

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: November 22, 2011

To: Supervisor Johnny Thomas, Chair, Committee on Finance and Audit

From: Jerome J. Heer, Director of Audits

Subject: Status Report – Additional Structure and Emphasis is Needed to Improve Milwaukee County's Recycling Efforts [File No. 07-111(a)(c)]

At its meeting on September 17, 2009, the Committee on Finance and Audit passed a motion to receive and place the subject audit report on file with a six-month status report on the progress toward implementation of our audit recommendations.

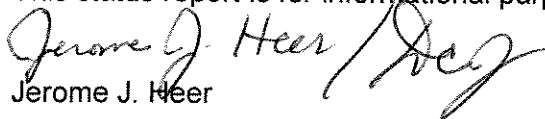
Department of Transportation and Public Works management issued status reports in June and November 2011. Its current status report, dated November 22, 2011, is attached for your review.

As noted in the status report, a number of the recommendations have been implemented, and plans are in place to complete those that are outstanding. With the exception of recommendations 11-13, we have no concerns with DTPW's progress and plans to fully implement the remaining recommendations.

Despite the use of a confidentiality agreement with the unpaid, non-county staff involved with shredding confidential files at the Coggs Center as described by DTPW in its response to recommendation 11, the risk of theft of confidential information by these individuals remains significant.

With regards to Recommendations 12 and 13, we believe the County-wide Recycling Plan currently in draft form would be enhanced by including an overarching environmental policy or mission statement that embraces sound recycling concepts. Further, the plan should include related policies and procedures for ensuring the County's recycling program achieves its mission goals. We have shared these concerns with DTPW management and they have agreed to address them as they proceed with implementation of the recommendations.

This status report is for informational purposes.


Jerome J. Heer

JJH/PAG

Attachment

cc: Finance and Audit Committee Members
Chris Abele, Milwaukee County Executive
Patrick Farley, Director, Department of Administrative Services
Frank Busalacchi Director, Dept. of Transportation and Public Works
Hector Colon Director, Dept. of Health and Human Services
Terrence Cooley, Chief of Staff, County Board Staff
Steve Cady, Fiscal & Budget Analyst, County Board Staff
Carol Mueller, Chief Committee Clerk, County Board Staff

STATUS OF IMPLEMENTING DEPARTMENT OF AUDIT REPORT RECOMMENDATIONS

Audit Title: Additional Structure and Emphasis is Needed to Improve Milwaukee County Recycling Efforts

File Number: 07-111(a)(c)

Audit Date: September 2009

Status Report Date: November 21, 2011

Department: Transportation & Public Works

Report Recommendation	Deadlines Established		Deadlines Achieved		Implementation Status		Comments
	Yes	No	Yes	No	Completed	Further Action Required	
	<p>1. Work with the recycling vendor and the County's recycling coordinators to document actual weight or a reasonable estimate of the County's recyclables.</p>	X					
<p>2. Work with recycling coordinators to provide clearly marked recycling bins for all major trash collection points.</p>	X				X		<p>Previous DTPW Response (as of Nov. 22, 2010):</p> <p>According to all departments, recycling bins are being provided at locations readily accessible and visible to employees and visitors.</p>

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Report Recommendation	Status Report Date: November 21, 2011				Implementation Status	Comments
	Deadlines Established		Deadlines Achieved			
	Yes	No	Yes	No		
3. To improve County employee recycling, provide recycling bins for all County departments, and require their use.		X			X	Previous DTPW Response (as of Nov. 22, 2010): As noted in #2, all departments claim compliance with this item.
4. Work with recycling coordinators to ensure all County locations have the necessary recycling dumpsters to collect commingled recyclables.		X			X	Previous DTPW Response (as of Nov. 22, 2010): This recommendation was considered completed in the previous status report.
5. Work with the recycling coordinators to establish and communicate recycling procedures relating to disposal of batteries.		X			X	Previous DTPW Response (as of Nov. 22, 2010): On May 2 of 2010 a memorandum was circulated to coordinators regarding options for battery recycling. Responses from several departments were received indicating they were already recycling batteries, such as Parks, Zoo and GMIA. DTPW initiated the use of Recycle2 at the City Campus. This has had mixed results, with the containers being used, but probably not to the extent they would be expected to be filled. Additional education is needed regarding the recycling of batteries.
6. Work with the Procurement Division to initiate a competitive bid process for the Countywide hauling of commingled		X				Previous DTPW Response (as of Nov. 22, 2010): The Procurement Division will competitively bid recyclables Countywide. In order to meet the needs of

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recyclables.							the various departments, individual contracts/price agreements will be established. No Countywide hauling contract has been developed to date. The development of a Countywide contract or even a model RFP might best be accomplished through the combined efforts of recycling coordinators, as part of the development of a Countywide recycling plan.
7. Have the Sustainability & Environmental Engineer be responsible for approving related invoices.		X					<p>Update Nov 21, 2011:</p> <p>The recycling team has convened to draft a standard RFP. Next step is to meet with potential service providers to obtain their feedback on proposed language to ensure solicitations will produce the intended results. A final RFP should be ready by end of 1st quarter of 2012.</p> <p>Previous DTPW Response (as of Nov. 22, 2010):</p> <p>We will be working towards developing a mechanism for getting data (not invoices) sent to the S&EE.</p> <p>Previous Audit Dept. Comment (as of Nov. 22, 2010):</p> <p>We previously concurred with DTPW's suggested alternative recommended action that invoices be reviewed and approved at the individual departmental level, with copies to the Sustainability & Environmental Engineer for tracking purposes. However, it is apparent the alternative action has not yet occurred.</p>

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8. Cross-charge departments and other entities for pick-up services provided.		X				X	<p>Update Nov 21, 2011: The recycling services RFP will include contract language requiring service providers to provide the S&EE the recyclables quantifies information in order to receive payment. This mechanism should streamline the data collection process and enable the S&EE to track recycling progress. This would take effect over the course of 2012 as old contracts are phased out and new contract language is enforced. The RFP will also incorporate a recycling education assistance component.</p> <p>Previous DTPW Response (as of Nov. 22, 2010): Facilities Management has eliminated being the central account manager for other departments and thus eliminated the need for cross-charges.</p>
9. Request detailed invoices for prior years to determine the extent to which the County has been billed improperly for pick-up service.		X				X	<p>Previous DTPW Response (as of Nov. 22, 2010): Facilities Management has requested information from former recycling vendors, but due to the lack of detail in the vendor's records, along with departures in management staff both at the vendor and Milwaukee County, it was difficult for County staff to interpret this information and was not possible to clearly assign discrepancies for cost recovery. The current service contract has been set up to track this information more effectively.</p>

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<p>10. Evaluate the economic feasibility of separating high quality white paper from other lower quality paper on a Countywide basis.</p>	X						<p>Previous DTPW Response (as of Nov. 22, 2010): Facilities Management and DHS currently separate high quality office paper from other paper at their facilities. This is due, in part, to the large volume of office paper generated at these facilities, which makes it more cost-effective for them to recycle in this fashion. For some facilities, the quantities of paper generated are insufficient to warrant the additional containers and services related to separation. Each department needs to consider the cost-benefit for their facilities, based on market conditions and impact on staff participation.</p> <p>Previous Audit Dept. Comment (as of Nov. 22, 2010): The response does not address the point of the recommendation, which is to evaluate the economic feasibility of separating white paper. If the economic feasibility has been evaluated based on actual data, then we would consider this recommendation to be completed.</p> <p>Update Nov 21, 2011: Economic feasibility of separating high quality office paper is a function of the market price of this commodity as well as generation rate and changes in processing technology, all of which can fluctuate with market conditions and facility operations. The recycling services RFP will include provisions to allow for the cost-effectiveness of this option to be determined on a facility-specific basis at the time of the agreement.</p>
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	12. Develop, for County Board consideration, an environmental policy or mission statement committing Milwaukee County to recycling and preventing waste.		X				
13. Develop, for County Board consideration, a strategic County-wide recycling plan, complete with policies and procedures for required management and employee involvement, to provide consistency in the manner in which recyclable items are handled for all County locations.		X					<p>Previous Audit Dept. Comment (as of Nov. 22, 2010): This recommendation was not addressed in the previous or current status reports.</p> <p>Update Nov 21, 2011: A County-wide Recycling Plan has been drafted and is 95% complete. Keep Greater Milwaukee Beautiful and UW-Extension have assisted with the preparation of the plan.</p>

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	11. Work with the Department of Human Services to develop alternative tasks for unpaid, non-County staff that currently shred confidential files for recycling purposes.		X					