



CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

August 15, 2016

The Honorable City Council
Palo Alto, California

Policy and Services Committee Recommendation to Accept the Auditor's Office Quarterly Report as of March 31, 2016

The Office of the City Auditor recommends acceptance of the Auditor's Office Quarterly Report as of March 31, 2016. At its meeting on May 10, 2016, the Policy and Services Committee approved and unanimously recommended the City Council accept the report. The Policy and Services Committee minutes are included in this packet.

Respectfully submitted,

Harriet Richardson
City Auditor

ATTACHMENTS:

- Attachment A: Auditor's Office Quarterly Report as of March 31, 2016 (PDF)
- Attachment B: Policy and Services Committee Meeting Minutes Excerpt (May 10, 2016) (PDF)

Department Head: Harriet Richardson, City Auditor



CITY OF PALO ALTO OFFICE OF THE CITY AUDITOR

May 10, 2016

The Honorable City Council
Palo Alto, California

Auditor's Office Quarterly Report as of March 31, 2016

RECOMMENDATION

The City Auditor's Office recommends the Policy and Services Committee review and recommend to the City Council acceptance of the Auditor's Office Quarterly Report as of March 31, 2016.

SUMMARY OF RESULTS

In accordance with the Municipal Code, the City Auditor prepares an annual work plan and issues quarterly reports to the City Council describing the status and progress towards completion of the work plan. This report provides the City Council with an update on the third quarter for FY 2016.

Respectfully submitted,

Harriet Richardson
City Auditor

ATTACHMENTS:

- Attachment A: Auditor's Office Quarterly Report as of March 31, 2016 (PDF)

Department Head: Harriet Richardson, City Auditor



Quarterly Report as of March 31, 2016



Office of the City Auditor

"Promoting honest, efficient, effective, economical, and fully Accountable and transparent city government."

Overview

The audit function is essential to the City of Palo Alto's public accountability. The mission of the Office of the City Auditor, as mandated by the City Charter and Municipal Code, is to promote honest, efficient, effective, economical, and fully accountable and transparent city government. We conduct performance audits and reviews to provide the City Council and City management with information and evaluations regarding how effectively and efficiently resources are used; the adequacy of internal control systems; and compliance with policies, procedures, and regulatory requirements. Taking appropriate action on our audit recommendations helps the City reduce risks and protect its good reputation.

Highlights of Activities During the Quarter

- Published and presented to Council the 2015 Performance Report, National Citizen Survey™, and Citizen Centric Report.
- Awarded a contract to Macias, Gini & O'Connell, LLP, for external financial audit services for the five fiscal years ending on June 30, 2016, through June 30, 2020, for a not-to-exceed amount of \$875,569.
- The Association of Local Government Auditors (ALGA) notified us that will receive the Exemplary (formerly gold) Knighton Award in the medium-sized audit office category for the Animal Services audit that we completed in April 2015. We will receive the award at the annual ALGA conference in May 2016. Lisa Wehara will present the audit, focusing on methodologies used in the audit and lessons learned that could benefit auditors in other audit offices when conducting their audits.

Below is a summary of our audit and project work for the third quarter of FY 2016:

Title	Objective(s)	Start Date	End Date	Status	Results/Comments
2015 Performance Report, National Citizen Survey™, and Citizen Centric Report	Provide information on citywide performance in key areas, obtain resident opinions about the community and Palo Alto services, and summarize key financial data in a brief, easy-to-read format.	08/16	01/16	Complete	The City Auditor presented the three reports at the Council's annual retreat on January 30, 2016.
External Financial Audit Services	Issue a Request for Proposals, evaluate proposals received, and award a contract for external financial audit services for the next five fiscal years.	09/15	03/16	Complete	Four bids received; contract awarded to Macias, Gini & O'Connell, LLP, in an amount not to exceed \$875,569 for the next five years.
Cable Franchise and PEG Fees Audit	Determine if 1) the City accurately accounted for its receipt of franchise and public, education, and government (PEG) fees and met its oversight responsibilities regarding the Media Center's use of the PEG fees, 2) AT&T and Comcast collected and remitted the appropriate amount of franchise and PEG fees, and 3) the City established and sufficiently defined roles and responsibilities to administer its cable communications program and state franchises.	02/14	05/16	In Process	Draft report sent to the City Manager, City departments, and the Midpeninsula Media Center for review and comment. The Media Center submitted a response, and we have delayed finalizing and presenting the report to the Policy and Services Committee until May to allow for legal review of and prepare a response to the Media Center's response.

Title	Objective(s)	Start Date	End Date	Status	Results/Comments
Disability Rates and Workers' Compensation Audit	Assess the effectiveness of activities to manage and minimize disability retirements and workers' compensation claims. Review of processes to ensure employee safety, tracking and reporting activities, contract administration, and efficiency of claim processing.	06/15	06/16	In Process	Planning and field work are complete, and the audit report is being written. Estimated date of presentation to Policy and Services Committee is June 2016.
Citywide Analytic Development and Continuous Monitoring: Procure-to-Pay	Develop and implement a continuous monitoring system to increase audit efficiency and coverage through the use of read-only access to City data. The project will involve developing data analytics to identify high-risk areas and improvement opportunities in the City's core processes. The focus of this project is accounts payable.	06/15	05/16	In Process	Planning and field work are complete, and the audit report is being written. Planned date of presentation to Policy and Services Committee is May 2016.
Fee Schedules Audit	Evaluate City processes for establishing fees to determine if the fees cover the cost of services provided when expected. The specific fees to be reviewed will be narrowed down during the planning phase of the audit.	06/15	916	In Process	The audit is in the planning phase. Estimated date of presentation to Policy and Services Committee is September 2016.
Utilities Customer Service: Rate and Billing Accuracy Audit	Evaluate whether the Utilities Department properly implements rates and accurately bills customers.	06/15	09/16	In Process	The audit is in the field work phase. Estimated date of presentation to Policy and Services Committee is September 2016.
Citywide Analytic Development and Continuous Monitoring: Overtime	Develop and implement a continuous monitoring system to increase audit efficiency and coverage through the use of read-only access to City data. The project will involve developing data analytics to identify high-risk areas and improvement opportunities in the City's core processes. The focus of this project is use of overtime.	06/15	05/16	In Process	The project is in the planning phase. Estimated date of presentation to Policy and Services Committee is September 2016.
Sustainable Purchases	Assess the City's purchasing practices to determine if environmental sustainability is adequately considered in all purchases as appropriate.	03/16	10/16	In Process	The project is in the planning phase. Estimated date of presentation to Policy and Services Committee is October 2016.

Other Monitoring and Administrative Assignments

Attachment A

Below is a summary of other assignments as of March 31, 2016:

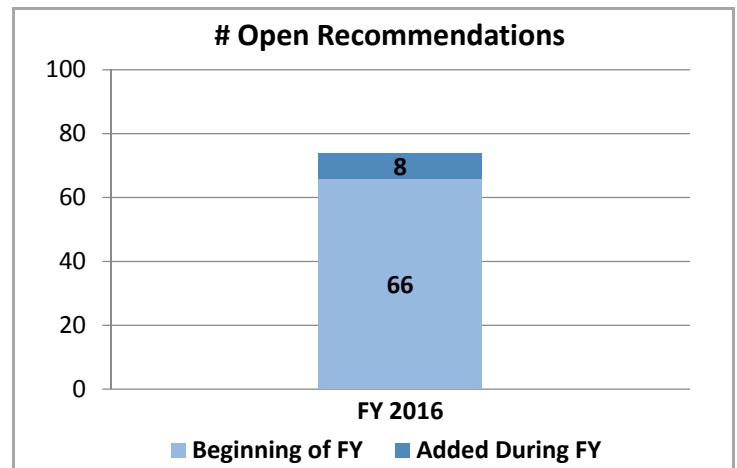
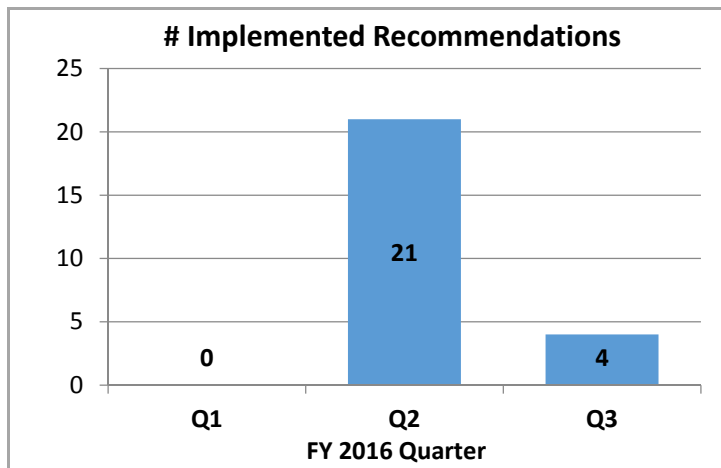
Title	Objective(s)	Status	Results/Comments
Sales and Use Tax Allocation Reviews	<p>1) Identify businesses that do business in Palo Alto that may have underreported or misallocated their sales and use tax and submit inquiries to the state for review and tax reallocation.</p> <p>2) Monitor sales taxes received from the Stanford University Medical Center Project and notify Stanford of any differences between their reported taxes and state sales tax information, in accordance with the development agreement.</p> <p>3) Provide Quarterly Status Updates and Sales Tax Digest Summaries for Council review.</p>	Ongoing	<p>1) Total sales and use tax recoveries for the third quarter were \$835 from our inquiries and \$4,369 from vendor inquiries, for a total of \$22,116 year-to-date: \$16,239 from our office and \$5,877 from the vendor. Due to processing delays at the State Board of Equalization, there are 56 potential misallocations waiting to be researched and processed: 18 from our office and 38 from the vendor.</p> <p>2) We receive calendar-year sales tax information for the Stanford project about six months after the end of the calendar year. We will report the sales tax information for this project in our June 2016 quarterly report.</p> <p>3) Quarterly sales tax reports are published on the Office of the City Auditor website at www.cityofpaloalto.org/gov/depts/aud/reports/default.asp.</p>
City Auditor Advisory Roles	Provide guidance and advice to key governance committees within the City.	Ongoing	The City Auditor serves as an advisor to the Utilities Risk Oversight Committee, Information Security Steering Committee, Information Technology Governance Review Board, and Library Bond Oversight Committee (LBOC). Our advisory role for LBOC ended during this quarter because on March 1, 2016, the Finance Committee accepted the recommendation to decommission the LBOC because the LBOC has completed its work.

Status of Audit Recommendations

Sixty-six recommendations were open at the beginning of FY 2016, and we have added eight recommendations since then. No recommendations were implemented during the first quarter of FY 2016, 21 were implemented during the second quarter, and 4 were implemented during the third quarter. Below is a summary of open audit recommendations, by audit, as of March 31, 2016:

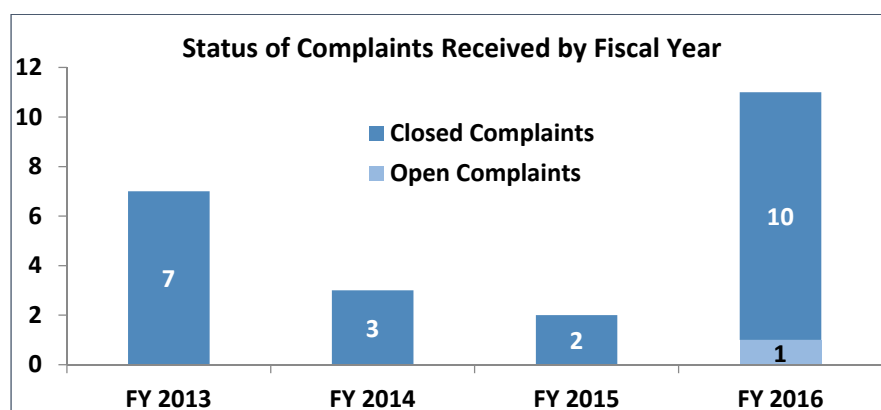
Audit Title	Report Date	Status Report Dates	Due Date of Next Status Report	Total Recommendations	Implemented During Quarter	Open
Fleet Utilization and Replacement	04/14/10	03/22/16 12/15/15 09/23/14 19/10/13 10/22/12 04/19/11 10/05/10	N/A	22	4	0

Audit Title	Report Date	Status Report Dates	Due Date of Next Status Report	Total Recommendations	Attachment A	
					Implemented During Quarter	Open
Citywide Cash Handling and Travel Expense	09/15/10	11/10/15 09/23/14 09/10/13 10/22/12 04/19/11	05/10/16	11	0	2
Contract Oversight: Trenching and Installation of Electrical Substructure	11/05/13	12/15/15 09/23/14	06/14/16	6	0	2
Inventory Management	02/18/14	09/23/14	Past Due	14	0	14
Utility Meters: Procurement, Inventory, and Retirement	03/10/15	None	Past Due	15	0	15
Police Department: Palo Alto Animal Services	04/22/15	03/22/16	09/13/16	8	0	8
Parking Funds	12/15/15	None	09/13/16	8	0	8



Fraud, Waste, and Abuse Hotline Administration

The hotline review committee, composed of the City Auditor, the City Attorney, and the City Manager, or their designees, meets as needed to review hotline-related activities. We received one hotline complaint during the third quarter of FY 2016. The chart below summarizes the status of complaints received in each fiscal year since the hotline was implemented.



Source: City of Palo Alto hotline case management system as of March 31, 2016



Policy and Services Committee TRANSCRIPT

Special Meeting
May 10, 2016

Chairperson DuBois called the meeting to order at 5:03 P.M. in the Council Chambers, 250 Hamilton Avenue, Palo Alto, California.

Present: Berman, DuBois (Chair), Kniss, Scharff

Absent:

Oral Communications

Chair DuBois: The first Item on the Agenda is Oral Communications, to speak about something not on the Agenda. We don't have any speakers for Oral Communications.

Action Items

2. Auditor's Office Quarterly Report as of March 31, 2016.

Chair DuBois: We have Item Number 3 which is the Auditor's Office Quarterly Report. I don't think I got a—was this in the Packet?

Vice Mayor Scharff: It's in the back.

Council Member Kniss: Yeah, in the very back.

Vice Mayor Scharff: The last few pages.

Council Member Kniss: My Packet's still—my Packet is missing ...

Chair DuBois: I think I missed it.

Vice Mayor Scharff: Since I'm the only one here with one, I guess I'll be the one to ask questions.

Council Member Kniss: I know it was there, because I saw it.

Vice Mayor Scharff: Do you want me to go first?

Chair DuBois: Yes. Go ahead, Harriet.

Harriet Richardson, City Auditor: Are you ready?

Chair DuBois: Yep.

Ms. Richardson: I'm here to present the Auditor's Office Third Quarter Update for January through March 2016. This is a fiscal year (FY) update. I'm not going to repeat the overview; that's pretty standard language we use every time. Some highlights during the quarter. We did publish and present to the Council the 2015 Annual Performance Report, the National Citizen Survey results and the Citizen Centric Report. We presented those at the Council Retreat. I think that was—it was a different way of how we approached it, but I think it worked well for setting up some of the issues discussed at the Retreat and expect to do it the same way next year as long as that's Council's expectation. The External Financial Audit that we had with Macias, Gini and O'Connell expired, so we issued an Request for Proposal (RFP). We received four bids. Again, Macias, Gini and O'Connell was awarded the contract for the next five fiscal years. The first one ending this year on June 30th, and then running through June 30th, 2020. The total five year contract amount is \$875,569. It starts off with \$149,925 for the Fiscal Year '16 Financial Audit, and then it has some incremental increases for cost of living increases over the next few years, inflationary costs. We also have a contingency in there. Sometimes there's some unexpected audit needs that come up. For example, there's a potential that we may have to do something at the request of the Valley Transportation Authority (VTA) with some funds we get from them. We built in a contingency to cover those unexpected things. It's not generally to increase just the standard cost for a fiscal year. The third highlight is that we were notified the Association of Local Government Auditors is awarding us an Exemplary Award; it's called the Knighton Award which recognizes high-quality audit reports throughout the year. It was formally called the Gold Award; they changed the title to Exemplary. We won the award in the medium audit size shop category for the Animal Services Audit that we completed in April 2015. We'll receive the award itself this month at the annual conference. Lisa Wehara in my office, who worked on the audit, will be doing a short presentation with the focus on the methodologies that we used in the audit and the lessons learned that can benefit other auditors when doing audits. The award letter that we received cited our focus on addressing the concerns of the Council and the public, our methodologies for conducting the audit, and specifically the use of a Citizens' Survey to help inform our recommendations, and also recognized the ease of reading the audit while at the same time providing sufficient detail to help policymakers make good decisions regarding the animal control function. The first two Items on the summary of work completed, I've discussed in our highlights. The third Item is the Cable Audit. Since we just had a presentation, I'll pass on that one. You know all about that one. We have several audits in progress, and we expect to complete all of these by the end of this calendar year. We've had a little bit of a lull in

actually issuing the audits, but we have quite a few that are well in progress and will be done by the end of the year. The first one is the Disability Rates and Workers' Compensation Audit. At the end of the quarter, it was in process; it's actually out for comment right now. We expect to get it back in time to present at the June Policy and Services Committee. The objective was to assess the effectiveness of activities used to manage and minimize disability retirements and workers' compensation claims. We're moving right along with that one. The next is—we have two on here that are to look at analytical processes for continuous monitoring. We have some software called ACL software that can do a variety of data analytics. We're looking at ways to expand the use where the City can do some ongoing monitoring of different activities to see if there's a benefit of using that software in a more expanded way in City departments and to catch issues that you want to be watching on an ongoing basis but, otherwise, would have to do more in a more manual way. The first one is—we're calling it Procure to Pay, which is typical language used in that sort of function. It's really looking at accounts payable and seeing if there's duplicate payments and a way to minimize duplicate payments by catching them early. As part of that, we also looked at the vendor master file because one of the reasons you typically end up with duplicate payments is a vendor might use an official name and then a "doing business as" name, and you might get bills under both names and pay them. That one is—the report is drafted. It's ready for me to review. We were originally expecting to present that tonight. Because the Cable Audit ended up taking so much of our time, we didn't get it completed in time. We're actually now looking at delaying that until the August Policy and Services Committee meeting. The other one is a couple of rows down. We're looking at overtime; we're focusing on Police and Fire for those, and looking if there are ways to really monitor how you're using your overtime and see if there's more effective ways you can manage it, if you're more aware of how you're using it. We have a discrepancy here. It says the end date is May 2016, but then in the results column we say we're going to present it in September, and September is the actual date. We're also working on a Fee Schedules Audit. This is primarily going to focus on the fee schedules that Community Services Department (CSD) uses. We're looking at how the department establishes its fees to determine if it covers the cost of services when expected. That would be based on City Policy, and CSD has a policy in looking at where's there's differences between those policies that can be better aligned to help ensure that we are recovering fees when appropriate. That one we expect to present to Policy and Services in September. We're also doing Utilities Customer Service Audit that's looking at the rate and billing accuracy. When we say rate and billing accuracy, we're really looking at does the rate that's on a bill match the rate that they're supposed to be charged. We're not looking at the rate-setting process as part of this. This came about as a result of the Meters Audit that we completed last year where we identified several issues related

to the types of meters that were installed versus the types of meters that were actually recorded in Systems Application and Data Processing (SAP). It resulted in some billing discrepancies, and some customers ended up with some significant back bills as a result of that. We're looking at if there's ways to make sure that that's being monitored on an ongoing basis. That one we expect to present in September also. We just started an audit, the City's sustainable purchasing practices, to ensure that where appropriate the City is requiring sustainable purchasing. We are, again, not looking at Utilities for this; that's another separate issue for how we approach sustainability in Utilities. It's really looking at more paper, vehicles, things like that, other areas where we can improve our opportunities for increasing sustainable purchases. We expect to complete that one in October. On the next page, we do ongoing monitoring of sales and use tax to ensure that the City is getting what it's entitled to. It's common for businesses to misallocate their sales tax to another jurisdiction, particularly when they operate in more than one jurisdiction. We go back and we try and identify where there's variances between what we got in one quarter from a business to what we're getting in recent quarters or if we're aware of a business that just came onboard but we haven't seen any taxes. We don't actually do those audits. What we do is we fill out a form that we send to the State Board of Equalization, and they actually do the reviews. Our collections this year are substantially lower than they have been in the past. They're only \$22,000 to date for this quarter, and the primary reason for that is that the State is short-staffed in that area right now. We're showing that we have 56 potential misallocations waiting to be researched. I think that's the highest number we've had in the queue in a very long time. It's just they're taking a very long time for us to get them back.

Council Member Kniss: Just quickly, what would the amount usually be?

Ms. Richardson: Last year, I believe it was—I'd have to go back and look, but I want to say it was about \$119,000 that we got last year. I believe the previous year was about \$150,000. We are significantly lower.

Council Member Kniss: Way under.

Ms. Richardson: Yeah. Because we don't do the work ourselves, we have to rely on the State to do that work. We can't make them do ...

Council Member Kniss: We should get a windfall.

Ms. Richardson: At some point I would expect we're going to get a really big—if they get their staffing up, I would expect at one point we'll get a pretty big chunk of money. What this doesn't reflect is we also have an agreement with Stanford regarding the construction project going on there. They have agreed

that we get all that sales tax directly, but we don't know what that is until the end of the fiscal year. We normally hear about it around—on the September Quarterly Report is when I'll probably have the number to report on that. That's usually a pretty good chunk of money at the end of the year. That will run out when the construction project is complete.

Chair DuBois: When you say there are 45 requests, we don't know how much money those represent?

Ms. Richardson: We don't. We've tried to estimate in the past, but it's difficult to really kind of estimate because you don't know, especially if it's a new business, what their revenue is.

Chair DuBois: How does the number of requests compare to last year?

Ms. Richardson: It's been growing; it's been growing over time.

Chair DuBois: Not outstanding, but total requests in a quarter.

Ms. Richardson: I don't recall. I'd have to go back and look at our year-end report. I don't have that number. I can email that to you. We continue to serve in our advisory roles for the Utilities Risk Oversight Committee, Information Security Steering Committee and the Information Technology (IT) Governance Review Board. We were also in an advisory role on the Library Bond Oversight Committee (LBOC), but that committee has disbanded now that both library projects are complete and it has been determined how that last bit of money should be spent or used to defease a portion of the bonds. We're done with that particular role. The next section of our report is on the status of audit recommendations. In 2014, the Policy and Services Committee recommended and we changed the Ordinance to switch from us reporting once a year on the status of all open audit recommendations to the departments reporting through the City Manager's Office. What we've done now is just put a list of the audits that were open at the beginning of the quarter and then the status of any recommendations that were implemented during the quarter, and then what the total recommendations were. You can see previous Status Report dates, total recommendations from the audit, the number that were implemented this quarter, and then the number that are still open. We also put a graph in there, but I noticed that I don't think this graph still accurately reflects—there's two graphs here. What we're doing is we're putting a graph that shows for each quarter how many recommendations were implemented. The second graph is supposed to show how many are open. What we've done is we've put just the totals of how many were open at the beginning of the year versus the end. I think it would be helpful for us also to highlight off of that how many have been implemented, so you can see the change. We'll fix that for the next quarter. Right now what we have open are 41 older

recommendations and eight current recommendations from a recent audit that was not yet due for a reporting. The last item on our Report is our Fraud, Waste and Abuse Hotline. We continue to receive a low amount of complaints, but generally the complaints we receive have not been substantiated. We received one complaint this quarter. Previously year-to-date it was ten. All of those ten have been closed out, and the one that we received this past quarter is still open. Those ten that were closed out, seven of them were actually different versions of the same issue. One small portion of it was substantiated, but for the most part they were unsubstantiated. That concludes my presentation. If you have any questions, I can take those.

Vice Mayor Scharff: Just briefly, Ed, since you're the City Manager's guy, on the ones that say past due, which I guess are the Inventory Management and Utility Meters Procurement, it says it's past due. It says none of the recommendations were implemented. What's going on? I mean inventory management and—yeah.

Chair DuBois: (Inaudible).

Vice Mayor Scharff: That's what's been waiting for the new year.

Ed Shikada, Assistant City Manager: I'm sorry. I missed the sidebar there.

Chair DuBois: I'm sorry. We've talked about that in the past. I thought we were waiting on the new Enterprise Resource Planning (ERP) system to (crosstalk).

Mr. Shikada: That is a part of it. Part of the question and discussions I've had with Utilities Staff is how much progress we can make before there is a new ERP. I think it's fair to say that we're starting with some pretty rudimentary existing systems. There is some work flow improvement that we can make in addition to the system upgrades that are necessary. At this point, I'm still working to identify what's possible in the short run. That said, we have been working with the Auditor's Office. There has been quite, to be honest, arm wrestling around how far this can go in the short term. I think we're going to need to finish the next round of arm wrestling and bring that back.

Vice Mayor Scharff: I guess my ...

Council Member Kniss: Is arm wrestling, though, a technical term (inaudible)?

Vice Mayor Scharff: I guess my question ...

Mr. Shikada: It's a bureaucratic term.

Vice Mayor Scharff: My question, though, is when we look at the report, why does it say past due? That implies that the City Manager's Office hasn't done something that they should do.

Ms. Richardson: The concept that was adopted was that instead of us reporting once a year, the departments would report six months after the Council accepted an audit, and then every six months thereafter until the audit recommendations were all implemented.

Vice Mayor Scharff: What does a report look like? I mean, you can give a report and say, "We're arm wrestling with the"—or it can be really short. I just don't know why it says past due.

Ms. Richardson: If you look at the Cable Audit that's in your Packet, at the end there's the City Manager's response, and you have each of the recommendations and the City Manager's response. Then, there's a column at the end that's blank. That column is for them to respond. What we've done is we've created a template that can be continuously used for the initial response and then used for updates so that you can always see what happened along the way. That would be—they generally attach a letter to it.

Mr. Shikada: The big change, though, in the follow-up reports is that the power of the keyboard went over to Staff. Utilities Staff drafted and Audit Staff reviewed the write up, and they didn't like the way it was written up. That's where the arm wrestling stands. It's a matter of perspective. Utility wrote it up saying, "We're making some progress. This one's complete. This one has more to go." Audit Staff said, "No, that one's not complete. We're not happy with the way that's written up." That's where the arm wrestling exists. A little too much information (TMI) perhaps, but that's the reality.

Vice Mayor Scharff: No, no, just the opposite. No, no. I think we want that TMI. Basically what happened in the past is these audit recommendations dragged on forever. Sometimes the City Manager's Office may be right and the Auditor may be wrong. Maybe we shouldn't implement the audit recommendations the way written. That's fine. If you have a dispute, we're happy to have you come to Council and solve it. What I don't want to have happen is it just languishes for years like we've done. I don't want to go back to that. That's my only concern. I actually don't really care if you come in here and say, "We're still working it out." I just don't want it to be like who knows what's happening.

Ms. Shikada: Just get buried at some point. Understood.

Ms. Richardson: I have told the City Manager—I work pretty closely with Suzanne on these. I've been very open about discussing these older

recommendations to see if they are still feasible. I'm trying to work hard with my Staff to make sure that the recommendations we make now are feasible and making sure they're discussing them with the departments before we publish them, to make sure that they're feasible.

Vice Mayor Scharff: Thanks.

Council Member Kniss: I looked at it before, so I knew about the cable.

Chair DuBois: Thank you. It's all clear to me, so thank you for the update. I guess we need to recommend the City Council accept the Quarterly Report.

Vice Mayor Scharff: What do we need to do?

Council Member Kniss: You want a recommendation—I mean, you want a Motion?

Chair DuBois: Yes.

Vice Mayor Scharff: To do what?

Chair DuBois: To accept the Auditor's Quarterly Report.

Council Member Kniss: I would move that we accept the Quarterly Report (inaudible).

Vice Mayor Scharff: Second.

MOTION: Council Member Kniss moved, seconded by Vice Mayor Scharff that the Policy and Services Committee review and recommend to the City Council acceptance of the Auditor's Office Quarterly Report as of March 31, 2016.

Chair DuBois: All in favor. That concludes Item 3.

MOTION PASSED: 3-0 Berman absent