



Report of Management Actions on Internal Audit Recommendations As of June 30, 2010

City of Tulsa Internal Auditing
February 2011



Report of Management Actions on Internal Audit Recommendations

As of June 30, 2010

City of Tulsa Internal Auditing

A handwritten signature in black ink, appearing to read "Ron Maxwell", is positioned above a horizontal line.

Ron Maxwell, CIA, CFE
Chief Internal Auditor

AUDIT TEAM:
Cecilia Ackley, CPA
Nathan Pickard
Rick Rose

INTRODUCTION

The purpose of this report is to provide information on the status of corrective action management has agreed to implement. This report is one of the ways Internal Auditing reports on the actions taken by management on audit recommendations.

Internal Auditing maintains a database to track pending corrective action. Since its creation in 1988, Internal Auditing has made a total of 1,210 recommendations for improvement. The database contains 1,001 of the recommendations. The recommendations not tracked were made to grant sub-recipients or are tracked in other ways. Exhibit 1 on page 2 presents summary information about the 1,001 recommendations on the database.

Each recommendation on the database has a date when corrective action is to be completed. Annually, Internal Auditing sorts the database to identify all pending recommendations with expired completion dates. An inquiry form is sent for each expired completion date asking whether corrective action has been completed.

This year, Internal Auditing distributed 54 inquiry forms for recommendations with projected completion dates through June 30, 2010. City managers were requested to indicate if corrective action had been completed. The results from the inquiry forms in this report are based on the responses provided by management. The responses were not independently verified by Internal Auditing.

Based on the information provided by management on the inquiry forms and other correspondence with Internal Auditing, corrective action on 27 audit recommendations had been completed during the fiscal year ended June 30, 2010. Management partially completed corrective action on 16 recommendations.

A history of audit recommendations is presented at Exhibit 1 on page 2. A summary of the inquiry results is presented at Exhibit 2 on page 3. Exhibit 3 on page 4 presents the status of audit recommendations made during the last five fiscal years.

Exhibit 1 HISTORY OF AUDIT RECOMMENDATIONS

BEFORE STATUS UPDATES					
	Number of Findings	Number Declined*	Number Accepted	Number Completed	Number Open
Airport	44	3	41	41	0
City Council	16	0	16	16	0
Citywide	38	6	32	24	8
Community Development and Education	5	0	5	0	5
Development Services	21	2	19	19	0
Economic and Real Estate Development	6	1	5	5	0
Equipment Management	31	1	30	30	0
Finance	224	28	196	188	8
Fire	40	0	40	38	2
Gilcrease Museum	23	0	23	23	0
Grants Administration	8	0	8	7	1
Human Resources	109	8	101	95	6
Human Rights	1	0	1	1	0
Information Technology	86	7	79	73	6
Legal	13	1	12	12	0
Municipal Court	38	4	34	34	0
Park	46	7	39	38	1
Performing Arts Center	7	0	7	7	0
Police	118	22	96	84	12
Public Works	105	8	97	94	3
Real Estate Management	5	0	5	5	0
Tulsa Area Emergency Management Agency	2	0	2	2	0
Tulsa Zoo	6	1	5	5	0
Working in Neighborhoods	9	1	8	6	2
TOTAL	1,001	100	901	847	54
Total recommendations included in this status report					54

*This column includes recommendations that were declined by management or not implemented because of changed conditions.

AFTER STATUS UPDATES					
	Number of Findings	Number Declined*	Number Accepted	Number Completed	Number Open
Airport	44	3	41	41	0
City Council	16	0	16	16	0
Citywide	38	6	32	26	6
Community Development and Education	5	0	5	4	1
Development Services	21	2	19	19	0
Economic and Real Estate Development	6	1	5	5	0
Equipment Management	31	1	30	30	0
Finance	224	28	196	191	5
Fire	40	0	40	38	2
Gilcrease Museum	23	0	23	23	0
Grants Administration	8	0	8	7	1
Human Resources	109	8	101	98	3
Human Rights	1	0	1	1	0
Information Technology	86	7	79	76	3
Legal	13	1	12	12	0
Municipal Court	38	4	34	34	0
Park	46	7	39	39	0
Performing Arts Center	7	0	7	7	0
Police	118	22	96	93	3
Public Works	105	9	96	94	2
Real Estate Management	5	0	5	5	0
Tulsa Area Emergency Management Agency	2	0	2	2	0
Tulsa Zoo	6	1	5	5	0
Working in Neighborhoods	9	1	8	8	0
TOTAL	1,001	101	900	874	26

*This column includes recommendations that were declined by management or not implemented because of changed conditions.

Exhibit 2 ANALYSIS OF RESPONSES TO 6/30/10 STATUS INQUIRIES

	<u>COMPLETE</u>	<u>PARTIAL</u>	<u>PENDING</u>	<u>WILL NOT BE IMPLEMENTED</u>	<u>NO REPLY</u>	<u>TOTAL</u>
Citywide	2	0	6	0	0	8
Community Development and Education Initiatives (CDEI)	4	1	0	0	0	5
Finance	3	4	1	0	0	8
Fire	0	2	0	0	0	2
Grants Administration	0	1	0	0	0	1
Human Resources (HR)	3	2	1	0	0	6
Information Technology (IT)	3	1	2	0	0	6
Park	1	0	0	0	0	1
Police	9	3	0	0	0	12
Public Works (PW)	0	2	0	1	0	3
Working in Neighborhoods (WIN)	2	0	0	0	0	2
TOTAL	27	16	10	1	0	54
PERCENT	50%	29.6%	18.5%	1.9%	0%	100%

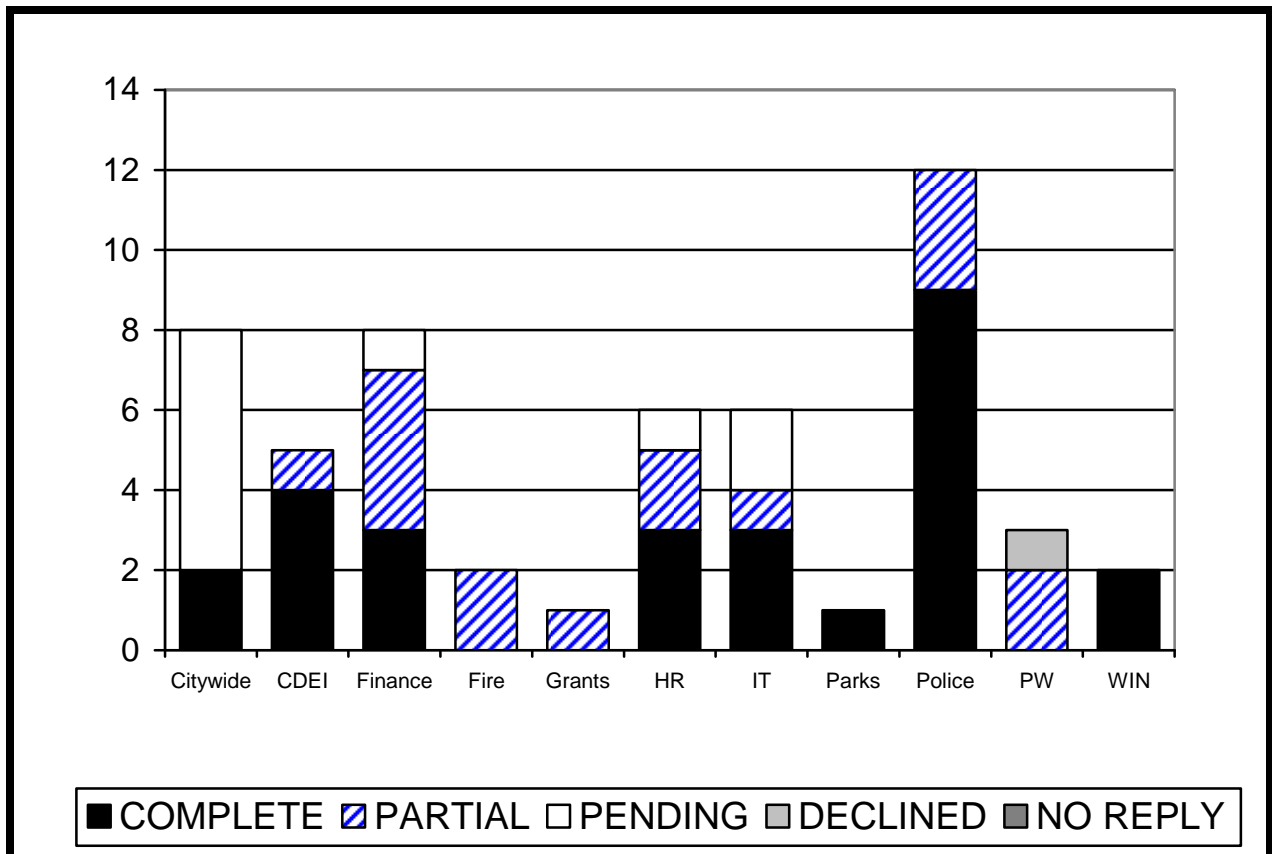
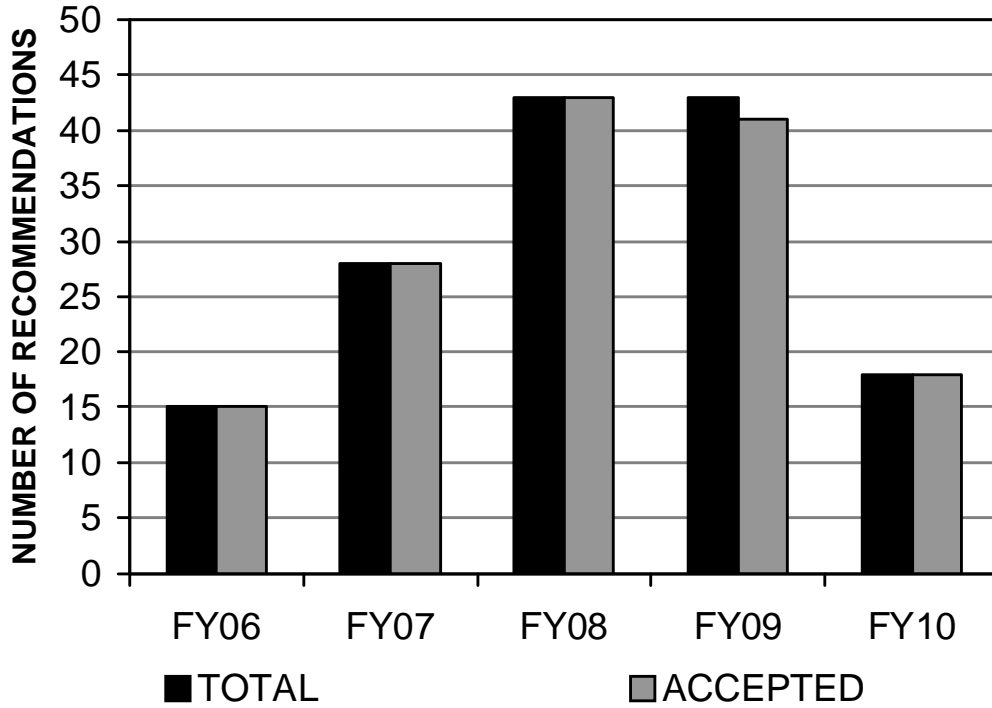


Exhibit 3

RECORD OF AUDIT RECOMMENDATIONS FOR THE LAST FIVE FISCAL YEARS

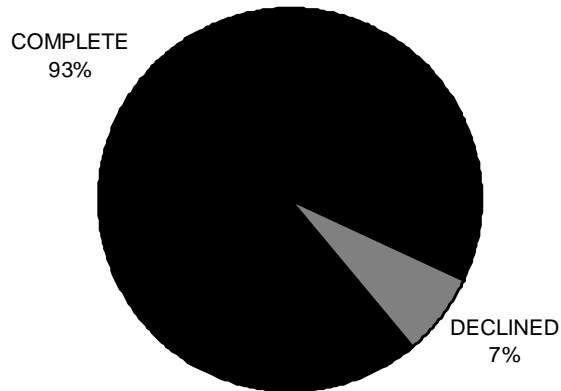


These numbers are based on the management responses to the initial audit report. Current statistics are shown in Exhibit 1.

AIRPORT

AUDIT HISTORY AS OF JUNE 30, 2010

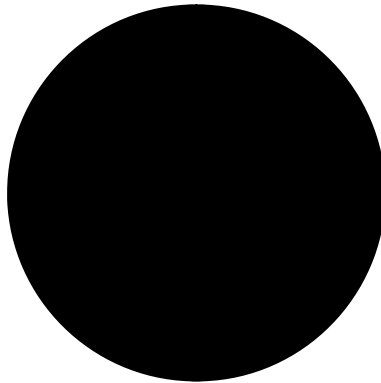
<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Construction Contract Change Orders	Oct 12, 1988	2	0	2	2	0
Airport Concessions & Rental	Sep 21, 1990	31	2	29	29	0
Supplies Inventory	May 04, 2000	3	0	3	3	0
Accounts Receivable Controls Revw	Dec 02, 2004	8	1	7	7	0
Total		<u>44</u>	<u>3</u>	<u>41</u>	<u>41</u>	<u>0</u>



CITY COUNCIL

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Imprest & Petty Cash	Apr 15, 1993	2	0	2	2	0
City Council Special Investigation	Aug 31, 1999	8	0	8	8	0
Budget Process/Council	Sep 12, 2006	5	0	5	5	0
Grants Administration	Jan 30, 2008	1	0	1	1	0
Total		<u>16</u>	<u>0</u>	<u>16</u>	<u>16</u>	<u>0</u>

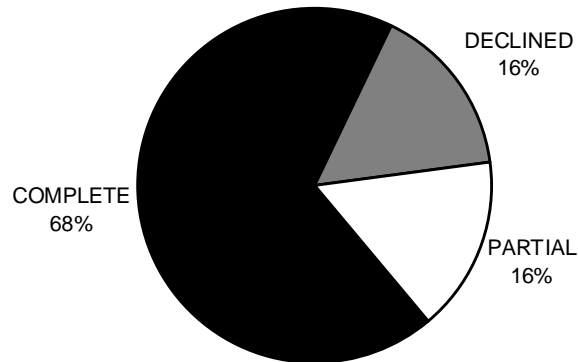


COMPLETE
100%

CITY-WIDE

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Equipment Utilization	Feb 28, 1991	4	0	4	4	0
Parking Facilities Revenue	Sep 15, 1992	2	1	1	1	0
Information Systems Plan Special Examination	Nov 29, 1993	8	2	6	6	0
Records Retention & Storage	Dec 21, 1993	1	0	1	1	0
Chamber of Commerce Contract Compliance	Mar 31, 1994	6	1	5	5	0
LAN Security & Planning	Nov 28, 1995	7	1	6	6	0
Ethics Complaint	Mar 17, 2006	4	1	3	3	0
Expenditure Analysis	Jan 31, 2009	6	0	6	0	6
Total		38	6	32	26	6



CITY-WIDE

The City COMPLETED the following:

Audit - Ethics Complaint

Finding 1 - Inherent conflict of interest existed under Article X, Section 11 of the Oklahoma Constitution.

Response – Training on the Ethics Ordinance has been included in employee orientation so that all new employees are being trained..

Finding 4 - Training on requirements of the Ethics Ordinance is needed.

Response – Mandatory organization-wide ethics training began in July 2010 and has been ongoing. All employees will attend in-person training on the ordinance. In the future an on-line refresher will be required on a regular basis.

Corrective action is PENDING on the following:

Audit – Expenditure Analysis

Finding 2 - Access all spend data sources.

Response – This IT project is ranked as a Top 10 project on the IT Master Project list. The project is on hold pending a review of KPMG recommendations regarding supply chain analysis. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

Finding 3 - Adopt a common transaction coding classification method citywide.

Response – Due to budget reductions during FY10, the IT Department lost the position allocated to conduct this research and support this request. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

Finding 4 - Establish efficient and repeatable data cleansing (accuracy checking).

Response – Due to budget reductions during FY10, the IT Department lost the position allocated to conduct this research and support this request. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

Finding 5 - Provide information to empower buyers to become commodity managers.

Response - Due to budget reductions during FY10, the IT Department lost the position allocated to conduct this research and support this request. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

Finding 6 - Classify spending at a detailed level.

Response – This IT project is ranked as a Top 10 project on the IT Master Project list. The project is on hold pending a review of KPMG recommendations regarding supply chain analysis. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

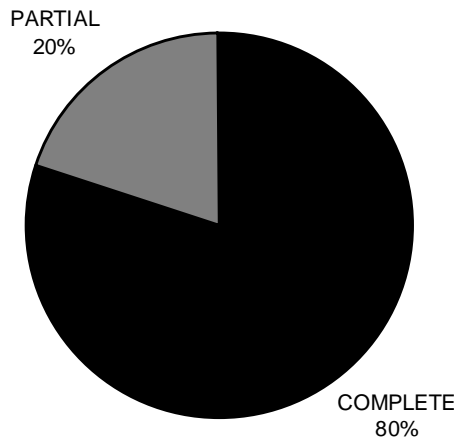
Finding 7 - Enhance core spend data with management information (business intelligence).

Response - This IT project is ranked as a Top 10 project on the IT Master Project list. The project is on hold pending a review of KPMG recommendations regarding supply chain analysis. Plan to meet with the Auditing and Finance departments to discuss ownership of this audit item.

COMMUNITY DEVELOPMENT AND EDUCATIONAL INITIATIVES

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Special Project – Animal Welfare Center (CDEI)	Aug 01, 2009	5	0	5	4	1
Total		<u>5</u>	<u>0</u>	<u>5</u>	<u>4</u>	<u>1</u>



The Community Development and Education Initiatives Department has COMPLETED the following:

Audit – Special Project – Animal Welfare Center

Finding 4 – Procedures for depositing credit card revenues from centers create reconciling issues in the City’s operating bank account.

Response - This action had been taken in July 2009. Parks did not begin accepting credit cards until after the audit start date and worked with Accounting and Treasury staff to successfully address initial reconciling difficulties.

Daily credit card deposits are recorded in a General Ledger clearing account. An Accounting Assistant in CDEI-Administration prepares the RSDs using copies of on-line reports from Paymentech as support.

Monthly, the accountant in CDEI-Administration reconciles the activity in the general ledger clearing account to Safari, writes up the necessary Journal Entry to allocate amounts in the clearing account, and submits to Finance for entry.

This reconciliation process is going very well but is labor intensive. Advantages are that the integrity of deposits is well maintained by being done electronically; all deposits initially go to a single General Ledger Account prior to reconciliation; and,

individual transactions can be matched using the last four digits of the credit card number. Still errors or omissions are found in Safari most months and the monthly reconciliation is by necessity done transaction by transaction.

FINDING 7.1 – Software use practices by staff at AWC and the centers can compromise the data, reports, and software internal controls.

RESPONSE – All staff have been given individual logon id and training.

FINDING 7.2 – Software use practices by staff at AWC and the centers can compromise the data, reports, and software internal controls.

RESPONSE – Training was provided to staff in the areas bulleted above at the point that the community centers began accepting credit cards. Animal Welfare ran through separate training as their processes are somewhat different than the Parks and Recreation Department.

FINDING 8 – Sequentially numbered bank deposit bags are not tracked.

RESPONSE – Centers are using uniquely numbered single-use bank deposit bags and have been trained to record these numbers on their logs.

The Community Development and Education Initiatives Department PARTIALLY COMPLETED the following:

Audit – Special Project – Animal Welfare Center

Finding 3 – Revenues from AWC and the centers are not reconciled to the general ledger.

Response – To date, the following corrective actions have been completed:

- Centers are preparing daily RSDs to match supporting Safari reports. They are being picked up by a courier twice weekly and transported directly to Revenue Processing for deposit.
- RSDs are being individually processed by Treasury Revenue Processing.

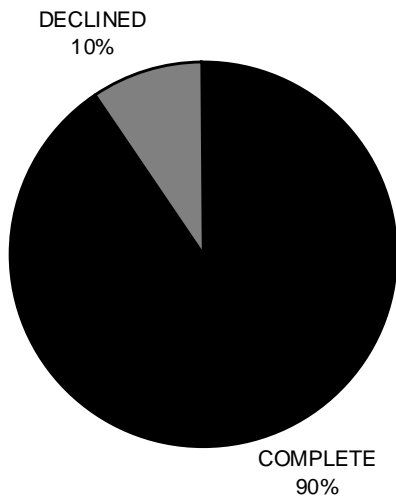
Reconciliation by CDEI-Administration staff is progressing, but has been more difficult to implement and keep current.

- Errors have increased now that deposits go directly to the bank and to Revenue Processing prior to review by CDEI-Administration staff. These errors make matching of deposits to Safari reports more difficult.
- The General Ledger does not capture adequate information for CDEI-Administration to readily reconcile with Safari.
- To supplement information in the General Ledger, a special report of all POS transactions processed citywide has been developed that captures comments from RSDs. Unfortunately, comments are often inconsistent, incomplete, missing or even incorrect. There are also frequent keying errors in the capture comments. Working with staff to correct these problems is an ongoing process.
- Loss of positions due to budget reductions in FY 2010 and multiple staff vacancies have delayed reconciliation work. A new Accounting Assistant is currently being trained to perform initial review and matching of transactions. The hope is to be up-to-date by year end.

DEVELOPMENT SERVICES

AUDIT HISTORY AS OF JUNE 30, 2010

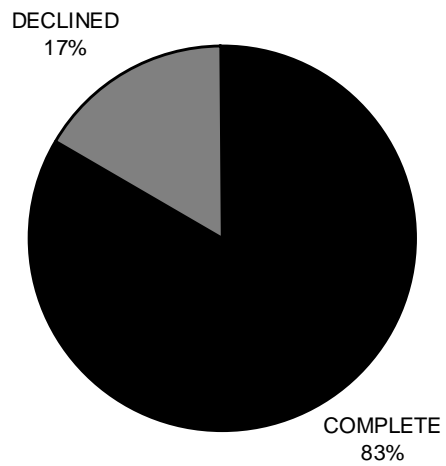
<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Permit and License Issuance	Nov 15, 1988	5	0	5	5	0
Permits & Licenses	Feb 13, 2001	16	2	14	14	0
Total		<u>21</u>	<u>2</u>	<u>19</u>	<u>19</u>	<u>0</u>



ECONOMIC AND REAL ESTATE DEVELOPMENT

AUDIT HISTORY AS OF JUNE 30, 2010

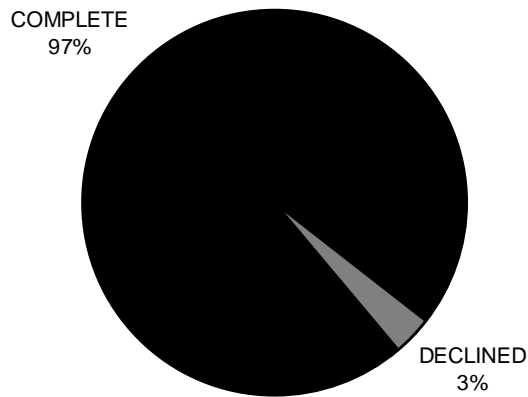
<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Chamber of Commerce Contract Compliance	Jun 30, 2008	6	1	5	5	0
Total		<u>6</u>	<u>1</u>	<u>5</u>	<u>5</u>	<u>0</u>



EQUIPMENT MANAGEMENT DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

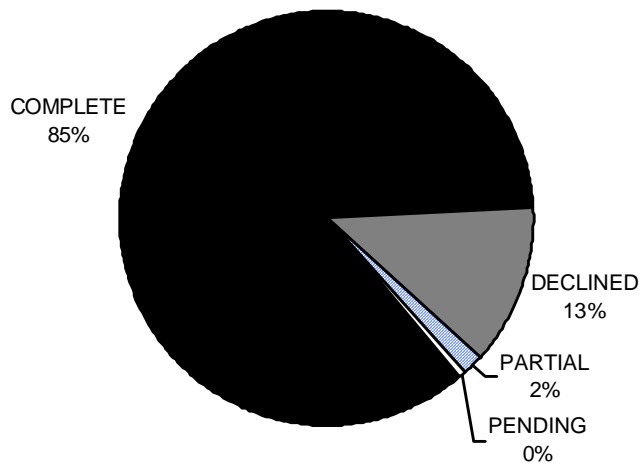
NAME OF AUDIT	AUDIT COMPLETION DATE	<u>NUMBER OF FINDINGS</u>	NUMBER <u>DECLINED</u>	NUMBER <u>ACCEPTED</u>	NUMBER <u>COMPLETED</u>	NUMBER <u>OPEN</u>
Follow-Up Fuels Inventory Management Practices	Apr 20, 1989	3	0	3	3	0
Equipment & Vehicle Maintenance	Nov 01, 1990	11	0	11	11	0
Inventory Management and Control	Jan 01, 1991	9	1	8	8	0
Imprest & Petty Cash	Apr 15, 1993	1	0	1	1	0
Follow-up Inventory Management and Control	Dec 23, 1996	4	0	4	4	0
Equipment Repair-Outside Contractors	May 03, 2000	3	0	3	3	0
Total		<u>31</u>	<u>1</u>	<u>30</u>	<u>30</u>	<u>0</u>



FINANCE DEPARTMENT
AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Investments	Feb 28, 1989	6	0	6	6	0
Surplus Property	Apr 04, 1989	16	2	14	14	0
Payroll Cycle	Nov 01, 1989	6	0	6	6	0
Consolidated City-County Jail Agreement	Apr 01, 1990	1	0	1	1	0
Workers' Compensation	Jun 01, 1991	4	1	3	3	0
Payroll Computer Password & Security Controls	Nov 15, 1991	5	0	5	5	0
Fixed Assets	Jan 01, 1992	8	1	7	7	0
Application Review/Program Budgeting System	Jul 15, 1992	2	0	2	2	0
Budget Process	Jul 15, 1992	3	0	3	3	0
Capital Projects/Construction Contract Adm	Dec 03, 1992	5	1	4	4	0
Application Review-Payroll	Feb 22, 1993	5	1	4	4	0
Imprest & Petty Cash	Apr 15, 1993	2	0	2	2	0
Revenue/Accounts Receivable	Jul 29, 1993	9	3	6	6	0
Citation Control/Fine Collection	Jun 26, 1995	3	1	2	2	0
Code Enforcement	Jul 15, 1995	4	1	3	3	0
License and Permit Center Audit	Aug 08, 1996	9	1	8	8	0
Police Grants Administration	Aug 22, 1997	18	2	16	16	0
Long Term Debt	Mar 15, 1998	3	0	3	3	0
Grants Accounting	Mar 18, 1999	1	0	1	1	0
Cash Flow Position/Forecasting	Jun 24, 1999	5	2	3	3	0
Personnel/Payroll Accounting Systems	Jan 31, 2000	11	2	9	9	0
Revenue/Cash Control	Jun 30, 2000	3	2	1	1	0
Purchase Cards	Jun 01, 2001	10	1	9	9	0
Purchasing/Accounts Payable	Jun 01, 2001	18	5	13	13	0
Changes to Construction Contracts	Sep 11, 2001	1	0	1	1	0
Contract Database	Sep 30, 2001	8	1	7	7	0
Municipal Budget Act Compliance	Mar 18, 2002	1	0	1	1	0
General Ledger	Apr 10, 2002	1	0	1	1	0
Municipal Budget Act - Airport (Special Project)	Jun 19, 2003	4	1	3	3	0
Wire Transfers	Aug 22, 2003	12	0	12	12	0

Point of Sale	May 14, 2004	1	0	1	1	0
Fixed Asset / PC Equipment	Aug 15, 2004	6	0	6	4	2
Cost Allocation	Apr 15, 2005	7	0	7	7	0
Revenue Analysis - Sales Tax	Jun 07, 2005	6	0	6	6	0
Grants-Workforce Development/Community Service	Nov 13, 2006	9	0	9	9	0
Purchase Card Review	Feb 29, 2008	6	0	6	6	0
Special Project - Animal Welfare Center (CDEI)	Aug 01, 2009	5	0	5	2	3
Total		<u>224</u>	<u>28</u>	<u>196</u>	<u>191</u>	<u>5</u>



FINANCE DEPARTMENT

The Finance Department COMPLETED the following:

AUDIT - Cost Allocation

FINDING 3 – Cost allocation process is inefficient

RESPONSE – Yes, the cost allocation process is no longer a manual process.

AUDIT - Special Project – Animal Welfare

FINDING 2 – Deposit procedures used by AWC, centers, and CDEI-Administration increase the risk for fraud, loss of revenue, and untimely deposits.

RESPONSE - Completed by October, 2009 – Cash handling was moved from CDEI-Admin to Revenue Processing, resulting in much improved timeliness of deposit processing. However, it should be noted that the Recreation Center staff has been more fluid in accomplishing these changes, whereas the AWC has required more attention and more frequent monitoring to ensure that the deposits are prepared timely and that RSD's are accurately prepared.

FINDING 5 – Courier service schedules between OTC and remote locations affect the timeliness of processing revenue deposits and the safety of assets and staff.

RESPONSE - Beginning in July, 2009 Treasury staff was assigned to picking up the deposits for Park, AWC and Police Records. Park and AWC deposits were picked up twice weekly and delivered directly to Revenue Processing. Police Records were picked up once weekly. Beginning, August 12, 2010 Wackenhut began picking up the deposits. The Parks and Animal Shelter are picked up on Mondays and Thursdays, the Police Records deposits are picked up once weekly on Thursdays. The park pickup sites include eight facilities:

Central Senior Center, Chamberlain, Henthorne, Hicks, Lacy, Reed, WaterWorks and Whiteside. The deposits are sealed in control numbered bags when Wackenhut signs for them at each location. They are delivered to Revenue Processing and checked in with a chain-of-custody log sheet accompanying the deposits. The bags are not opened by Revenue Processing and the RSD is processed/tendered using the deposit slip.

The deposits are bundled with the register deposits and sent directly to Bank of Oklahoma with the daily deposits, also via Wackenhut. Any deposit discrepancies are discovered/processed by BOK cash vault.

Beginning September 1, 2010, Wackenhut also began picking up daily deposits from the Performing Arts Center and City Hall with direct delivery to BOK. Each morning, at a designated time, two armed security guards sign for the PAC deposit and proceed to Revenue Processing. At City Hall/Revenue Processing they sign for the deposit. (The individual deposits are combined in one deposit bag with the contents with totals in the outer pocket.) The bag number and totals are verified before the deposits are taken to BOK Branch in the BOK Tower. The BOK teller signs for the deposits and provides receipts. The guards return the receipts to Revenue Processing as confirmation of delivery. Loomis has continued daily pick up service for the Municipal Courts and Jail deposits.

The Finance Department PARTIALLY COMPLETED the following:

AUDIT – Fixed Asset / PC Equipment

FINDING 1.1 – Executive order 03-06 outlines a cohesive process for maintaining control of fixed assets. Noncompliance with any of the requirements will affect the success of properly recording, tracking, and safeguarding fixed assets.

RESPONSE – With the integration of Public Works' former Capital Assets staff into the Finance department, BarScan procedures have continued to evolve and be refined. Comprehensive update of capital assets procedures documentation is among projects planned to be completed during FY11.

AUDIT – Special Project – Animal Welfare

FINDING 1 – The City does not have written cash-handling policy and procedures for processing its revenue.

RESPONSE – Partially complete. Finance has already begun a Citywide Cash Management Manual, which covers the processes that have been implemented for Revenue Processing, Parks and Recreation, and Animal Welfare. Finance has completed a survey of all other departments to identify cash intake points, and is working to review those processes individually with each department for inclusion in further development of the manual.

Treasury anticipates that the action will continue to be developed. Staffing issues have prevented completion by the original projected date. However, the position primarily responsible for this development has been filled and has a start date of November 1st, 2010.

Additionally, it should be noted that the manual itself will remain dynamic as Departments/Divisions are subject to organizational structure changes. Treasury would expect a manual to be complete but subject to change by June 30th, 2011.

FINDING 9 – Central Recreation Center does not have an assigned change fund.

RESPONSE – This corrective action was completed during the summer and fall of 2009. Training was held for any staff members handling or responsible for cash at each of the recreation centers. It is now Treasury's goal to provide this training and oversight consistently on an annual basis. Staffing issues have prevented this so far in 2010, but we expect this to take place during the next few month. This will continue to be addressed and included in the Cash Handling Manual.

AUDITOR'S COMMENT – This will be considered partially complete in order to follow up on whether annual training is happening and whether the Cash Handling Manual has been issued.

FINDING 10 – The City does not have written policy or procedures for City safes.

RESPONSE - City Safes and codes have been identified and combinations are sealed and stored in Finance Administration. Procedures covering the security and integrity of safes will be included in the Cash Handling Manual.

AUDITOR'S COMMENT - Response is adequate for safe inventory and codes. However, we will consider partially complete in order to follow-up for issuance of Cash Handling Manual.

Corrective action is PENDING on the following:

AUDIT – Fixed Asset / PC Equipment

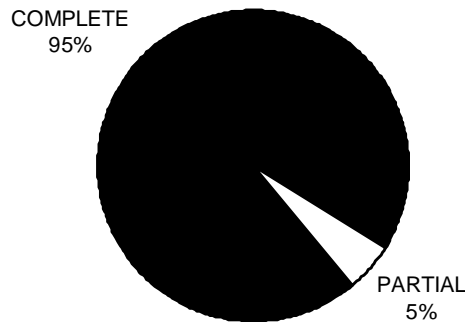
FINDING 5 – The source used for determining asset lives is not authorized.

RESPONSE – Review of the City's actual asset retention and retirement experience is among projects planned to be completed for major asset classes during FY11.

FIRE DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Inventory Management & Control	Apr 11, 1994	24	0	24	24	0
Employee Leave Systems	Feb 19, 1999	4	0	4	4	0
Safety Procedures	May 26, 2004	7	0	7	5	2
Special Project - Fire Department CEU	Apr 01, 2010	5	0	5	5	0
Total		40	0	40	38	2



The Fire Department PARTIALLY COMPLETED the following:

Audit – Safety Procedures

Finding 6 – There are no written procedures for retaining records of respirator fit tests.

Response – Status: The Emergency Operating Procedures (EOP) has been updated and is now the new Emergency Operating Guidelines (EOG) and addresses respirator fit testing. Section 200.3.4 of the new EOG includes Fit Testing and assigns the fit test results to be kept by the Chief of Health and Safety, both electronic and hard copy form. **New Action:** Additional language to be added covering retention and time line of records for respiratory fit testing of firefighters with the Tulsa Fire Department. **New Action:** Currently working with City Medical to maintain records and testing of all respiratory fit testing for the City of Tulsa.

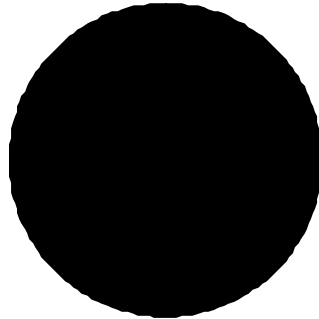
Finding 4 – Annual physical examinations by a firefighter’s personal physician should be as complete as those performed by the City Physician.

Response – Currently, Local 176 contract language states that a letter from the firefighters’ personal physician showing they are in good health is sufficient. **New Action:** Determine what information in firefighter’s annual physical given by their personal physician is to be transferred from the personal physician to the City Physician beyond a letter stating that the firefighter is in good health. **New Action:** Letter notifying the Chief of Health and Safety of firefighter’s health by personal physician.

GILCREASE MUSEUM

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Gilcrease Museum Revenue Controls	Oct 31, 1988	20	0	20	20	0
Imprest & Petty Cash	Apr 15, 1993	2	0	2	2	0
Public Facilities Security	Jul 30, 2003	1	0	1	1	0
Total		<u>23</u>	<u>0</u>	<u>23</u>	<u>23</u>	<u>0</u>

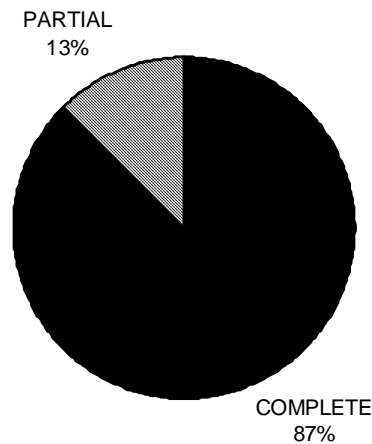


COMPLETE
100%

GRANTS ADMINISTRATION

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Grants Administration	Jan 30, 2008	8	0	8	7	1
Total		<u>8</u>	<u>0</u>	<u>8</u>	<u>7</u>	<u>1</u>



Corrective action is PENDING on the following:

Audit – Grants Administration

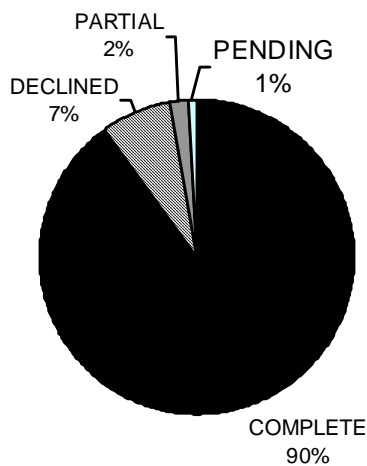
Finding 9 – There is no process to ensure program income at the IDIS activity level is fully expended prior to requesting and using new entitlement funds for the activity.

Response – Currently, if there is program income available, Finance and Grants Administration departments are making every effort to draw Program Income funds first. HOME grant PI was reconciled and fully drawn. CDBG PI is still in final stages of reconciling the financial records to IDIS and no PI drawdowns have been made pending the final reconciliation. Below is the procedure we will have in place as soon as the reconciliations are final. Reconciliations are expected to be final by 12/15/2010. (Auditor’s note: Procedure has not been included due to space limitations.)

HUMAN RESOURCES DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETE	NUMBER OPEN
Municipal Employees' Retirement Plan	Aug 31, 1989	13	2	11	11	0
Temporary Personnel	Apr 15, 1991	9	1	8	8	0
Workers' Compensation	Jun 01, 1991	20	0	20	20	0
Payroll Computer Password & Security Controls	Nov 15, 1991	5	0	5	5	0
Loss Control Administration	Dec 15, 1994	14	1	13	13	0
Employee Leave Systems	Feb 19, 1999	3	0	3	3	0
Personnel/Payroll Accounting Systems	Jan 31, 2000	2	0	2	2	0
Revenue/Cash Control	Jun 30, 2000	1	0	1	1	0
Deferred Compensation	Feb 01, 2001	1	0	1	1	0
Education & Tuition Benefits Program	Oct 16, 2002	4	0	4	4	0
Financial Systems Security	Oct 21, 2002	1	0	1	1	0
Municipal Employees Retirement Plan	Jun 26, 2003	11	2	9	9	0
Accounts Receivable Controls Revw	Dec 02, 2004	2	1	1	1	0
Hiring and Promotion	Sep 19, 2006	6	0	6	5	1
Safety Training	Mar 14, 2008	7	0	7	6	1
Insurance Administration	Jun 30, 2009	10	1	9	8	1
Total		<u>109</u>	<u>8</u>	<u>101</u>	<u>98</u>	<u>3</u>



HUMAN RESOURCES DEPARTMENT

The Human Resources Department COMPLETED the following:

Audit – Hiring and Promotion

Finding 1 – Civil Service Commission duties are not well defined by the Charter and policy.

Response – Civil Service policies were re-written in fall 2009 and approved by Civil Service Commission and the Mayor but were rejected by the City Council. No additional plans are in place for revision given lack of Council support.

Audit – Insurance Administration

Finding 1 – A contract was not in effect for health insurance coverage.

Response – The BCBS medical contract was signed by the Mayor, June 2010.

Finding 7 – The Benefits Online System is not adequately supported.

Response – Benefits Online has been replaced with Online Benefits Lite. The project is not completely finished by IT. We will have all benefit levels active by May 2011 (open enrollment).

The Human Resources Department PARTIALLY COMPLETED the following:

Audit – Safety Training

Finding 3 – Performance measures have not been updated.

Response – The corrective action has not been completed on a regular basis. We have the information and it is in a report form but the Management Safety Committee has not met for the last three quarters so reports have not been distributed in a consistent manner. From now on regardless of whether the Management Safety Committee meets or not, the report will be electronically distributed to the committee members for review.

AUDIT – Insurance Administration

Finding 8 – Policy and procedure manuals are not adequate for Insurance Retirement Services (IRS) staff.

Response – We are currently gathering data to create a policy and procedure manual for both insurance and retirement.

Corrective action is PENDING on the following:

Audit – Hiring and Promotion

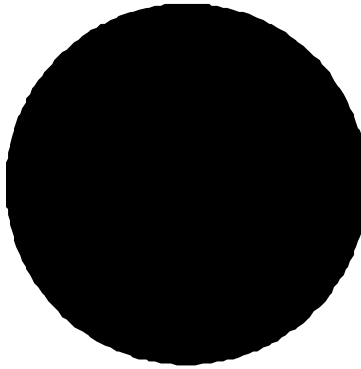
Finding 5 – No formal risk assessment process exists.

Response – No recommendations have been received on this topic from Chief Risk Officer.

HUMAN RIGHTS DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Contracts Monitoring	Dec 02, 1999	1	0	1	1	0
Total		<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>

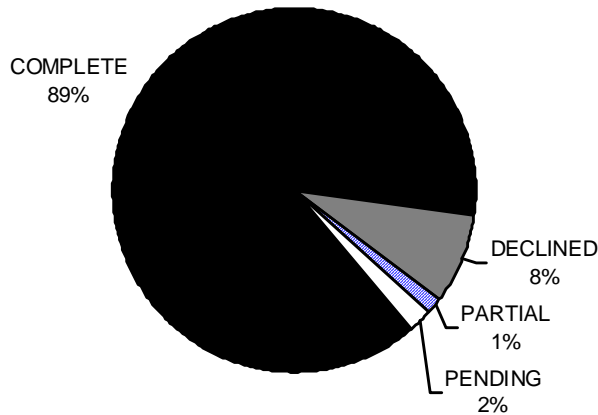


COMPLETE
100%

INFORMATION TECHNOLOGY DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
General Controls Review	Dec 05, 1988	7	0	7	7	0
ICS Bull Mainframe Password/Security	Jun 30, 1989	8	0	8	8	0
Application Review-Payroll	Feb 22, 1993	3	0	3	3	0
LAN Security & Planning	Nov 28, 1995	4	1	3	3	0
Mail Room Procedures & Postage Control	Feb 08, 1999	9	2	7	7	0
Employee Leave Systems	Feb 19, 1999	3	0	3	3	0
Emergency Warning System Support	Dec 31, 1999	1	0	1	1	0
Revenue/Cash Control	Jun 30, 2000	5	0	5	5	0
Phone System	Oct 31, 2000	2	1	1	1	0
Phone System Operation & Security	Oct 31, 2000	1	0	1	1	0
Back-up and Recovery of Data and Program Files	Oct 31, 2001	2	1	1	1	0
Financial Systems Security	Oct 21, 2002	17	2	15	15	0
Help Desk/Technical Support	Aug 01, 2003	6	0	6	6	0
Information Technology Control Environment	Aug 18, 2005	5	0	5	4	1
Software Licenses	Aug 21, 2006	5	0	5	4	1
Help Desk Evaluation	Apr 10, 2007	3	0	3	3	0
Financial Systems Support	Nov 30, 2008	5	0	5	4	1
Total		<u>86</u>	<u>7</u>	<u>79</u>	<u>76</u>	<u>3</u>



INFORMATION TECHNOLOGY DEPARTMENT

The Information Technology Department COMPLETED the following:

Audit – Financial Systems Security

Finding 16 – The batch and online production system executes in the same VSE system image in which application development and testing is done.

Response – A new VSE image was created for a testing environment. The two environments, test and production, are completely separated. Procedures have been developed for refreshing the test data and backing it up. This was completed in January, 2010.

Audit – Information Technology Control

Finding 1 – IT managers indicated they did strategic planning for their areas; however, they expressed concern about citywide strategic planning.

Response – The IT strategic plan is scheduled to be completed by 12/31/10. A five person team is presently drafting the document. The plan will address the following: IT governance, IT strategic direction, IT programs, IT architecture, IT Security, and IT standards.

Audit – Financial Systems Support

Finding 3 – Customer satisfaction surveys are not completed regularly.

Response – An annual IT customer satisfaction survey is conducted in accordance with the “Annual IT Customer Satisfaction Survey Procedures” on file with the IT Policy and Procedure Administration section.

Finding 5 – The full range of factors that technology users might perceive as financial system interruptions are not monitored or addressed.

Response – The recommended actions have been addressed as stated in the management response above. The IT Department follows industry best practices as defined by ITIL methodology. Customer satisfaction of the financial system is measured by the IT Department annual survey. All issues with the system are tracked by the Service Desk. The Policy and Procedure Administration section of IT

maintains and annually reviews procedures for change management, incident management, and escalation. Metrics have been defined to track service delivery and program improvements including 40% first-time problem resolution by the Service Desk and 99% up time for the financial system.

Corrective action is PENDING on the following:

Audit – Software Licenses

Finding 1 – Citywide policy on software usage is incomplete.

Response – The initial draft of a citywide policy on software usage is scheduled to be completed by 11/30/10.

Audit – Financial Systems Support

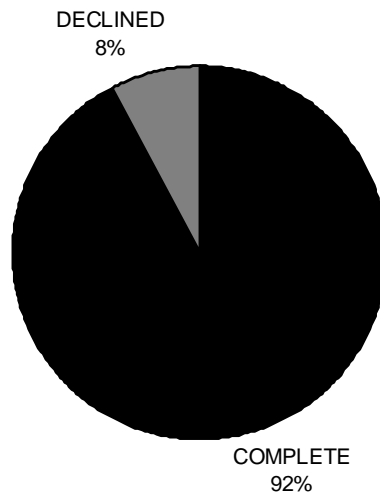
Finding 2 – There is insufficient cross-training within the Financial System technical support group.

Response – This recommendation was originally made several years ago when the IT Financial Systems section was fully staffed. This section of IT is currently staffed at only 50% of its original level because it has experienced high attrition and turnover. As a result of budget cuts, several of the open positions in this section have been abolished and cannot be filled. There are two open positions that can be filled and the team is actively engaged in finding qualified individuals to fill those positions. Once the 2 positions have been filled, the team will start developing a cross-training plan that meets this audit requirement. The projected completion date is December 2011.

LEGAL DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

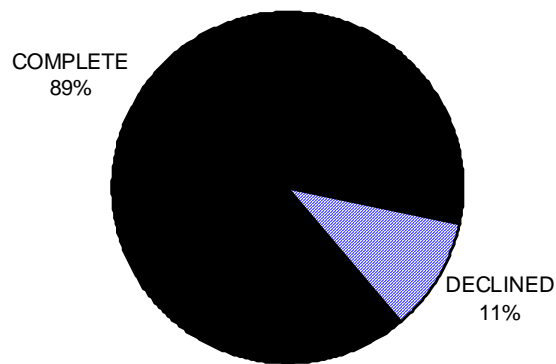
NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Selected Management Practice	May 01, 1988	5	0	5	5	0
Workers' Compensation	Jun 01, 1991	4	0	4	4	0
Citation Control/Fine Collection	Jun 26, 1995	1	0	1	1	0
Contract Database	Sep 30, 2001	1	0	1	1	0
Cost Allocation	Apr 15, 2005	2	1	1	1	0
Total		<u>13</u>	<u>1</u>	<u>12</u>	<u>12</u>	<u>0</u>



MUNICIPAL COURT

AUDIT HISTORY AS OF JUNE 30, 2010

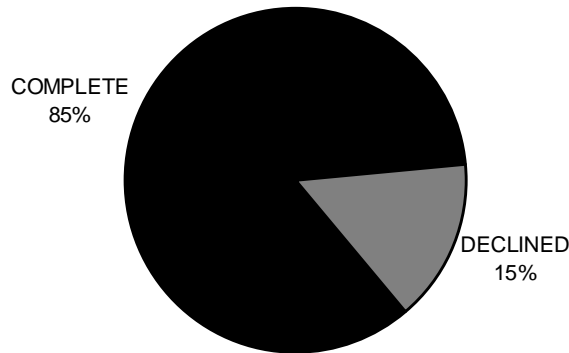
<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Follow-Up Cash Management Practices	Oct 01, 1989	11	0	11	11	0
Citation Control/Fine Collection	Jun 26, 1995	13	1	12	12	0
Warrants	Jan 31, 2001	4	1	3	3	0
Booking	Aug 31, 2002	10	2	8	8	0
Total		<u>38</u>	<u>4</u>	<u>34</u>	<u>34</u>	<u>0</u>



PARK AND RECREATION DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Imprest & Petty Cash	Apr 15, 1993	4	0	4	4	0
Capital Projects/Construction Contract Adm	Jun 30, 1993	13	1	12	12	0
Parks Petty Cash	Aug 22, 1996	2	0	2	2	0
Employee Leave Systems	Feb 19, 1999	4	0	4	4	0
Revenue/Cash Control	Jun 30, 2000	13	4	9	9	0
Tulsa Zoo Friends Contract Compliance	May 01, 2001	5	1	4	4	0
Computer Systems RecWare - Parks	Feb 04, 2003	4	1	3	3	0
Special Project - Animal Welfare Center (CDEI)	Aug 01, 2009	1	0	1	1	0
Total		<u>46</u>	<u>7</u>	<u>39</u>	<u>39</u>	<u>0</u>



The Park and Recreation Department COMPLETED the following:

Audit – Special Project – Animal Welfare

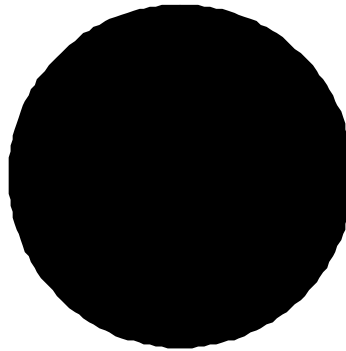
Finding 11 – Parks Customer Service public access has been established at Central because of OTC building security and public parking issues.

Response – Two customer Service positions were transferred to Central Park, 1028 E. 6th Street in September 2009. Due to further budget reductions, these positions were eliminated in February 2010. There are plans to hire a recreation coordinator with customer service skills to fill the gap at Central Park in the future.

PERFORMING ARTS CENTER

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Follow-Up Ticket Management Practices	Oct 21, 1988	1	0	1	1	0
Review of Cash Accounts and Contract Compliance	Jul 01, 1989	5	0	5	5	0
Ticket Management Practices	Dec 17, 2002	1	0	1	1	0
Total		<u>7</u>	<u>0</u>	<u>7</u>	<u>7</u>	<u>0</u>

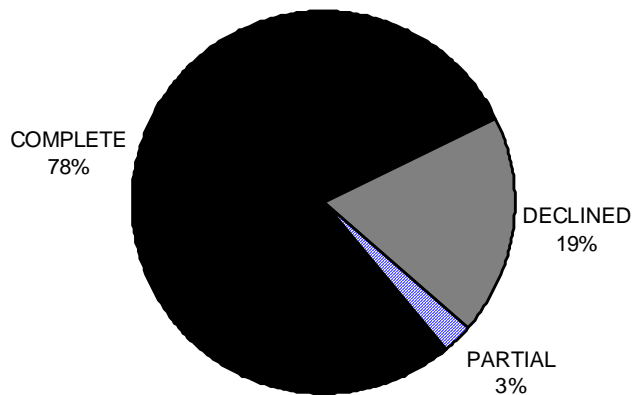


COMPLETE
100%

POLICE DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Special Investigations Div-	Sep 30, 1988	2	0	2	2	0
Imprest & Petty Cash	Apr 15, 1993	5	0	5	5	0
Police Property Room	Sep 04, 1994	35	17	18	18	0
Citation Control/Fine Collection	Jun 26, 1995	3	0	3	3	0
Court Overtime Special Project	Jan 31, 1997	4	2	2	2	0
Police Grants Administration	Aug 22, 1997	10	1	9	9	0
Employee Leave System	Feb 19, 1999	1	0	1	1	0
Employee Leave Systems	Feb 19, 1999	5	0	5	5	0
Control of Weapons and Special Equipment	Nov 30, 1999	7	2	5	5	0
Records Management - Police Department	Nov 30, 2004	3	0	3	3	0
Property Room/Accreditation - Police Department	Dec 13, 2004	10	0	10	10	0
Special Project TPD T.O.I.C.	Oct 04, 2007	17	0	17	17	0
TPD Inventory Controls	Apr 23, 2009	16	0	16	13	3
Total		<u>118</u>	<u>22</u>	<u>96</u>	<u>93</u>	<u>3</u>



POLICE DEPARTMENT

The Police Department COMPLETED the following:

Audit – TPD Inventory Controls

Finding 1 – Inventory records for weapons are not complete and accurate.

Response – The Range Master Pro II software originally selected to implement audit recommendations proved to be inadequate and with limited alternatives in software programs supporting Firing Range operations, the Barscan program was selected. This program was already in use by other departments within the City of Tulsa. Barscan capabilities were reviewed by auditors and deemed adequate to address the requirements listed above. All range staff went through training on the system. Software and equipment were purchased, installed, and are currently in use for all inventory control. A designated member of Range Staff imported all inventories into the Barscan program and has sole access to inventory changes. All access to Barscan is password protected and the designated staff member is the only person authorized to change inventory status. Other Range personnel have “read only” access. Additionally, 14 video cameras have been installed in and around the range house. All locations within the range house where weapons and ammunition are stored and/or issued are under video surveillance.

Finding 3 – The current method of dispensing ammunition is inefficient and inconvenient for range officers.

Response - The vault storage system has been installed. The estimates by the vendor on the amount of weapons the system could hold were not correct. All of the available weapon storage area is being used for weapons. However, an area in the vault is being used for .308 ammunition. This ammunition is the most expensive ammunition at the Range and is the ammunition targeted in the theft that gave rise to this audit. The remaining ammunition is stored in the area directly outside the vault (vault annex). The area in which all the ammo is stored, both inside the vault and directly outside, are on constant video surveillance. Access is restricted to range staff only. Range Staff set up the “officer contact” window and utilize this for all ammunition exchanges with officers. This window is also under constant video surveillance. The daily usage amount is currently kept in drawers in close proximity to the window. The drawers are not lockable, however the entry door into this room has locked access and the drawers are monitored by video.

Finding 6 – Inventory records are not periodically reconciled.

Response - Procedures have been established to perform physical inventory of firearms and ammunitions at prescribed times during the year. Physical inventory of all firearms and ammunition in the vault/vault annex occurs by June 30 and December 31 of each year, and at other times as directed by management. Physical inventory of all assigned firearms takes place during annual firearms qualification (currently in the fall of each year). Each physical inventory is reconciled with BarScan inventory records.

Finding 7 – Physical inventory counts are not supervised and reviewed by management.

Response - Management directed the most recent 07/01/10 inventory of firearms and ammunition maintained in the vault and vault annex. Reports on these inventories were forwarded to Capt. Lawson who reviewed and approved them. Inventory records are reconciled.

Finding 9 – Not all officers have complied with TPD's policies for qualifying weapons.

Response - The recommendations listed above have been implemented. Each officer reporting to the range for qualifications was reviewed by electronic and paper file to establish weapons issued to that officer. The new paper form currently used requires officers to sign for both receipt and return of a weapon. Range staff members must also sign for issue and receipt, and a second range officer is responsible for the computer entry portion, separate from the paper form (2 range officers must sign weapons in and out). The "new rule" for qualification for officers is that they must report to the range with all weapons assigned, or they will be sent home to retrieve them and schedule a new range day.

Finding 10 – Security at the firing range needs improvement.

Response - Access control has been installed on the door to the room where the vault is located. This system uses the same employee ID swipe card technology used for access control throughout City of Tulsa facilities. Due to the limited number of personnel assigned to the Range and the fact that all of the areas in and around the vault and the vault annex are under video surveillance, access is granted with a single card. The vault compartmentalization system is installed and the separate compartments are individually locked. Only one member of Range Staff has write access to the inventory records. All other members have read-only access. City of Tulsa IT standard for computer password changes applies to BarScan. The Range Unit Manual prescribes when vault combination changes are to occur.

Finding 11 – TPD has not used some security features available in its inventory system.

Response - All software access is password-protected and data changes are permanently documented. Video surveillance, the firearms assignment forms, and the ammunition logging system secure other aspects of the inventory. Funding for the Inventory Control Specialist is not available.

Finding 12 – Duties of TPD firing range personnel are not adequately segregated.

Response - All activity on Barscan is password protected. Only one range staff member can alter inventory within the program. The RangeMaster has responsibility to order weapons and ammunition. Another Range Staff member receives the shipment and signs off on it, and the designated Range Staff member enters it into the inventory. In the absence of the Inventory Control Specialist, the Training Division Timekeeper position (civilian) was designated to review all paperwork and

BarScan transactions relating to Range purchases, however this position has also been eliminated.

Finding 13 – Inventory recordkeeping and systems training is not adequate for TPD firing range personnel.

Response - Range Staff received training in the operation of the BarScan software from a company representative when it was installed in September 2009. Since the City of Tulsa has an enterprise license for the use of this software, Range Staff have routine contact with other experienced City of Tulsa users as well as a BarScan representative to answer questions and provide additional training as needed. Range Staff have been provided a copy of this original audit report and all updates submitted in response to it. They have also been provided the Range Unit Manual and its updates. Range Staff are required to review and remain familiar with the contents of these documents.

The Police Department PARTIALLY COMPLETED the following:

Audit – TPD Inventory Controls

Finding 2 – Inventory records are not maintained for ammunition.

Response – Auditors reviewed BarScan and determined it is a viable perpetual inventory system for the purposes of implementing the Audit Recommendations. All ammunition inventories are maintained in Barscan. The procedure for acquiring ammunition by officers has changed. Officers must receive the ammunition through a specific window, which is on video surveillance from both sides and overhead. They must still sign for the specific type and amount of ammunition they receive. A Point of Sale (POS) system has been installed and provides barcode technology. Full automation of the POS system will occur when barcoding is added to the Officer ID card. This is slated to occur when new cards are issued during the first quarter of 2011. All ammunition inventory is under constant video surveillance. All ammunition is stored in the vault or the vault annex. Access Control has been installed on the entry door to the room that serves as the vault annex and this room also provides access to the vault door which can only be opened using the combination lock. The latest weapon and ammunition inventory of vault and vault annex contents was completed on 07/01/10 with the results forwarded to Capt. Lawson. No major issues were identified. Inventory reorder points have been set and adjustments are made as experience provides further guidance. Timely receipt of ammunition orders is a persistent problem in this region due to the limited number of qualifying ammunition vendors.

Finding 4 – TPD officers do not sign for ammunition received.

Response - The handwritten log is still being utilized to capture the officer's signature. The ammunition issued is then removed from inventory in the Barscan system by the designated Range Staff member. An additional software upgrade was purchased through Barscan and installed. This allows the workstation scanner to read UPC bar codes on the individual boxes of ammunition and enter that into BarScan at the same time the information is stored on the digital recording of the

transaction. The POS system has been purchased and installed. City of Tulsa IT has some additional software adjustments to perform. The addition of a barcode identifier on the City of Tulsa Employee ID or on the Police Officer Commission card is necessary to further automate the POS process. Police Department commission cards are slated for replacement in the first quarter of 2011 and plans are to include the barcode identifier at that time.

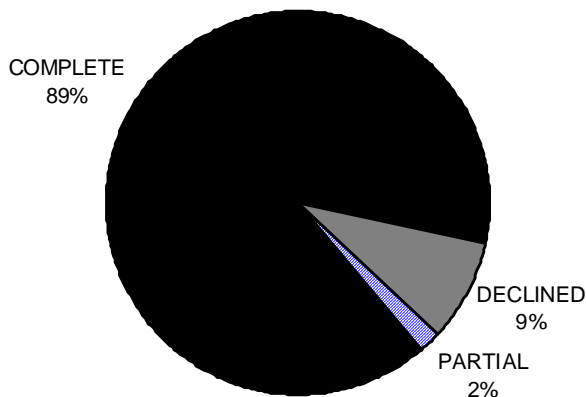
Finding 8 – Written physical inventory procedures have not been established.

Response – The final update of the Range Unit Manual is due on November 1 in compliance with CALEA requirements. This update will include procedures to reflect the most recent additions to technology and processes at the facility. No funding is available to hire the Inventory Control Specialist.

PUBLIC WORKS DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Street Lighting Expense	Aug 01, 1988	4	0	4	4	0
Water & Sewer Data Processing Facilities	Jan 05, 1989	5	0	5	5	0
Follow-Up Analysis of Lease Payment Practices	Mar 15, 1989	1	0	1	1	0
Right of Way/Land Acquisition	Mar 31, 1989	5	0	5	5	0
Water & Sewer Password/Security Controls	May 01, 1990	5	0	5	5	0
Inventory Management and Control	Jan 01, 1991	5	0	5	5	0
Commercial Refuse Billing Process	Aug 17, 1992	6	0	6	6	0
Capital Projects/Construction Contract Adm	Dec 03, 1992	8	2	6	6	0
Residential Refuse Contract Administration	Apr 01, 1993	5	0	5	5	0
Imprest & Petty Cash	Apr 15, 1993	1	0	1	1	0
Utility Information System	May 22, 1996	17	4	13	13	0
Compliance Monitoring - Environmental Operations	Oct 31, 1997	8	0	8	8	0
Employee Leave Systems	Feb 19, 1999	5	0	5	5	0
Street Maintenance	Aug 09, 1999	2	0	2	2	0
Building Maintenance	May 31, 2000	1	0	1	1	0
Changes to Construction Contracts	Sep 11, 2001	5	1	4	4	0
Public Facilities Security	Jul 30, 2003	5	1	4	4	0
Meter Shop	Apr 15, 2004	4	0	4	4	0
Point of Sale	May 14, 2004	1	0	1	1	0
Cost Allocation	Apr 15, 2005	8	0	8	7	1
Sewer Cleaning	Sep 19, 2007	4	1	3	2	1
Total		<u>105</u>	<u>9</u>	<u>96</u>	<u>94</u>	<u>2</u>



PUBLIC WORKS DEPARTMENT

The Public Works Department PARTIALLY COMPLETED the following:

Audit – Cost Allocation

Finding – Criteria for board approval of contracts are not clearly defined.

Response – Last year a draft policy was prepared and discussed with the Public Works management team. There were decisively different views and issues raised. The policy has not been presented to TMUA for consideration. I will bring the matter to the PW management team again to discuss and will comit to present a policy to the TIMUA Finance & Revenue Committee to begin discussions in December. An acceptable policy would be approved by March 31, 2011. A contract processing policy was approved by TARE on March 22, 2006.

Audit – Sewer Cleaning

Finding – Lack of access to reliable information decreases effectiveness of Sewer Cleaning operations.

Response – A request for bid document has been assembled for the new software package and is now in purchasing to process. We anticipate bids and recommendation of award to be completed by the end of the year.

The Public Works Department WILL NOT IMPLEMENT the following:

Audit – Sewer Cleaning

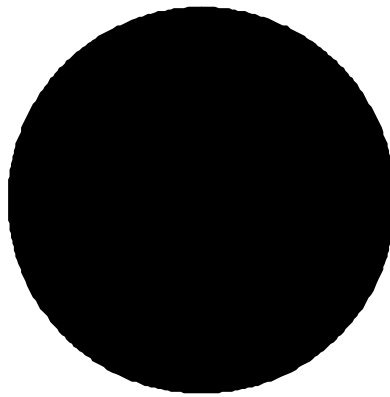
Finding – High turnover is decreasing efficiency of sewer cleaning operations.

Response – Current economics don't allow for any improved pay or incentive plans to be implemented at this time. Current progression plans are currently on hold.

REAL ESTATE MANAGEMENT

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Parking Facilities Revenue	Sep 15, 1992	4	0	4	4	0
Real Estate - Asset Management Acquisition & Relocation	Mar 12, 2003	1	0	1	1	0
Total		<u>5</u>	<u>0</u>	<u>5</u>	<u>5</u>	<u>0</u>

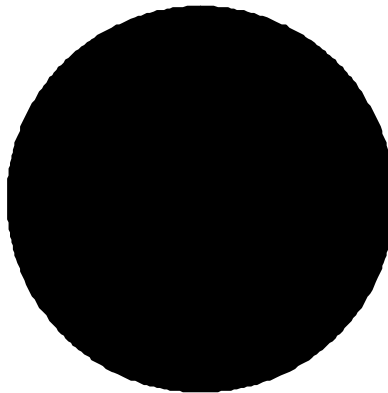


COMPLETE
100%

TULSA AREA EMERGENCY MANAGEMENT AGENCY

AUDIT HISTORY AS OF JUNE 30, 2010

<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Emergency Warning System Support	Dec 31, 1999	2	0	2	2	0
Total		<u>2</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>0</u>

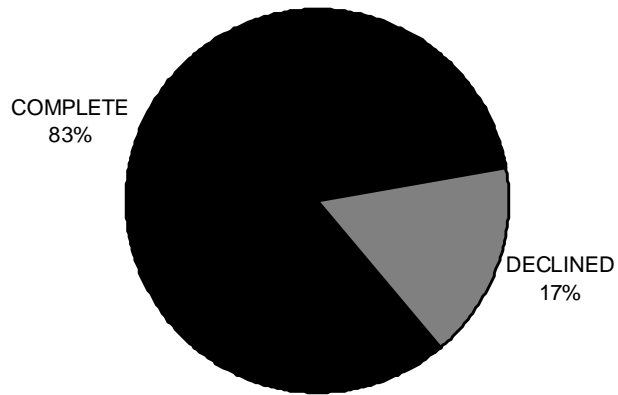


COMPLETE
100%

TULSA ZOO

AUDIT HISTORY AS OF JUNE 30, 2010

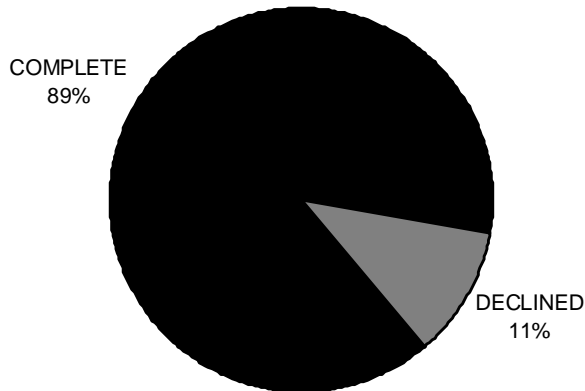
<u>NAME OF AUDIT</u>	<u>AUDIT COMPLETION DATE</u>	<u>NUMBER OF FINDINGS</u>	<u>NUMBER DECLINED</u>	<u>NUMBER ACCEPTED</u>	<u>NUMBER COMPLETED</u>	<u>NUMBER OPEN</u>
Tulsa Zoo Friends Contract Compliance	May 01, 2001	6	1	5	5	0
Total		6	1	5	5	0



WORKING IN NEIGHBORHOODS

AUDIT HISTORY AS OF JUNE 30, 2010

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Citation Control/Fine Collection	Jun 26, 1995	1	0	1	1	0
Code Enforcement	Jul 15, 1995	1	0	1	1	0
Grants Monitoring-Urban Development	Nov 15, 1998	5	1	4	4	0
Special Project - Animal Welfare Center (CDEI)	Aug 01, 2009	2	0	2	2	0
Total		9	1	8	8	0



The Working in Neighborhoods Department COMPLETED the following:

Audit – Special Project – Animal Welfare

Finding 6 – Cashiering and administrative work areas at AWC and the centers are not secured and do not provide adequate safeguards for City assets and staff.

Response – The door to the business office is kept locked when the startup cash is removed from the safe and taken to the office. It is kept locked until the cash is returned to the safe at the end of the business day. Two locking cash drawers have been installed.

Finding 7.3 – Software use practices by staff at AWC and the centers can compromise the data, reports, and software internal controls.

Response – An Excel worksheet is used to track live animal trap deposits.

DISTRIBUTION LIST

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Councilor, District 9
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Assistant Public Works Director
Budget & Capital Planning Division Manager
Chief Risk Officer
Chief Technology Officer
City Attorney
Community Development & Education Initiatives Admin. Manager
Controller, Accounting Division
Council Administrator
Council Secretary
Development Services Deputy Director
Director of Administration
Director of Communications
Director of Community Development
Director of Economic Development
Director of Intergovernmental & Enterprise Dev
Director of IT Admin and Planning
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Director of Operations - IT
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Director of Sustainability
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Environmental Operations Deputy Director
Equipment Management Director
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Gilcrease Museum Director
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Mayor's Chief of Staff
Mayor's Audit Committee
Municipal Court Administrator
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Personnel Director
Police Chief
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Public Facilities Deputy Director
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Purchasing Division
Real Estate Management Director
Senior Administrative Services Officer
Treasury Division
Working In Neighborhoods