

# Portland Development Commission:

## Management of on-call contracts inconsistent with Commission expectations

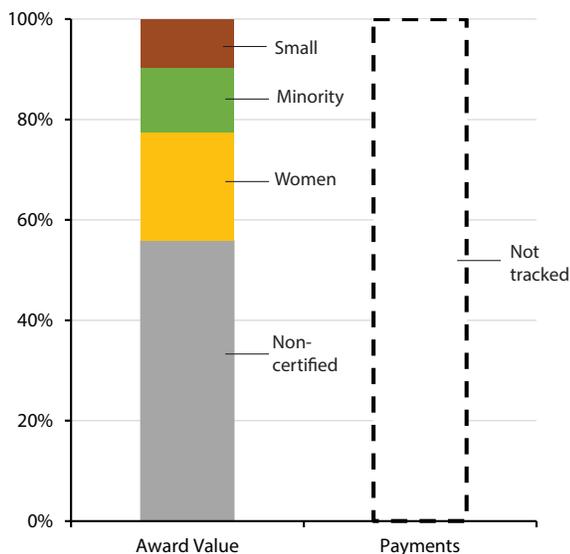


### Audit highlights - January 2016

We found on-call contracting practices need to be more effectively and equitably managed to meet the Commission's expectations. The Commission spent approximately \$1.2 million on professional services through on-call contracts in fiscal year 2015. Ultimately, more effective and equitable practices will help the Commission make progress toward strategic objectives as well as its mission to create economic growth and opportunity for Portland.

Commission strategic plan 2015-2020		On-call contract		
Objective	Outcome	Expectation	Practice	
Operate an equitable, innovative and financially sustainable agency	 Effective management and governance Financial sustainability and stewardship	 Effective contract administration	 1. Proportion of unused on-call contracts increased 2. Persistent weaknesses in contract administration	EFFECTIVENESS
Foster wealth creation within communities of color and low-income neighborhoods	 Equitable construction and contracting	 Fair distribution with preference for certified firms	 3. Use within service categories is not monitored 4. Issues impact reporting of equity outcomes	EQUITY

Equity outcomes for on-call contracts, 2014



### Payment-based measure not used, certified firm data inaccurate

The Commission exceeded its 25 percent goal for awards to firms certified as minority-owned, women-owned, or emerging small businesses. But, since award value is mostly unused, a goal based on dollars paid would be more relevant. We found payments to certified firms was not tracked by the Commission. Moreover, the Commission's certified firm data was not reliable enough for us or management to report on payment results.

Changes in reporting practices would provide decision-makers with more meaningful information about outcomes for certified firms, and progress toward equity goals.

See the full report (below) for more details, as well as our recommendations.

