

Detailed Follow Up Report - Auditor Determined Status

Rec#	Recommendation	Auditor FollowUp	City Auditor's Status	Closed
2410 Scottsdale Arts			Issued: 11/8/2024	
1.1	The Tourism and Events Director should, as a new Management Services Agreement is negotiated, recommend to City Council the inclusion of specific performance objectives for the operation of the City-owned facilities. Develop measures for those objectives, such as target facility usage or financial position.		Not Due	<input type="checkbox"/>
1.2	The Tourism and Events Director should recommend for approval in the new Agreement, strategic priorities for arts and cultural events that take into consideration community interests and demand. Periodic community surveys and analysis of ticket sales could be used to evaluate the effectiveness of these efforts.		Not Due	<input type="checkbox"/>
1.3	The Tourism and Events Director should require Scottsdale Arts to regularly assess its rates and fees, including a market analysis of its facility rental rates, and submit them for Council approval.		Not Due	<input type="checkbox"/>
1.4	The Tourism and Events Director should further define requirements for evaluating Scottsdale Arts' progress towards reducing its reliance on City funding, such as clarifying whether restricted contributions should be included. A reasonable approach may be to exclude contributions restricted for long-term projects and restricted endowments.		Not Due	<input type="checkbox"/>

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2.1	The Tourism and Events Director should develop and recommend to City Council performance measures for key contract objectives and services as part of a newly negotiated Management Services Agreement, including adding clear definitions and methodology for calculating those measures. Also, require performance reports at least on an annual basis to monitor progress towards the achievement of contract goals.		Not Due	<input type="checkbox"/>
2.2	The Tourism and Events Director should clarify the requirement for calculating revenue sharing of Scottsdale Civic Center activities. To simplify the process, consider evaluating revenue sharing based on gross revenues rather than net revenues, similar to other City revenue sharing agreements.		Not Due	<input type="checkbox"/>
2.3	The Tourism and Events Director should ensure the receipt of reports on the condition of City- owned artwork. Review needed conservation work with Scottsdale Arts to determine if a plan for completing the work has been developed, including items in the Museum collection that may need restoration.		Not Due	<input type="checkbox"/>
2.4	The Tourism and Events Director should determine actions that should be taken when items from the Portable collection are identified as missing, including establishing responsibilities for reporting damage and relocation of portable art placed in City buildings.		Not Due	<input type="checkbox"/>
2.5	The Tourism and Events Director should assess whether the Arts and Cultural Events calendar requirement should be continued or modified. If continued, require more active maintenance of the site and establish performance goals.		Not Due	<input type="checkbox"/>

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3.1	The Tourism and Events Director should ensure that Scottsdale Arts provides a separate accounting for these earmarked funds as required in the Agreement and tracks unspent restricted funds. Also, ensure restricted uses are formalized in Financial Participation Agreements or other City contracts.		Not Due	<input type="checkbox"/>
3.2	The Tourism and Events Director should Develop a reporting format that captures financial information that will help inform performance evaluations and future funding decisions.		Not Due	<input type="checkbox"/>
3.3	The Tourism and Events Director should develop a tracking tool for monitoring completion of deliverables and ensuring that required documentation has been provided in a timely manner.		Not Due	<input type="checkbox"/>
3.4	The Tourism and Events Director should, as a new Management Services Agreement is negotiated, work with the City Attorney's Office to develop and recommend to City Council the inclusion of options for contract remedies when key requirements are not met.		Not Due	<input type="checkbox"/>