

# **City of Tulsa Office of the City Auditor**



**2008 Annual Report  
2009 Audit Program**

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# 2008 Annual Report Office of the City Auditor



## Mission Statement

The people elect an auditor to keep an independent watch over city operations and the resources they have provided to the government. Citizens want accountability from the city government that resources are safeguarded and efficiently and effectively applied to the intended purposes. The mission of the City Auditor is to provide accountability of city government.

## Goals

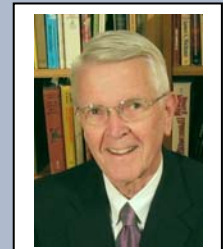
To achieve this mission, the City Auditor's Office will strive to:

- Recommend adequate controls and safeguarding of assets
- Assess compliance with regulations, statutes, ordinances and established practices
- Assist management in improving operations and reducing risk of loss or waste
- Review sensitive areas and report irregularities and dereliction of duties

## Methodologies

The City Auditor's Office follows the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors in performing audits and managing the Internal Auditing Department. To achieve the goals of our mission, we:

- Perform internal audits as part of an annual plan including evaluation of internal controls and compliance with regulations, statutes, ordinances, and established practices
- Perform internal control reviews
- Review systems development activities
- Perform special projects
- Perform control self-assessments
- Provide consultation services



## Tulsa City Auditors

**E. B. Cline**  
*1909 – 1916*

**Frank Newkirk**  
*1916 to 1918*

**Charles F. Burke**  
*1918 to 1920*

**Mary Seaman**  
*1920 to 1922*

**Roy Garbett**  
*1922 to 1926*

**R. J. Moore**  
*1926 to 1928*

**F. P. Kitchen, Jr.**  
*1928 to 1930*

**Earl E. Logan**  
*1930 to 1934*

**M. W. Davis**  
*1934 to 1944*

**S. Maxwell Smith**  
*1944 to 1954*

**Elizabeth Stowell  
Anderson**  
*1954 to 1956*

**A. Jackson Lawrence**  
*1956 to 1960*

**William F. Lambert**  
*1960 to 1970*

**Frances F. Campbell**  
*1970 to 1987*

**Ron Howell**  
*1987 to 1988*

**Philip W. Wood**  
*1988 to Present*

## A Message from the City Auditor

Internal Auditing is applying advanced technologies to increase the number of City activities analyzed and to improve data storage efficiency. As an example, Internal Auditing has made all audits from 1988 to the present available at <http://www.cityauditorphilwood.com/audindex.htm> on the Internet. The <http://www.cityauditorphilwood.com> website also provides access to City ordinances, executive orders and more.

Internal Auditing initiated continuous monitoring in FY 2007 and allocates 500 audit hours to it annually. The concept of continuously monitoring audit units is the new trend among internal audit shops across the nation due to the increase in auditing technology and the return on investment of initiating automated financial transaction monitoring. With the aid of computer-assisted audit techniques, Internal Auditing can now use data from the City's information systems to perform automated auditing on a continuous basis.




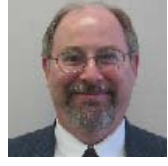


Internal Auditing allocated its continuous monitoring hours this year to a joint project with the Finance and Information Technology Departments to address sales tax monitoring. Internal Auditing assisted in identifying measurement metrics. As metrics were identified, Internal Auditing used audit software to establish continuous monitoring capabilities to enable management to monitor performance.

The Treasury Division within the Finance Department added two Treasury Analyst positions to be directly responsible for monitoring sales tax. These positions are performing analyses on the sales tax data throughout the year and conducting site visits to vendors. The Treasury Division provided performance statistics to Internal Auditing. As of November 2007, the 166 site visits and database analyses conducted by the Treasury Analysts have resulted in an additional \$81,925 in sales tax for the City of Tulsa. Other sales tax collections with potential recovery of \$407,068 have been identified and submitted to the Oklahoma Tax Commission (OTC) for investigation.

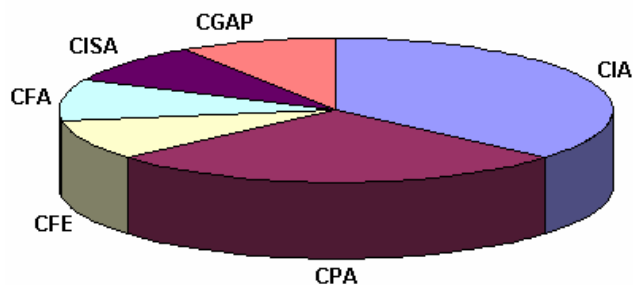
Our dedication to advanced technology has enabled us to keep our number of employees constant since our formation in 1988 while increasing our oversight of City activities.

**Audit Staff** The Office of the City Auditor consists of the elected City Auditor and the Internal Auditing Department. Internal Auditing's staff consists of eleven professionals

	<b>Jim Bella, CISA</b> EDP Auditor BS, Industrial Management Master, Business Administration
	<b>Kelly Brader</b> Senior Auditor BS, Business Management
	<b>Cathy Criswell, CPA, CIA</b> Internal Audit Manager BS, Business Administration
	<b>Steve Jackson, CPA</b> Internal Audit Manager BS, Accounting
	<b>Ron Maxwell, CIA, CFE</b> Chief Internal Auditor BS, Business Administration
	<b>Tina McIntosh</b> Staff Auditor I BS, Business MS, Management

	<b>Ike McNutt, CPA, CIA, CGAP</b> Senior Auditor BA, Liberal Arts
	<b>Nathan Pickard</b> Senior Auditor BS, Business Administration Master, Business Administration
	<b>Seth Potter</b> Staff Auditor II BS, Business Administration
	<b>Rick Rose</b> Assistant Staff Auditor BS, Business and Management BS, Business Information Systems
	<b>Steve Wagner</b> Senior Auditor BS, Administration
	<b>Phil Wood, CIA, CFA</b> City Auditor BA, History

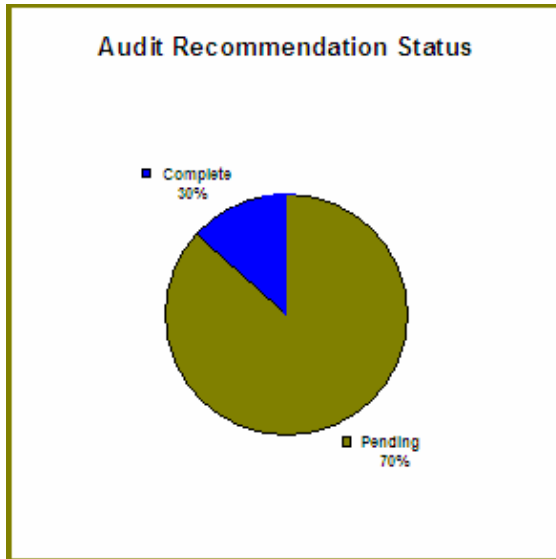
**Professional Certification**



Professional certification is strongly encouraged for all audit staff. Six of our staff hold professional certification. Certifications include four Certified Internal Auditors, three Certified Public Accountants, a Certified Fraud Examiner, a Chartered Financial Analyst, a Certified Information Systems Auditor, and a Certified Government Audit Professional. One staff member is a Certified Internal Auditor candidate, and another is a Certified Information Systems Auditor candidate.

# 2008 Audit Results

## Projects Completed During the Fiscal Year Ended June 30, 2008



Internal Auditing completed four audits, one follow-up review and four special projects during the period. Audit reports contained a total of 43 suggestions for improvement of City operations. The chart on the left shows the status of corrective action at the time the audit reports were issued. Management agreed to implement all of the suggested improvements, resulting in an

overall recommendation acceptance rate of 100% for the year. Management had completed corrective action on thirteen recommendations at the time of report issuance. Corrective action was pending for 30 recommendations.

<b>COMPLETED PROJECTS</b>	
Audits	Report Date
Sewer Cleaning	9/20/07
Purchasing Card Review	2/29/08
Grant Administration	4/10/08
Safety Training	4/11/08
Follow-up Review	Report Date
Report of Management Actions	9/15/08
Special Projects	Report Date
TPD T.O.I.C.	10/4/07
Citizen Complaint	10/12/07
Imprest Bank Account	11/30/07
Continuous Monitoring	12/10/07

# ***Audit Abstracts***



## ***Sewer Cleaning***

This audit evaluated the City's internal control framework for the sewer cleaning process. We recommended reducing time spent on private sewer calls by emphasizing preventative maintenance. We also recommended improving procedures that ensure access and reliability of the information stored on computer systems. Last, we recommended that management explore solutions to the high employee turnover rates.

## ***Purchasing Card Statement Review***

The City's purchasing card program allows employee cardholders to make quick, small-dollar purchases in their departments. This project reviewed selected purchase card transactions for compliance with the program's policies and procedures. We determined that compliance with the program's policies and procedures was consistently enforced by the Finance Department's Accounts Payable and Purchasing Divisions. We recommended that the Finance Department consider more stringent policies regarding cardholders' conflicts of interest, charitable contributions, charitable activity expenses, gifts, gratuities and late fees. We also recommended periodic updates to the electronic Policies and Procedures Manual, and an annual hardcopy distribution of the updated manual.

## ***Grants Administration***

The City of Tulsa receives grants from federal and state agencies and uses the funding to provide City services to Tulsa citizens. This audit evaluated the City's procedures for acquiring, accounting for and reporting on grants received. We found the financial controls adequate for grant awards, program income and interest income. The audit identified nine areas for improvement. City management has subsequently implemented several of the recommendations. Areas of improvement included a centralized grants office, in-depth training for staff, and increased monitoring of grant subrecipients. Additional recommendations included reconciling City records to the Federal grant database, segregating duties of the grants loan staff, reducing the number of grant subrecipients and improving the process for distributing correspondence to all applicable parties.



### ***Special Project TPD T.O.I.C.***

The Tulsa Police Department's (TDP) Office of Integrity and Compliance (TOIC) contacted Internal Auditing for consultation and assistance in a financial audit and inspection of the TPD Detective Division's budget, internal controls, funds and expenditures of the Detective Division's demand deposit account and purchase card. Internal Auditing personnel worked jointly with TOIC personnel in completing this project. Improvement suggestions included better controls for opening city depository accounts, authorizing bank account signature cards, reconciling bank accounts, maintaining adequate financial records, and administering disbursements from the Detective Division's demand deposit account.

### ***Safety Training***

The Safety Training Section of the Human Resources Department provides safety training to all City departments, investigates collisions involving City vehicles, conducts periodic facilities and jobsite inspections, and develops safety and health policies. Our review evaluated the internal control practices of the Safety Training Section. We found the long-tenured employees had a very good understanding of their duties. Management is highly involved in daily operations and facilitates communication within the department. We recommended that section management evaluate the staff members' Safety and Health presentations for content and delivery, implement a training program that ensures staff monitoring skills are appropriately maintained, and formalize procedures that monitor changes in safety and health laws and regulations.

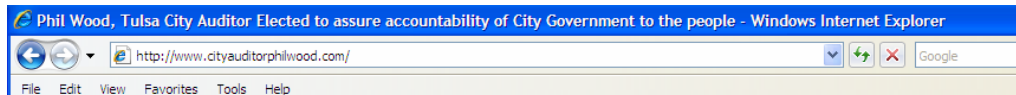
### ***Continuous Monitoring***

Internal Auditing initiated a continuous monitoring project in FY 2007 and allocates 500 audit hours to it annually. Internal Auditing allocated its continuous monitoring hours to a joint project with the Finance and Information Technology Departments to address sales tax monitoring. This project accomplished automated data analysis of sales tax, effective targeting of vendor site visits, and improved sales tax collections.



## ***Enterprise Risk Management***

During 2007, management made significant strides in establishing strategic direction. The Mayor defined three strategic areas: economic vitality, public safety and education. Community leaders and scholars presented information on these topics and they were the focus of discussions with managers from every department and agency included in the City's budget process. The Mayor's staff led participants through a structured thought process to help them develop both quality and quantity performance measures that focus on customer service. Internal Auditing recommended management take the next step in implementing enterprise-wide risk assessment. This step focuses on developing an enterprise-wide risk portfolio, including all the risk events faced by the City of Tulsa, a measurement of their significance, and a risk response plan.



Visit [www.cityauditorphilwood.com](http://www.cityauditorphilwood.com) for more information on these and other projects

Tulsa City Auditor Phil Wood

- ORDINANCES
- READ AUDITS
- AUDIT MANUAL
- EXEC ORDERS
- BUDGET
- ANN. REPORT
- 10yr SPENDING
- COMMENTS
- HOTLINE

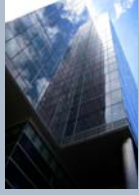
Photo by Bob Bledsoe

Phil's wife Emily observes Judge Jane Wiseman administering Phil Wood's 11th oath of office on April 7, 2008. The people relected the Auditor's accountability of City Government to the people. Phil is a [Certified Internal Auditor](#) and a [Chartered Financial Analyst](#).

Google  Search

WWW <http://www.cityauditorphilwood.com>





## ***Risk Identification***

Internal Auditing asked department directors and other executive-level leaders at the City of Tulsa to share their thoughts on the most significant risks. Following are the risk areas most often mentioned:

High Risk Area	# times cited
Employee pay and workforce demands	9
Workers compensation and medical costs	6
Aging workforce	6
Contracting procedures	6
Technology/Information needs	5
Fuel costs	5

Following are highlights from managers' comments regarding these risks

### **Employee pay and workforce demands**

Employee pay has not kept pace with the market for many positions. This affects the City's ability to recruit and retain employees and increases the work loads of current employees.

### **Workers compensation and medical costs**

The medical costs and the processing costs for workers compensation claims have increased. The new City ordinance does away with claims options, and all claims are sent to Workers Compensation Court.

### **Aging workforce**

There is a loss of knowledge when employees with many years of service retire or otherwise leave City employment. The City needs to address succession planning and increase training capabilities to accommodate the loss of experienced personnel.

### **Contracting procedures**

Contract liability clauses and the length of time for getting contract approvals contribute to contracting problems. Standardized contract forms and procedures could alleviate some of the time burden in the contracting process.

### **Technology/Information needs**

The City's systems for storing and retrieving data could be improved. Obtaining the information necessary to make management decisions is cumbersome.

### **Fuel costs**

Rising fuel costs could potentially reduce City services, especially in the frequency and coverage area of police patrols.

# **Internal Audit Program**

## **For the Fiscal Year Ending June 30, 2009**



# Process for Selecting Audit Projects

The Office of the City Auditor is responsible for discharging the duties set forth in Article IV of the City of Tulsa 1989 Amended Charter, as follows:

- Examine the accounts of all offices, divisions, departments, boards, authorities, commissions, and agencies of the City of Tulsa
- Make appraisals, comments, and recommendations on the systems and procedures for keeping and maintaining the financial records, accounts, and inventories
- Report results to the Mayor and Council

Internal Auditing develops and executes an annual audit program to carry out these duties. The program is designed to allocate limited audit resources to the most beneficial purposes.

To help maintain confidence and trust in the professionalism and integrity of our audit work, the City Auditor’s Office follows the *International Standards for the Professional Practice of Internal Auditing (Standards)* of the Institute of Internal Auditors. The *Standards* specify that selection of audit projects for application of limited audit resources should be based on a sound risk assessment.

**FOCUS process** - Internal Auditing has developed a risk assessment model to help ensure a systematic, thorough and objective approach for prioritizing selection of projects for the Internal Audit Plan. Entitled *FOCUS* (representing Factors Operating to Create Ultimate Success), the risk model considers six factors. Each of these risk factors has defined evaluation criteria.

*These six risk factors help focus audit projects on important city issues*

1	Size	What is the dollar value of the assets, budget or revenues of the activity?
2	Security	How safe are the assets from conversion to private use?
3	Trust	How much impact does the activity have on customers – the citizens of Tulsa?
4	Simplicity	How complicated is the activity?
5	Stability	Has there been significant change in operations?
6	Responsibility	Are employees competent, committed, and ethical? Are there established objectives, clearly defined procedures, good information and communication, and management monitoring?

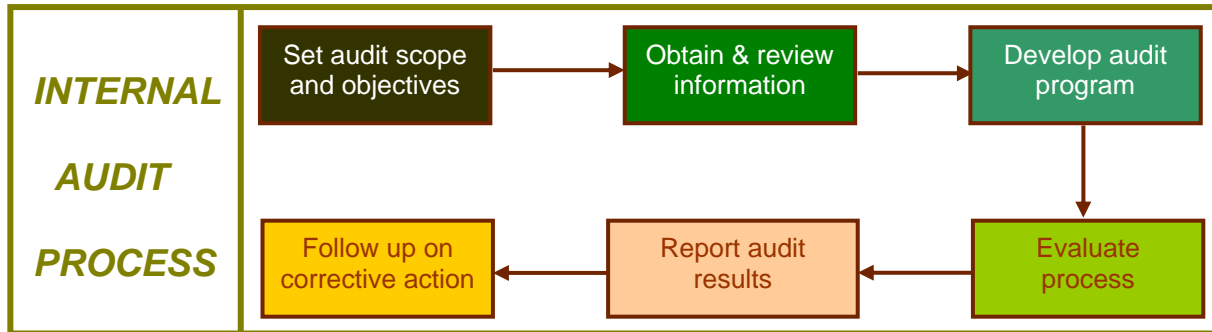
Considering these factors and weighing them in respect to more than 150 potential projects, we create our audit plan. Each year, we publish the plan and distribute it to the Mayor and Council. Accomplishment of the audit plan is funded through the Internal Auditing Department's budget approved by the City Council.

**Allocation of audit resources** - Internal Auditing estimated the number of staff hours available in the fiscal year. These hours were allocated first to complete the audit projects in process and the ongoing audit functions carried out each year. Hours were reserved to respond to requests from management and elected officials for unplanned special projects. The remaining time was available for allocation to new audit projects.

**Selection of new audit projects** – The remaining hours available for new projects allowed the addition of four projects. Selection of the new audit projects was based primarily on *FOCUS* evaluations. Other factors affecting project selection included previous audit date, audit coverage in particular departments, management requests and auditor judgment.



# Internal Audit Process



Each internal audit begins by defining the specific scope and objectives. The scope establishes the project boundaries, setting what the audit will and will not include. The objectives state what the audit will accomplish. Once these are determined, the audit continues through three phases.

- ❖ **Planning** – Auditors ask questions, examine documents and make observations of the process being audited. This helps auditors gain an understanding of how the work is currently being done. Auditors write an audit program defining the steps that will be taken to evaluate the effectiveness of the process being audited. Auditors and managers in the audited area discuss the audit program to allow managers the opportunity to make suggestions about what is to be evaluated during the audit.
- ❖ **Fieldwork** – The audit team completes the work detailed in the audit program. The work focuses on what could go wrong in the audited process and whether there are procedures to prevent breakdowns. If no preventative measures are in place, auditors develop recommendations with the help of department personnel. If procedures are in place, auditors test them to make sure they are functioning properly.
- ❖ **Reporting** – As the audit progresses, auditors write Corrective Action Plans (CAP) that report the results of fieldwork and include recommendations for correcting problems auditors observe. These are first issued in draft form and discussed with department managers to allow them to have input. After a final CAP is agreed upon, department managers provide a written response describing what action they will take. At the end of the audit, a report summarizing the audit results is written.

**Following up** – Internal Auditing follows up with managers to monitor the progress of corrective action. Each year, inquiry forms are sent on every pending item. Managers provide information on whether corrective action has been completed, is progressing, or will not be completed due to changed conditions. The responses to the inquiry forms are summarized and reported in the annual Report of Management Actions.

# Audit Program

## Fiscal Year Ending June 30, 2009

PROJECT NAME	ESTIMATED HOURS TO COMPLETE	ESTIMATED START DATE	ESTIMATED REPORT DATE	DEPARTMENTS INCLUDED
<b>IN-PROCESS PROJECTS:</b>				
Expenditure Analysis	90	In Process	12/15/08	Citywide
FY07 Sensitive Payments Review	150	In Process	10/31/08	Citywide
Financial Systems Support	50	In Process	12/15/08	Information Tech
Financial Reporting – Internal	90	In Process	12/31/08	Citywide
Real Estate Inventory Management	720	In Process	01/31/09	Citywide
FY08 Report of Management Actions	170	In Process	12/15/08	Citywide
Annual Report/ Risk Assessment	170	In Process	11/30/08	Citywide
External Quality Assurance Review	50	In Process	10/31/08	Internal Auditing
Insurance Administration	570	In Process	01/31/09	Human Resources
Chamber of Commerce Contract	80	In Process	07/31/08	Finance
Human Rights – Administration	475	In Process	06/30/09	Human Rights
Human Rights – Compliance Monitoring	475	In Process	FY2009	Human Rights
Special Project – TPD Inventory	110	In Process	01/31/09	Police
TOTAL IN-PROCESS PROJECTS	<u>3,200</u>			
<b>PLANNED AUDITS:</b>				
Bank Account Security	1,000	11/01/08	06/30/09	Finance
TOTAL NEW PLANNED AUDITS	<u>1,000</u>			
<b>CONTROL ASSESSMENTS:</b>				
Airport Supplies Inventory	500	12/01/08	06/30/09	Airport
Fire Inventory Control	500	12/01/08	06/30/09	Fire
Workers Compensation	500	03/01/09	FY2009	Human Resources
TOTAL NEW CONTROL ASSESSMENT	<u>1,500</u>			
<b>ONGOING PROJECTS:</b>				
FY09 Report of Management Actions	200	05/01/09	FY2009	Citywide
FY08 Sensitive Payments	500	10/01/08	04/15/09	Citywide
Internal Quality Assurance Review	500	03/01/09	FY2009	Internal Auditing
Department Budget Preparation	200	10/01/08	04/15/09	Internal Auditing
Annual Planning/Risk Assessment	300	06/01/09	FY2009	Citywide
Continuous Monitoring	500	Ongoing	N/A	Various
Hotline/Ethics Support	200	Ongoing	N/A	Various
Enterprise Risk Management	100	Ongoing	N/A	Various
Auditing Miscellaneous	500	Ongoing	N/A	Various
TOTAL ONGOING PROJECTS	<u>3,000</u>			
<b>SPECIAL PROJECTS:</b>				
Special Projects – Special Requests	500	As requested	As requested	As requested
External Auditor Support	100	As requested	As requested	As requested
TOTAL SPECIAL PROJECTS	<u>600</u>			
Reserve for move to OTC	400			
<b>TOTAL HOURS</b>	<u>9,700</u>			

# ***Audit Project Descriptions***

## ***Projects in process as of June 30, 2008***

### ***Special Project – Tulsa Police Department Inventory***

The scope of this special project included a review and evaluation of the adequacy of internal controls relating to Tulsa Police Department's (TPD) weapons and ammunition inventories. Internal Auditing also observed the physical inventory count conducted by TPD of weapons and ammunition and traced the counts into the inventory records maintained by TPD.

### ***Expenditure Analysis***

#### *Scope*

This project will involve a comprehensive analysis of citywide expenditures

#### *Objectives*

- Working with executive management, identify spend categories with potential for significant cost savings
- Using downloaded financial data, identify Top 10 spend by general ledger account number, Top 10 spend by vendor, Top 10 spend by market (commodity), Top 10 spend growth categories
- Based on these analyses, identify potential cost savings opportunities
- Review current capabilities for continuous expenditure analysis
- Identify gaps in ongoing spend analysis capabilities and make recommendations

### ***Financial Systems Support***

#### *Scope*

Review information technology procedures related to financial systems support

#### *Objectives*

- Evaluate procedures for ensuring continuous service delivery
- Determine whether financial systems are secure
- Evaluate problem and incident resolution

# ***Audit Project Descriptions***

## ***Financial Reporting - Internal***

### *Scope*

Evaluate the process for providing internal financial information to City management

### *Objectives*

- Review accuracy, timeliness, reliability, completeness, and usefulness of internal financial reports
- Evaluate user satisfaction with the internal financial reporting process

## ***Real Estate Inventory Management***

### *Scope*

Review procedures related to acquiring, managing, and accounting for real estate

### *Objectives*

- Review compliance with laws, regulations, policies and procedures for acquiring, managing and accounting for real estate
- Determine whether real estate is managed effectively and efficiently
- Determine whether real estate records are complete and accurate

## ***Chamber of Commerce Contract Compliance***

### *Scope*

Review compliance with the contract between the City of Tulsa and the Metropolitan Tulsa Chamber of Commerce

### *Objectives*

- Determine whether both parties comply with contract terms
- Determine if payments to the Chamber are in accordance with contract terms
- Evaluate ongoing contract compliance monitoring



# ***Audit Project Descriptions***

## ***Insurance Administration***

### *Scope*

Review procedures related to acquiring, managing, and accounting for employee insurance benefits

### *Objectives*

- Review the accuracy and validity of insurance claims and premiums
- Review administration of insurance for compliance with laws, regulations, policies, and contracts

## ***Human Rights - Administration***

### *Scope*

Evaluate the process for overall administration of the Human Rights Department

### *Objectives*

- Determine if procedures are sufficient to properly coordinate Human Rights Department functions
- Assess the methods used for protecting confidential information

## ***Human Rights – Compliance Monitoring & Investigation***

### *Scope*

Assess the procedures used by Human Rights for monitoring contract and purchasing compliance and for investigating related complaints

### *Objectives*

- Review the process for identifying and prioritizing compliance and investigation assignments
- Determine whether procedures will ensure all monitoring and investigation duties are completed
- Evaluate procedures that ensure issues identified in monitoring and investigation assignments are appropriately resolved

# ***Audit Project Descriptions***

## ***Planned Project***

### ***Bank Account Security***

#### *Scope*

Review and evaluate internal controls related to the security and administration of the City's bank accounts

#### *Objectives*

- Review policies and procedures for establishing and closing bank accounts
- Review policies and procedures for reconciling all bank accounts
- Evaluate compliance with requirements for bank account administration
- Determine if bank accounts are properly recorded and reported

## ***Control Assessments***

The control assessment process uses a high-level approach based on the tools in the *Internal Control - Integrated Framework* publication. The focus of these assessments is on the five critical components necessary for good internal control. When all five components are in place the organization has a better chance of meeting its operating objectives. The five components are the control environment, risk assessment, control procedures, information/communication, and monitoring. Control assessment methodology involves interviewing personnel in the area being reviewed and examining relevant documentation. This process allows us to complete a limited scope evaluation in a shorter time than a full scope audit requires.

The processes scheduled to be evaluated using this method during FY07-08 includes:

Airport Supplies Inventory

Fire Inventory Control System

Workers Compensation

# Audit Project Descriptions

## ***Ongoing Projects***

### ***Report of Management Actions on Internal Audit Recommendations***

Internal Auditing annually distributes inquiries on all audit findings with pending corrective action. The objective is to determine the current status of corrective action management agreed to implement in their responses to audit recommendations.

### ***Sensitive Payments Review***

#### *Scope*

Review the internal control structure and examine transactions related to executive compensation and perquisites, travel, official entertainment, unvouchered expenditures, conflicts of interest, speaking honoraria and gifts

#### *Objectives*

- Evaluate the adequacy of the system of internal controls over sensitive payments
- Review transactions for compliance with applicable statutes, laws, regulations, ordinances, policies and procedures
- Determine whether executive expenses are properly authorized and approved
- Determine whether executive expenses are accurately and promptly recorded and reported

### ***Internal Quality Assurance Review***

#### *Scope*

Assessment of the quality of Internal Auditing Department work

#### *Objectives*

- Identify the degree of departmental compliance with the Institute of Internal Auditing's *International Standards for the Professional Practice of Internal Auditing*
- Ensure that audit operations are in compliance with organizational and departmental policies and procedures
- Provide insights into the level of audit effectiveness and efficiency
- Provide recommendations for improving the internal audit function

# Audit Project Descriptions

## ***Annual Planning/Risk Assessment***

Annual planning involves meeting with managers in various departments and divisions to set audit priorities. An audit plan is developed using the methodology described on page 8 of this report.

## ***Continuous Monitoring***

Internal Auditing will continue a joint project with the Finance and Information Technology Departments to address sales tax monitoring. In addition, Internal Auditing will assist in identifying other measurement metrics. As metrics are identified, audit software will be used to establish continuing monitoring capabilities to enable management to monitor performance.

## ***Hotline/Ethics Support***

The ethics hotline is provided to employees, vendors, and customers to report ethics issues. Internal Auditing staff reads each hotline report and ensures all reports are provided to the appropriate appointing authority for follow-up.

## ***Enterprise Risk Management***

Risk management is a key responsibility of an organization's management. To achieve its business objectives, management should ensure that sound risk management processes are in place and functioning. Internal Auditing will examine, evaluate, report and recommend improvements on the adequacy and effectiveness of management's risk processes.

## ***Auditing Miscellaneous***

An amount of time is allocated for performing other duties and fulfilling miscellaneous requests that do not meet the criteria for classification as an audit or special project.

# ***Audit Project Descriptions***

## ***Special Projects***

### ***Special Projects-Special Requests***

A block of time is reserved to meet requests by elected officials and/or department management for special projects. Project requests resulting from the survey form on the last page of this report will also be taken from this pool of hours. The scope of such projects will be based on the specifications of the request.

### ***External Auditor Support***

Internal Auditing will provide assistance to the external auditors for completion of the examination of the City of Tulsa financial statements. The specific scope of the work will be determined during planning with the external auditors.



# Feedback Form

**TO:** Anyone interested in internal audits of the City of Tulsa  
**FROM:** Phil Wood, City Auditor  
**RETURN TO:** Phil Wood, City Auditor – 6<sup>th</sup> Floor Room 34, OneTechnology Center

I welcome your comments and suggestions about auditing. This form is provided for your use in providing feedback to help us do a better job. The first section asks for your suggestions for activities that would benefit from an audit. The second section requests comments or suggestions concerning the conduct of my office.

## **SUGGESTIONS FOR AUDIT(S)**

## **COMMENTS ON THE CONDUCT OF THE AUDITOR'S OFFICE**

\_\_\_\_\_  
Signature (optional)

### ***Some things the Auditor's Office considers in deciding what to audit:***

*Importance - Risks - Protection of Assets - Organization - Objectives – Quality of Information - Standards and Regulations - Economy - Efficiency - Effectiveness - Controls*

### ***Some things the Auditor's Office considers in evaluating the conduct of the office:***

*Professional Care - Attitude - Communication - Usefulness - Significance - Knowledge - Human Relations - Cooperation - Productivity - Follow-up - Qualifications - Honesty - Independence*