGS' SQUARE FOOTAGE*
  - *WORK ADDITIONAL 74 ACRES OF LANDSCAPING OVER 10 MORE AREAS*
- *IMPLEMENTED ELECTRONIC MAINTENANCE TRACKING SYSTEM RESULTING IN:*
  - *BETTER QUANTIFICATION OF WORK HOURS*
  - *REDUCED TASK HOURS FOR GREATER PRODUCTIVITY*
  - *IMPROVED ACCOUNTABILITY OVER STAFF*
  - *100% OF STAFF HOURS ACCOUNTED FOR BY ACTIVITY*

- VI. **TRAPAC PROGRAM REVIEW (FEBRUARY 2014)** report draft includes 20 recommendations to reinstitutionalize project planning and approvals, create a project ownership structure, implement more validation and verification steps in project budgeting and control, promote the risk management culture throughout POLA, and explore opportunities to integrate and align management information systems.

**RESULTS:**

- *POLA MANAGEMENT FULLY SUPPORTS KEY ACTIONS AND PROMISING RESULTS ARE EXPECTED*