City of Reno

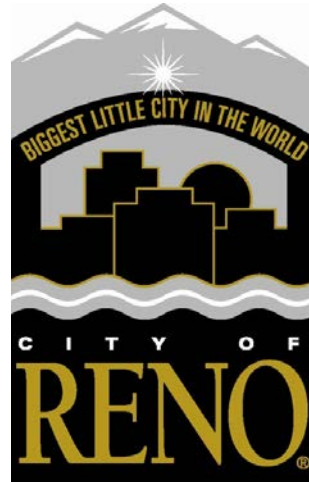**A Report to the Reno City Council**

Mayor
Hillary Schieve

Council Members
Jenny Brekhus
Naomi Duerr
Oscar Delgado
Paul McKenzie
Neoma Jardon
David Bobzien

City Auditor's Office

AUDIT REPORT

MANAGEMENT POLICIES AND PROCEDURES AUDIT

NOVEMBER 2017

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MISSION STATEMENT

To provide the City of Reno with an independent appraisal function designed to assist the Reno City Council, citizens, and City management in establishing accountability, transparency, and a culture of continuous improvement in City operations.

THE INSTITUTE OF INTERNAL AUDITORS' STANDARDS COMPLIANCE

The audit was conducted in accordance with standards of the Institute of Internal Auditors (IIA); sans Standards 1310-1 through 1321. 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 Highlights
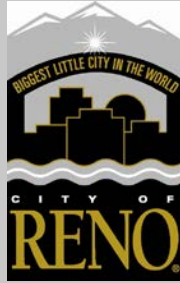
Purpose of Audit

To determine if the City's documented policies and procedures are effectively supplying the rules of engagement for all employees and providing a consistent structure for the organization. Also, to determine if the policies are robust enough to achieve the City's objectives.

Audit Recommendations

Recommendations include:

✧ Citywide policies be communicated to City employees in a manner that results in appropriate knowledge of organizational standards including providing some policies during employee orientation.

✧ Clearly define the citywide training program in documented standard operating procedures to include the process owner, scheduling requirements, core training requirements, and tracking system review.

Specific recommendations are included in the body of the report for each of the 16 audit findings. Management agrees with the recommendations and departmental actions are being taken.

MANAGEMENT POLICIES AND PROCEDURES

KEY FINDINGS

✧ Employees were not knowledgeable of citywide policies and procedures per a questionnaire administered to a random statistical sample of employees within all City departments.

✧ The citywide training program for policies applicable to all City employees could be more clearly defined, scheduled more efficiently, and implemented consistently throughout the organization.

✧ The citywide policy approval, notification, and revision process could be applied more effectively.

✧ The collection of citywide policies could be more complete and organized including the reorganization of policy file structure, the addition of policies, and updates to multiple policies.

BACKGROUND

A comprehensive set of formal, well documented policies that are appropriately communicated are essential to an effective system of standards and internal controls for any organization. The City of Reno has established standards for City employees in the form of policies and procedures documented in the collection titled *Management Policies and Procedures*. As of June 23, 2017 there were 70 distinct citywide policies with their most recent revisions ranging from December 1998 to April 2017.

TargetSolutions is the software used by the City to disseminate training electronically. Management indicated TargetSolutions may be used to distribute City policies and track employee acknowledgement of policies in the future, thus a review of the software process was reviewed during the audit.

BACKGROUND

Citywide Policies

A comprehensive set of formal, well documented policies that are appropriately communicated are essential to an effective system of standards and internal controls for any organization. The City of Reno has established standards for City employees in the form of policies and procedures documented in the collection titled *Management Policies and Procedures* (MPPs). Policies and procedures are the rules of engagement for all employees that provide the basic structure that all operate within. The MPPs are managed by the City Manager's Office. MPPs are maintained on the City's Intranet site, Biggest Little Intranet (BLI), for employee access and are organized in six folders: General, City Clerk, City Manager, Finance, Legal, and Human Resources. As of June 23, 2017 there were 70 distinct citywide policies posted to BLI with their most recent revisions ranging from December 1998 to April 2017.

New employees are made aware of the City's policies and procedures during onboarding with Human Resource (HR). They are presented with a document titled *City of Reno Management Policies and Procedures* that states employees are responsible for reviewing the collection and they agree to follow the guidelines within. In addition to this document, a *City of Reno Policy Statement* attestation sheet is provided that references the employee Rules of Conduct policy, MPP #102. Employees sign both documents and are provided a second copy of the documents for reference. Hard copies of the Management Policies and Procedures are not provided during this process. Onboaring includes the employee signing these and many other documents for HR's records.

Citywide Training Process

As of the audit start date, the software TargetSolutions is used by the City to disseminate training electronically. The training modules that were assigned in 2017 included attachments of some *Management Policies and Procedures*. Management indicated TargetSolutions may be used to distribute City policies and track employee acknowledgement of policies in the future, thus a review of the TargetSolutions process was reviewed during the audit. The software has been in use Citywide in a limited capacity for the past two years. The Fire Department has a separate account with TargetSolutions and has been using the platform for training departmental employees since 2011.

Prior to the use of TargetSolutions, training was issued via a system created in-house referred to as System Managing All Reno Training (SMART). SMART was established in 2008 just prior to significant budget reductions that included the elimination of training funding. By 2011, all but one of the employees that created and managed the system was no longer with the City. As there was limited knowledge of the system's operations, training with SMART was no longer an effective methodology for employee training. Before SMART was developed, a system named ATRAIN was utilized for employee training. Per City memos, management found this system to be costly which led to the development of SMART. Similar to all City operations, it's appropriate to periodically review the effectiveness of the implemented standards. The MPPs represent the communication of organizational standards and expectations for City employees necessary to support the functioning of internal controls and to provide consistency citywide.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

The audit objectives include:

- To determine if employees are sufficiently knowledgeable of the *Management Policies and Procedures*.
- To determine if the process of training employees on the *Management Policies and Procedures* is efficient and effective.
- To determine if documentation is maintained regarding employee's requirement to be compliant with *Management Policies and Procedures*.
- To determine if the approval, update, and notification process for citywide *Management Policies and Procedures* is efficient and effective.
- To determine if citywide *Management Policies and Procedures* are robust enough to achieve the City's objectives.

Scope

The audit scope included a review of *Management Policies and Procedures* as of June 23, 2017. The sample size for employee testing was 30 to obtain a mid-range sample as is an industry standard for audit testing of populations over 250. Audit software generated a random sample of 30 records for testing with at least one employee from each of the 13 City departments. Fieldwork began May 10, 2016 and concluded September 7, 2017.

Methodology

The review included testing and inquiries as was considered necessary. They included:

- Examination of the documented *Management Policies and Procedures*;
- Interviews with a sample set of employees;
- Examination of sampled employees' policy related Human Resources documents;
- Review of the process for citywide policies;
- Review of the process for disseminating training via the electronic training platform;
- Evaluation of the risk of fraud, waste, and abuse relative to the audit objectives.

AUDIT RESULTS

**Employees Were Not Knowledgeable of Citywide Policies and Procedures**

1. A short questionnaire was developed to determine the level of awareness and understanding of citywide policies and procedures. The random sample set of 30 employees was applied for testing. Due to scheduling complications, 24 of the 30 employees were queried to evaluate policy awareness. The following survey questions were asked of all sampled employees:

   - In your current staff position, what policies and procedures are you aware of?
   - Are you aware of any policies and procedures outside of your department?
   - Have you heard of the *City of Reno Management Policies and Procedures*, sometimes referred to as the MPPs?
   - Where would you look to locate the *Management Policies and Procedures*?
   - Can you provide any examples of the types of policies and procedures included in the MPPs?

   Of the 24 employees queried, six (25%) had ample knowledge concerning the citywide policies and procedures. Conversely, six (25%) employees did not have appropriate awareness of the policies outside of their department and immediate scope-of-work; they were unable to answer all but the first survey question. Without appropriate knowledge of City standards, employees may not adhere to documented internal controls or abide by the rules of engagement in a consistent manner.

   Recommendation:
   We recommend the citywide policies be communicated to City employees in a manner that results in appropriate knowledge of the standards included in the citywide policies, *Management Policies and Procedures*.

Knowledge of Citywide Policies?

Yes 25%

Minimal or No Knowledge 75%
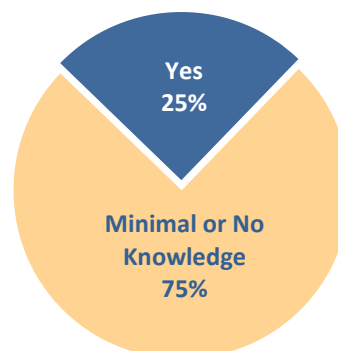
Documentation of Compliance with Citywide Policies and Procedures

During new employee onboarding, Human Resources provides many documents for the employee to review and sign for HR's records. One of the documents is titled *City of Reno Management Policies and Procedures.* A portion of the document reads, "It is incumbent upon you to read and abide by the policies and procedures outlined in the Management Policies and Procedures … Your signature below indicates that you agree you have been informed as to how to electronically obtain a hard copy of the Management Policies and Procedures, and that you will abide by them in carrying out your City responsibilities." One copy is presented for the employee to sign for HR's records and another copy is provided as the employee's copy. Additionally, a *City of Reno Policy Statement* attestation sheet is provided during onboarding. The most current version of the document includes 21 examples of "infractions that will subject an employee to corrective action/discipline" and references MPP #102, Rules of Conduct.

Policy Attestation Documents Were Missing

2. With the assistance of HR staff, we examined the two documents maintained electronically for each of the 30 sampled employees. Noted that several iterations of the documents were maintained in the system with the oldest dated September 24, 1990. Of the 30 employee files reviewed and 60 documents examined during testing, three documents were not included in the employees' file. Without a documented attestation statement, the City is unable to determine if employees were made aware of the employment standards documented in the policies and procedures.

Recommendation:
We recommend the employees identified complete the policy attestation and HR include the completed form in the employees' HR file.

Policy Distribution Methodology Could Be Improved

3. Employees are not provided sufficient documentation of the City's policies and procedures to promote awareness and adherence to the standards. A correlated effect is employees are not knowledgeable of operating standards documented in citywide policies and procedures as ascertained in the questionnaire administered during this audit.

Recommendation:
We recommend HR determine the specific policies to provide to new employees during the onboarding to provide a base-level of core policy awareness but not be too voluminous to be ineffective. In addition, we recommend a process be enacted to provide current employees with those core policies. Finally, we recommend the standard operating procedure for core policy distribution methodology be documented.

Training Process of Citywide Policies and Procedures

Temporary Employee Training Requirements Are Not Clearly Defined

4. Mandatory training for temporary employees is not administered nor is it clearly defined - with the exception of Parks, Recreation, and Community Services (PRCS) temporary employees. Inquiries with the Safety and Training Manager indicated the process to inform new employees of required trainings involves a report received from HR listing new employees after each payroll period. The training manager then adds the employees on the listing to the software used to disseminate training to City employees. The listing does not include employees coded as temporary. The audit's random testing sample included just one temporary non-PRCS employee. The employee did not have any documented training as maintained in the training software nor was departmental training completed separate from the training software. It should be noted this temporary employee was one of the 25% that did not have appropriate awareness of the policies outside of their department and immediate scope-of-work. The policy awareness attestation documents were completed and on file with HR for the employee.

Recommendation:
We recommend HR management determine the policy training courses appropriate for temporary employees and develop a process to ensure they are trained and the documentation of training be maintained according to Records Retention schedules.

Police Department Professional Staff Do Not Receive Training

5. The Police Department's sworn officers are governed by standards outside the City which includes but is not limited to Nevada Revised Statutes, Nevada Administrative Codes, and OSHA requirements. Trainings for these standards are conducted for officers on a frequent and rotating schedule as the regulations require. Most of the training topics included in the City's mandatory training modules are included in these mandatory trainings; those not included are immaterial for sworn officers. The Police Department's professional staff however, do not take those trainings and are currently not required to participate in the citywide training program. Without appropriate knowledge of City standards, employees may not adhere to documented internal controls or abide by the rules of engagement in a consistent manner.

Recommendation:
We recommend the Police Department's professional staff be included in the mandatory citywide training program in an effort to maintain consistency of employee expectations and City standards.

Mandatory Staff Training Is Not Clear For All Departments

6. Requirements for City Clerk and Civil Service employees to participate in the citywide training program are not clearly defined. Because these departments' managers report to governing bodies outside the City Manager's Office, the nature of the mandatory requirement is different. Although the managers for these two departments report to other governing bodies, all employees within the departments are City employees.

In addition, the employees from the Civil Service department and the City Clerk's department in the sample testing did not complete the mandatory 2017 Module I training due March 15, 2017 as of August 4, 2017. Audit was informed by training administrative staff that none of the employees within the City Clerk's department had completed the 2017 Module I training as of August 9, 2017. Without appropriate knowledge of City standards, employees may not adhere to documented internal controls or abide by the rules of engagement in a consistent manner.

Recommendation:
We recommend the employees identified be held to the same training requirements in an effort to maintain consistency of employee expectations and City standards. In addition, we recommend the 2017 Module I training be completed by the employees in the City Clerk and Civil Service departments.

Review of Completeness Not Performed for Training Software

7. Training in TargetSolutions is assigned to employees by *credentials.* The credential is given a title and courses are assigned to it. For example, the "2017 Training I - Supervisor" credential includes seven courses. The credential is then assigned by TargetSolutions Administrators to employees in their department. Once assigned a credential, the employee can then complete the courses within that credential. The process is for employees to be provided user access to TargetSolutions and assigned a credential by their associated Administrator.

Examination of TargetSolutions' system reports identified eleven employees that were provided user access to TargetSolutions without being assigned a specific credential. TargetSolutions Administrators periodically run reports from the system to verify employee training completion. The reports used to determine the completion of training do not flag an employee with missing training when a credential is not assigned. Thus, those eleven employees' training completion cannot be

reviewed by the training completion review process and employees may not be finishing the training. Without appropriate knowledge of City standards, employees may not adhere to documented internal controls or abide by the rules of engagement in a consistent manner.

Recommendation:

> We recommend the training program's process owner compare the user listing to the credential listing at least annually to ensure all active users are assigned credentials. In addition, we recommend this reconciliation be maintained for review.

Mandatory Training Could Be More Efficient With Supporting Documents

8. Internal Audit was informed by Administrators that some employees need dedicated assistance in completing the training electronically which can be difficult for staff scheduling. Computer stations are available for employees to complete the training whose normal work is conducted in a non-office environment. An instructional how-to-guide would assist employees in navigating through the computer training more efficiently. Documented guidance is not currently provided. As this training is a mandatory assignment, an instructional guide from management would provide support and encourage employee success completing the computer training with minimal assistance from supporting staff.

Recommendation:

We recommend the training program's process owner provide an instructional guide to TargetSolutions Administrators for distribution to departmental employees as needed for a more efficient training process.

The Training Process Owner Could Be More Clearly Defined

9. Several TargetSolutions Administrators have been appointed to work as a liaison for citywide training oversight at the department level. Municipal Court, City Manager's Office, PRCS, Public Works, Technology Dispatch, Community Development, and Fire have assigned Administrator(s). For the remaining departments, the City's Safety and Training Manager functions as the Administrator. Internal Audit was informed by several Administrators that the direction provided by multiple lead employees at the Administrator meetings and the associated printed materials provided to the group have been inconsistent. For example, Administrators were uncertain if newly hired employees were required to complete training modules if they were hired after the originally assigned due date for that module. Per verbal direction they were informed those employees do not need to complete the training. However, per examination of the "City Wide Training Program Presentation" dated 03/13/17, new employees are required to

complete the modules within 30 days of their hire date. Also, the consistency of group meetings has been erratic.

Recommendation:
We recommend a single process owner be identified to oversee the citywide training program including the management of the TargetSolutions Administrator group in an effort to provide consistency, efficiency, and trust in the process.

Scheduling Could Be More Efficient for Seasonally Busy Departments

10. The citywide training program for 2017 included two mandatory training modules in TargetSolutions. The due date of the modules was the same for all employees, March 14, 2017 for Module I and August 31, 2017 for Module II. For some departments, the due date fell within a busy period for departmental operations. For example, the Public Works department's Streets Division conducts multiple work-projects that are best scheduled during the summer season; the completion of Module II was difficult to complete by the deadline time due to staff scheduling. It should be noted that staff overtime may be used to complete seasonal work-projects as needed.

Recommendation:
We recommend the City Manager's Office coordinate with departmental executive management to determine a due date for annual training modules and to include consideration of fiscal conservativeness, seasonal departmental operations, and community service efficiencies.

Citywide Training Program's Standard Operating Procedures Are Not Documented

11. Standard operating procedures are not documented for the citywide training program. Establishing written policies is the first step to clarify processes and employee expectations. Documented procedures are also integral to efficient succession planning.

Recommendation:
We recommend a standard operating procedures manual be developed and documented for the citywide training program. The document should clarify the process owner for the training program's management and detail temporary employee training requirements.

Policy Approval, Notification, and Revision Process

The City Manager's Office is the process owner for developing, maintaining, revising, posting, and distributing the citywide policies and procedures as stated in the MPP 100, Policy and Procedures, established September 1, 2015. The purpose of this policy is "to establish standards and ensure consistency for the City of Reno Management Policies and Procedures." At the time of the audit the approval process for new policies were as follows:

- The originator sends the draft policy to the City Manager's Office staff who then emails executive management the policy and a *Policy Routing and Transmittal Slip*.
- Management reviews the policy, notates approval by dating and initialing the routing slip, and submits the slip back to the City Manager's Office.
- Once the City Manager approves the final version of the policy it is posted on BLI and notification of the new policy is distributed via email to management.

Per examination of the policies, audit process testing, and inquiries with City Manager's Office staff, the following exceptions were noted.

Documented Policy Process Is Not Followed

12. The City does not follow its own documented process for establishing citywide policy and the methodology including annual policy review and distribution process, per MPP 100 Policy and Procedures, Sections VII.B, VIII.A.5.f, and VIII.A.6. In addition, the process for revising previously established MPPs is not clear in the documented policies. Without accurately documented policies and procedures, process methodologies may not be performed in a repeatable, reliable, and consistent manner.

    Recommendation:
    We recommend the processes documented in MPP 100, Policy and Procedures, reflect the desired procedures for the creation, revision, distribution, and communication of citywide policies and procedures and also include the process for revising existing policies.

New Policies Are Not Implemented Timely

13. Audit testing included the evaluation of the methodology and timeliness of new policy submissions and implementation. We submitted a new policy "Internal Audit" for inclusion in the *Management Policies and Procedures* to the City Manager's Office for approval on June 7, 2016. The policy was posted to BLI on August 10, 2016, which was 47 working days after the policy submission. Without an efficient process to add to the documented standards as documented in the policies and procedures collection, improvements to City processes may be delayed.

Recommendation:
We recommend a time frame for the policy approval process be established, included in the documented procedures, and adhered to for more efficient implementation of policies.

Policy Notification Process Could Be Improved

14. We evaluated the process methodology for the notification process for new policies for the *Management Policies and Procedures* collection. During the audit fieldwork, nine new policies were implemented. For two of those policies, the notification was sent after the policy's documented effective date. For seven of the policies, an email notification had not been issued as of September 7, 2017. The effective dates of the policies range from July 1, 2016 to April 1, 2017. Without notification of new policies, employees may not be aware of the documented rules of engagement. In addition, it is not possible to expect compliance with policies with effective dates that are prior to the date of notification. Also, multiple dates in the policy process creates difficulties ascertaining compliance with the MPPs.

Recommendation:
We recommend a clear process for policy notification be developed, documented in the policies, and adhered to for more effective policy implementation. In addition, we recommend that a notification be sent for the seven new policies identified during the audit. Also, we recommend policy effective dates be the same as the date of notification.

Citywide Policies Could Be More Complete and Organized

Citywide Policies Could Be More Effectively Organized

15. The applicability of the *Management Policies and Procedures* for all City employees is not clear. The MPPs are maintained on the City's Intranet site for employee access and are organized in six folders: General, City Clerk, City Manager, Finance, Legal, and Human Resources. Per inquiry with sampled employees during policy awareness testing, many employees believed that the policies in folders with departmental titles applied to employees within that department only. Those with this belief disregarded the policies for the folders with titles of departments other than their own. Without appropriate knowledge of City standards, employees may not adhere to documented internal controls or abide by the rules of engagement in a consistent manner.

Recommendation:
We recommend the policies be reorganized to indicate more clearly the applicability of policy compliance by all City employees.

Personnel Policies Are Not Defined For All Employee Groups

16. The policies and procedures specific to employee groups governed by Collective Bargaining Agreements are not clear. For several benefit groups *Mid-Management, Municipal Court, Judges, Management,* and *Unrepresented Hourly,* the employment policies often referred to as "personnel policies" that govern sick leave, annual leave, etc. are not conveniently located for access by employees. Rather, these groups' standards are decided by multiple Reno City Council Resolutions and, when the standards are changed, the new resolution supersedes the previous resolution for each individual topic. The resolutions are maintained by the City's records retention staff in the City Clerk's office. Obtaining a clear picture of employee expectations and documented City rules for these employee groups is not possible with the current format.

Recommendation:
We recommend the standards for each group be identified and coalesced into a foundational document that can be readily accessed by employees for their reference and planning purposes to better support employee success of compliance.

Complete Collection of Policies

Internal Auditor's Note:
A new City Manager joined the City of Reno in May 2017 during the course of audit fieldwork. The City Manager initiated a citywide policy clean-up project and efforts to adjust/update policies began by the City Manager's Office staff prior to this finalized audit report. As such, preliminary audit recommendations were provided to the project manager in July 2017 to maximize project efficiency. Recommendations included:

- A listing of 18 topics to be reviewed by the City Manager and considered for inclusion in the collection of citywide policies.
- Notification of the 22 out of 70 policies without a documented approval signature from the City Manager.
- Notification of eight policies that could be more robust or did not align with management best practices.
- Notification of 17 policies that do not reflect actual procedures in place.

These items are not included as exceptions in the final audit report and thus do not require a formal response from management. The recommendations provided by audit will be considered during the policy update project currently in process by the City Manager's Office.

Note
Certain items noted in the fully-stated exceptions above require a response and action from the multiple departments. All departmental responses are included in the appendices.

NOTEWORTHY ACCOMPLISHMENTS

During new employee onboarding, Human Resources provides multiple documents for the employee to review. Two documents, *City of Reno Management Policies and Procedures* and attestation sheet *City of Reno Policy Statement,* are signed by the employee and maintained by HR in each employee's electronic file.

Per audit's sample testing, HR is maintaining these documents well as most of the 30 sample employees' documents, 99.95%, were observed in the employees' electronic file. The oldest of the documents tested was dated September 25, 1990. HR has had several different document retention systems since 1990.
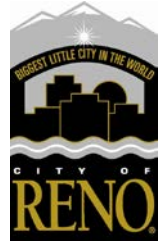
Findings' Conditions, Recommendations, & Management Responses
(Numbering Convention: Sequence corresponds to the Audit Results as listed in the report.)

1. Queried 24 employees, six (25%) had ample knowledge concerning the citywide policies and procedures. Conversely, six (25%) employees did not have appropriate awareness of the policies outside of their department and immediate scope-of-work.

   We recommend the citywide policies be communicated to City employees in a manner that results in appropriate knowledge of the standards included in the citywide policies, *Management Policies and Procedures*.

   How will compliance will be measured, monitored, and assured?
   The City-wide policies will be communicated to City employees in a manner that results in appropriate knowledge of the standards included in the City-wide policies, Management Policies and Procedures. On an annual basis, all employees will be tasked with reviewing all policies with verification done through TargetSolutions. A button for easier access to existing policies has been added to the Intranet.

   When will the measures be taken?
   This step has started and is expected to be completed January through February 2018, then repeated on an annual basis.

5. The Police Department's professional staff does not take the PD trainings provided to sworn officers and are currently not required to participate in the citywide training program.

   We recommend the Police Department's professional staff be included in the mandatory citywide training program in an effort to maintain consistency of employee expectations and City standards.

   How will compliance will be measured, monitored, and assured?
   T he Police Department's professional staff will be included in the mandatory City-wide training program in an effort to maintain consistency of employee expectations and City standards. The Office of the City Manager will work with the Police Department to have professional staff included in the mandatory City-wide training program through TargetSolutions.

   When will the measures be taken?
   January 1, 2018

   What will be done to avoid the issue in the future?
   The Office of the City Manager will continue to monitor employee completion of all mandatory trainings to avoid this issue in the future.

6. Requirements for City Clerk and Civil Service employees to participate in the citywide training program are not clearly defined. In addition, the employees from the Civil Service department and the City Clerk's department in the sample testing did not complete the mandatory 2017 Module I training due March 15, 2017 as of August 4, 2017.

We recommend the employees identified be held to the same training requirements in an effort to maintain consistency of employee expectations and City standards. In addition, we recommend the 2017 Module I training be completed by the employees in the City Clerk and Civil Service departments.

How will compliance will be measured, monitored, and assured?
Employees will be held to the same training requirements in an effort to maintain consistency of employee expectations and City standards. The Office of the City Manager continues to monitor all non-completed mandatory training, including these departments. Identified employees have been tasked with completing 2017 Module II. The mandatory training credentials for 2017 Module I will be reissued to applicable staff as 2018 Module I in January 2018.

When will the measures be taken?
Ongoing.

What will be done to avoid the issue in the future?
This step has started and, for 2017 Module II, there has been improved success across all departments. Outreach will be conducted with specific departments to avoid this issue in the future.

7. Examination of TargetSolutions' system reports identified eleven employees that were provided user access to TargetSolutions without being assigned a specific credential. Those employees' training completion cannot be reviewed by the training completion review process and employees may not be finishing the training.

We recommend the training program's process owner compare the user listing to the credential listing at least annually to ensure all active users are assigned credentials. In addition, we recommend this reconciliation be maintained for review.

How will compliance will be measured, monitored, and assured?
The user listing will be compared to the credential listing at least annually to ensure all active users are assigned credentials. This reconciliation will be maintained for review.

When will the measures be taken?
This step has started and is expected to be ongoing.

8 Internal audit was informed by Administrators that some employees need dedicated assistance in completing the training electronically which can be difficult for staff scheduling.

We recommend the training program's process owner provide an instructional guide to TargetSolutions Administrators for distribution to departmental employees as needed for a more efficient training process.

How will compliance will be measured, monitored, and assured?
An instructional guide will be provided to TargetSolutions Administrators for distribution to departmental employees as needed for a more efficient training process.

When will the measures be taken?
This step has started and is expected to be completed January 1, 2018.

What will be done to avoid the issue in the future?
The training program process owner will continue regular meetings with administrators to avoid this issue in the future.

9. Internal audit was informed by several Administrators that the direction provided by multiple lead employees at the Administrator meetings and the associated printed materials provided to the group have been inconsistent.

We recommend a single process owner be identified to oversee the citywide training program including the management of the TargetSolutions Administrator group in an effort to provide consistency, efficiency, and trust in the process.

How will compliance will be measured, monitored, and assured?
A single process owner will be identified to oversee the City-wide training program including the management of the TargetSolutions Administrator group in an effort to provide consistency, efficiency, and trust in the process.

When will the measures be taken?
November 2017

What will be done to avoid the issue in the future?
Improved communication with administrators will occur to avoid this issue in the future.

10. The completion of Module II was difficult to complete by the deadline time due to staff scheduling due to seasonal operations. Staff overtime may be used to complete seasonal work-projects as needed.

We recommend the City Manager's Office coordinate with departmental executive management to determine a due date for annual training modules and to include consideration of fiscal conservativeness, seasonal departmental operations, and community service efficiencies.

How will compliance will be measured, monitored, and assured?
The Office of the City Manager will coordinate with departmental executive management to determine a due date for annual training modules and to include consideration of fiscal conservativeness, seasonal departmental operations, and community service efficiencies. If additional time is needed to complete trainings, the City Manager will review on a department by department basis.

When will the measures be taken?
This step has started and is expected to be ongoing.

What will be done to avoid the issue in the future?
Additional communication with department heads will occur to avoid this issue in the future.

11. Standard operating procedures are not documented for the citywide training program. Establishing written policies is the first step to clarify processes and employee expectations. Documented procedures are also integral to efficient succession planning.

We recommend a standard operating procedures manual be developed and documented for the citywide training program. The document should clarify the process owner for the training program's management and detail temporary employee training requirements.

How will compliance will be measured, monitored, and assured?
A standard operating procedures manual will be developed and documented for the City-wide training program. The document will clarify the process owner for the training program's management and detail temporary employee training requirements.

When will the measures be taken?
This step has started and is expected to be drafted January 2018 with final product completed March 2018.

12. The City does not follow its own documented process for establishing citywide policy and the methodology including annual policy review and distribution process, per MPP 100. In addition, the process for revising previously established MPPs is not clear in the documented policies.

We recommend the processes documented in MPP 100, Policy and Procedures, reflect the desired procedures for the creation, revision, distribution, and communication of citywide policies and procedures and also include the process for revising existing policies.

How will compliance will be measured, monitored, and assured?
The processes documented in MPP 100, Policy and Procedures, will be updated to reflect the desired procedures for the creation, revision, distribution, and

communication of City-wide policies and procedures and include the process for revising existing policies.

When will the measures be taken?
This step has started and is expected to have the final policy issued January 2018.

13. A new policy was submitted for inclusion in the *Management Policies and Procedures* to the City Manager's Office for approval on June 7, 2016. The policy was posted to BLI on August 10, 2016, which was 47 working days after the policy submission.

We recommend a time frame for the policy approval process be established, included in the documented procedures, and adhered to for more efficient implementation of policies.

How will compliance will be measured, monitored, and assured?
A time frame for the policy approval process will be established, included in the documented procedures, and adhered to for more efficient implementation of policies.

When will the measures be taken?
This step has started and is expected to be completed January 2018.

What will be done to avoid the issue in the future?
Once time frame is established, it will be followed to avoid the issue in the future.

14. Reviewed the notification process for nine new policies during audit fieldwork. For two of those policies, the notification was sent after the policy's documented effective date. For seven of the policies, an email notification had not been issued as of September 7, 2017.

We recommend a clear process for policy notification be developed, documented in the policies, and adhered to for more effective policy implementation. In addition, we recommend that a notification be sent for the seven new policies identified during the audit. Also, we recommend policy effective dates be the same as the date of notification.

How will compliance will be measured, monitored, and assured?
A clear process for policy notification will be developed, documented in the policies, and adhered to for more effective policy implementation. A notification will be sent for the seven new policies identified during the audit. Policy effective dates will be the same as the date of notification.

When will the measures be taken?
This step has started and is expected to be completed November 2017.

What will be done to avoid the issue in the future?
Once process is established, it will be followed to avoid the issue in the future.

15. The applicability of the *Management Policies and Procedures* for all City employees is not clear. The MPPs are maintained on the City's Intranet site for employee access and are organized in six folders: General, City Clerk, City Manager, Finance, Legal, and Human Resources. Per inquiry with sampled employees during policy awareness testing, many employees believed that the policies in folders with departmental titles applied to employees within that department only.

We recommend the policies be reorganized to indicate more clearly the applicability of policy compliance by all City employees.

How will compliance will be measured, monitored, and assured?
*The policies are being reorganized to indicate more clearly the applicability of policy compliance by all City employees.*

When will the measures be taken?
This step has started and is expected to be completed January 2018.

What will be done to avoid the issue in the future?
During annual policy review, the Office of the City Manager will review naming conventions to avoid the issue in the future.
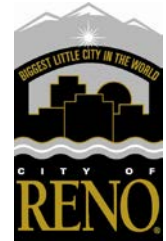
POLICIES AND PROCEDURES AUDIT – Management Responses – Human Resources

Findings' Conditions, Recommendations, & Management Responses
(Numbering Convention: Sequence corresponds to the Audit Results as listed in the report.)

2. Of the sampled employees' electronic HR files reviewed, three policy-related attestation documents were not included.

   We recommend the employees identified complete the policy attestation and HR include the completed form in the employees' HR file.

   How will compliance will be measured, monitored, and assured?
   HR will request that the identified employees review and complete the documents and we will upload their attestations to the Documentum personnel file.

   When will the measures be taken?
   Identified employees will be contacted, asked to review and sign the documents, and the documentation will be uploaded to their personnel file in Documentum by October 31, 2017.

3. Employees are not provided sufficient documentation of the City's policies and procedures to promote awareness and adherence to the standards. A correlated effect is employees are not knowledgeable of operating standards documented in citywide policies and procedures as ascertained in the questionnaire administered during this audit.

   We recommend HR determine the specific policies to provide to new employees during the onboarding to provide a base-level of core policy awareness but not be too voluminous to be ineffective. In addition, we recommend a process be enacted to provide current employees with those core policies. Finally, we recommend the standard operating procedure for core policy distribution methodology be documented.

   How will compliance will be measured, monitored, and assured?
   HR is currently re-vamping the new employee on-boarding process to include a policy review for "the big 7". Specifically, new employees will be given copies of, and will review with the New Employee Orientation trainer the following polices: #101 Ethical Standards, #102 Rules of Conduct, #103 Disciplinary Action, #105 Work Time Approval, #502 Workplace Violence, #503 Alcohol & Drug Use, and #607 Prohibited Discrimination, Harassment, and Retaliation Policy.

   For existing employees, the City's policies are currently being updated. Anticipated roll out of newly amended policies will be January 2018. HR will build a training session for existing employees to reacquaint themselves with the policies, and to discuss the specific updated material. Further, we will be reviewing with existing employees where the policies are located on BLI.

When will the measures be taken?
The New Employee Orientation component was integrated October 23, 2017. Existing employee training will commence after January 2018, when the updated material is available.

What will be done to avoid the issue in the future?
HR will integrate policy training in the City-wide training curriculum it is formulating. We will consider policy training a mandatory subject of training and develop a schedule for refresher training in conjunction with other mandatory training subjects.

4. Mandatory training for temporary employees is not administered nor is it clearly defined - with the exception of Parks, Recreation, and Community Services (PRCS) temporary employees.

We recommend HR management determine the policy training courses appropriate for temporary employees and develop a process to ensure they are trained and the documentation of training be maintained according to Records Retention schedules.

How will compliance will be measured, monitored, and assured?
HR is working to develop a City-wide training curriculum that includes all temporary employees, volunteers, and student interns. In conjunction with the training curriculum, we are updating policies concerning City-wide training to include language referring to the above employees.

When will the measures be taken?
We will implement this training curriculum in 2018.

What will be done to avoid the issue in the future?
We will follow a schedule of training curriculum developed in the afore-mentioned policy.

16. The policies and procedures specific to employee groups without Collective Bargaining Agreements are not clear. For several benefit groups *Mid-Management, Municipal Court, Management,* and *Unrepresented Hourly,* the employment policies often referred to as "HR policies" that govern sick leave, annual leave, etc. are not conveniently located for access by employees.

We recommend the standards for each group be identified and coalesced into a document that can be readily accessed by employees for their reference and planning purposes to better support employee success of compliance.

How will compliance will be measured, monitored, and assured?
HR is currently working with the City Attorney's Office to consolidate all Resolutions concerning Management, Mid-Management, and Unrepresented Hourly (formerly known as Confidential) employees so that there is a clear document for each group that explains such benefits.

When will the measures be taken?
We are planning to take the consolidated Resolutions to the Reno City Council in March of 2018.

What will be done to avoid the issue in the future?
When amendments are made to Resolutions governing these employee groups, we will make sure all applicable documentation is updated and available on BLI for employees. Further, we will endeavor to keep the Resolutions as clear and concise as possible to foster understanding.

	City of Reno Management Policies and Procedures Outline	As of: June 22, 2017		
Chapter Number		Effective Date/ Last Revision	Pages	Revision History
100	General			
100	Policy and Procedures	09/01/15	4	na
101	Ethical Standards	08/01/14	4	11/99, 11/01, 02/03, 02/14, 08/14
102	Rules of Conduct and Delegation of Disciplinary Authority	12/06/10	4	07/89, 11/99, 02/03, 12/10
103	Corrective Action/ Progressive Discipline	02/07/03	4	11/99, 02/03
104	Workplace Monitoring	02/07/03	2	11/99, 02/03
105	Employee Work Time Approval	02/07/03	8	10/98, 11/99, 02/03
106	Participation in Political Activity	02/12/16	4	08/13, 01/16
107	Tobacco	10/24/14	2	10/14
108	Flag Policy for City Hall	08/18/15	1	na
200	**City Clerk**			
201	Media Communications and Release of Public Information	02/02/15	6	12/95, 11/99, 02/03, 07/09, 12/10, 09/11, 05/12, 02/15
202	Insurance & Claims Management and Reporting Requirements	02/04/14	5	11/99, 02/03, 12/13, 02/14
203	Worker's Compensation: Reporting of Accidents & Incidents	02/17/03	5	11/99, 02/03
204	Training & Development	02/17/03	3	10/98, 11/99, 02/03
205	Corporate Business Planning Protocol	02/17/03	6	02/03
206	Public Records Requests	07/01/09	9	12/04, 06/09
207	Records Retention Schedules	07/28/10	2	12/04, 04/10, 07/10
208	Service Animals in City Hall	01/06/15	3	03/07, 01/15
209	Pre-offer Hiring Process	05/05/05	2	na
210	Placing Dedication Plaques on Any City Facility	04/11/16	2	06/07, 08/07, 06/12, 04/16
211	Buying Tables for Charity/ Recognition Events	10/01/07	2	06/07
212	Sponsorship of Conferences and Conventions	07/01/09	3	11/07, 07/09
213	Social Media Communications	09/09/11	14	12/10, 09/11
214	Use of Electronic Communication Devices	01/23/12	3	01/12
215	Mailroom Use & Services	12/04/15	2	08/13, 08/15, 09/15
216	Aces Baseball Ticket Distribution	01/06/14	2	na
300	**City Manager**			
301	Use of City Owned or Operated Office Equipment	02/17/03	3	10/98, 11/99, 02/03
302	Cell Phones	10/22/12	1	na
303	Computer Usage	02/17/03	3	10/94, 11/99, 02/03
304	Electronic Data Transmission	02/17/03	8	01/97, 11/99, 02/03, 05/12, 02/13
304A	CORE Bulletin Board	07/01/13	2	na
305	Acquisition & Use of City Vehicles	11/01/15	10	07/92, 11/99, 12/03, 09/12, 08/15
306	Website Protocol	01/22/16	16	02/03, 01/14, 01/16
307	Grant & Fund Development	02/17/03	5	na
308	Geospatial Data (Geographic Information Systems)	02/17/03	10	na
309	Use of City Hall Facilities	12/01/04	2	na
310	Sister Cities	01/01/16	5	na
311	Community Broadband	06/01/16	11	na
312	Contracts and Agreements Signature	06/01/16	3	na
313	Information Technology Steering Committee	07/01/16	5	na
314	IT Procurement	07/01/16	3	na
315	Internal Audit	07/01/16	3	na
316	Disposition of City-Owned Real Property	02/24/16	14	na
317	Passwords	11/01/16	2	na
318	Email Usage	03/01/17	3	na
319	Land Acceptance	04/01/17	2	na
320	AntiVirus	04/01/17	2	na
400	**Finance**			
402	Petty Cash	08/01/14	3	11/99, 02/03, 05/12, 08/14
403	Purchasing	01/04/16	9	12/95, 11/99, 02/03, 07/09, 09/12, 09/15
404	Capital Assets	04/16/14	10	12/95, 06/09, 04/14
405	Travel	07/01/15	9	12/95, 09/99, 02/03, 03/07, 10/07, 11/09, 04/12, 06/15
406	Recruitment/ Relocation Assistance	02/17/03	3	11/99, 11/01, 02/03
407	Cash Handling Policy	06/10/09	7	na
417	Drugs and Alcohol	12/11/98	39	na
500	**Legal**			
501	Safety	02/17/03	2	11/99, 02/03
502	Workplace Violence	05/18/12	7	11/99, 02/03, 05/12
503	Alcohol & Drug Use	02/17/03	4	12/91, 11/99, 02/03
504	Smoking	02/17/03	2	11/99, 02/03
505	Occupational Exposure to Blood & Bodily Fluids	05/26/11	27	11/09, 02/03, 04/11
506	Weapons Possession	02/17/03	2	06/88, 12/95, 11/99, 02/03
507	Domestic Violence in the Workplace	02/17/03	3	02/03
600	**Human Resources**			
602	Americans with Disabilities Act of 1990...	02/14/11	6	07/92, 11/99, 02/03, 02/11
603	Equal Employment Opportunity & Non-Discrimination	08/14/13	2	11/99, 02/03, 08/13
604	Alcohol & Drug Testing for CDL Designated Positions	02/17/03	4	11/96, 12/98, 11/99, 02/03
605	Family and Medical Leave Act	02/22/13	6	12/95, 11/99, 02/03, 01/13
606	Leave of Absence for Service in the Uniformed Services	07/28/15	8	08/91, 10/91, 07/92, 05/00, 02/03, 06/15
607	Prohibited Discrimination, Harassment, and Retaliation Policy	02/14/11	7	12/97, 10/98, 11/99, 02/03, 02/11
608	Nepotism	03/20/07	3	02/03, 03/07
609	Personal Information Policy	07/01/09	7	03/07, 06/09
610	Compliance with Americans with Disabilities Act	04/28/15	2	na
611	Offers of Employment	03/01/17	3	na