Report of Management Actions
on Internal Audit Recommendations
As of June 30, 2008

Internal Auditing
December 2008

Report of Management Actions
on Internal Audit Recommendations

City of Tulsa
Internal Auditing

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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 the City Auditor discharges the charter duty to report 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 1149 recommendations for improvement. The database contains 940 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 940 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 80 inquiry forms for recommendations with projected completion dates through June 30, 2008. City managers were requested to circle either yes or no on the form to indicate if corrective action had been completed. The form included space for providing additional explanation for "no" answers. 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 46 audit recommendations had been completed during the fiscal year ended June 30, 2008. Management partially completed corrective action on 7 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	40	1
City Council	16	0	16	15	1
Citywide	32	5	27	23	4
Development Services	21	2	19	19	0
Equipment Management	31	1	30	30	0
Finance	219	26	193	177	16
Fire	35	0	35	30	5
Gilcrease Museum	23	0	23	23	0
Grants Administration	8	0	8	0	8
Human Resources	99	7	92	77	15
Human Rights	1	0	1	1	0
Information Technology	81	7	74	66	8
Legal	13	1	12	11	1
Municipal Court	38	2	36	34	2
Park	45	7	38	38	0
Performing Arts Center	7	0	7	7	0
Police	102	22	80	69	11
Public Works	105	8	97	89	8
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	7	1	6	6	0
TOTAL	940	93	847	767	80
Total recommendations included in this status report					80

*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	32	6	26	24	2
Development Services	21	2	19	19	0
Equipment Management	31	1	30	30	0
Finance	219	27	192	186	6
Fire	35	0	35	32	3
Gilcrease Museum	23	0	23	23	0
Grants Administration	8	0	8	4	4
Human Resources	99	7	92	84	8
Human Rights	1	0	1	1	0
Information Technology	81	7	74	69	5
Legal	13	1	12	12	0
Municipal Court	38	2	36	34	2
Park	45	7	38	38	0
Performing Arts Center	7	0	7	7	0
Police	102	22	80	80	0
Public Works	105	8	97	93	4
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	7	1	6	6	0
TOTAL	940	95	845	811	34

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

Exhibit 2
ANALYSIS OF RESPONSES TO FY08 STATUS INQUIRIES

|	COMPLETE	PARTIAL	PENDING	WILL NOT BE IMPLEMENTED	NO REPLY	TOTAL
Airport	1	0	0	0	0	1
City Council	1	0	0	0	0	1
Citywide	1	1	1	1	0	4
Finance	9	1	5	1	0	16
Fire	2	0	3	0	0	5
Grants Administration	4	1	3	0	0	8
Human Resources	7	0	8	0	0	15
Information Technology	3	2	3	0	0	8
Legal	1	0	0	0	0	1
Municipal Court	0	2	0	0	0	2
Police	11	0	0	0	0	11
Public Works	4	2	2	0	0	8
TOTAL	44	9	25	2	0	80
PERCENT	55%	11%	31%	3%	0%	100%
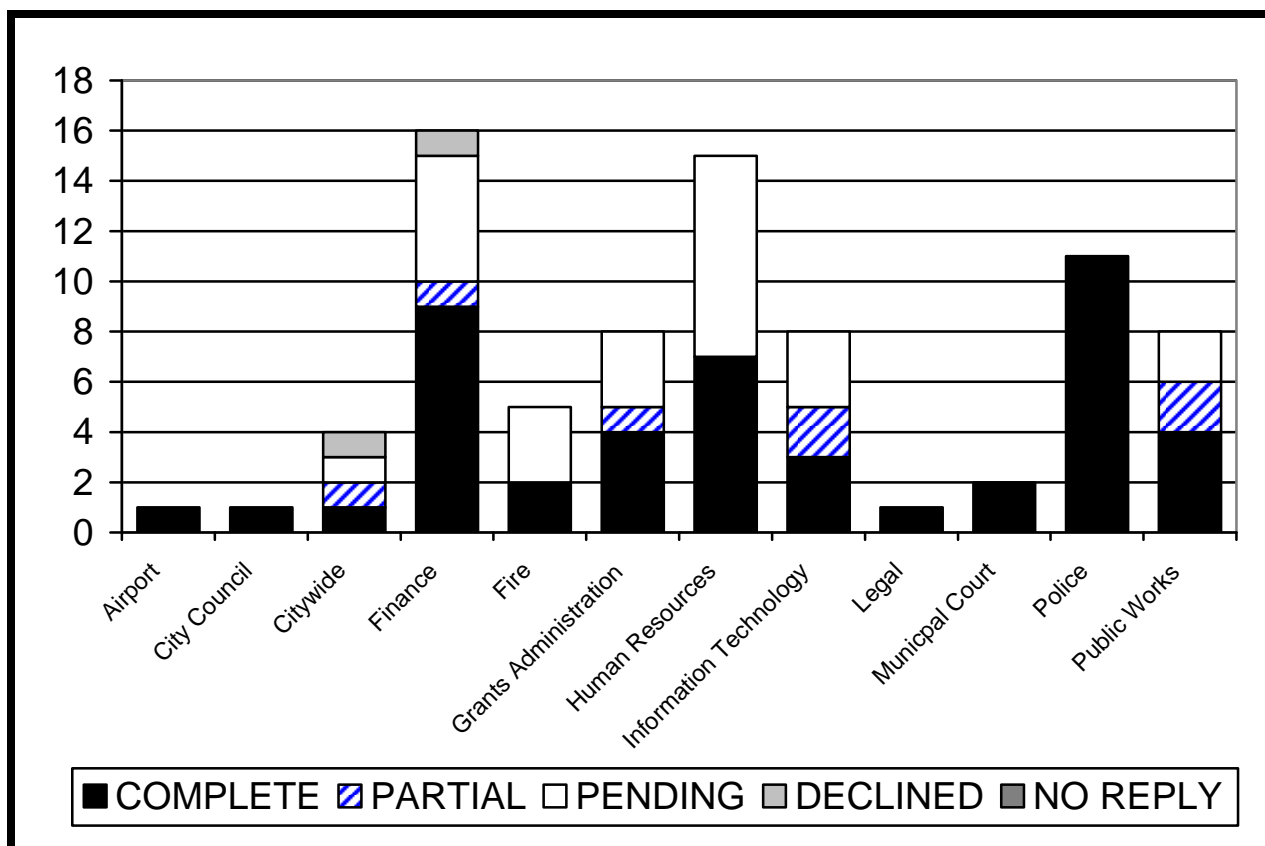
Exhibit 3

RECORD OF AUDIT RECOMMENDATIONS
**FOR THE LAST FIVE FISCAL YEARS**
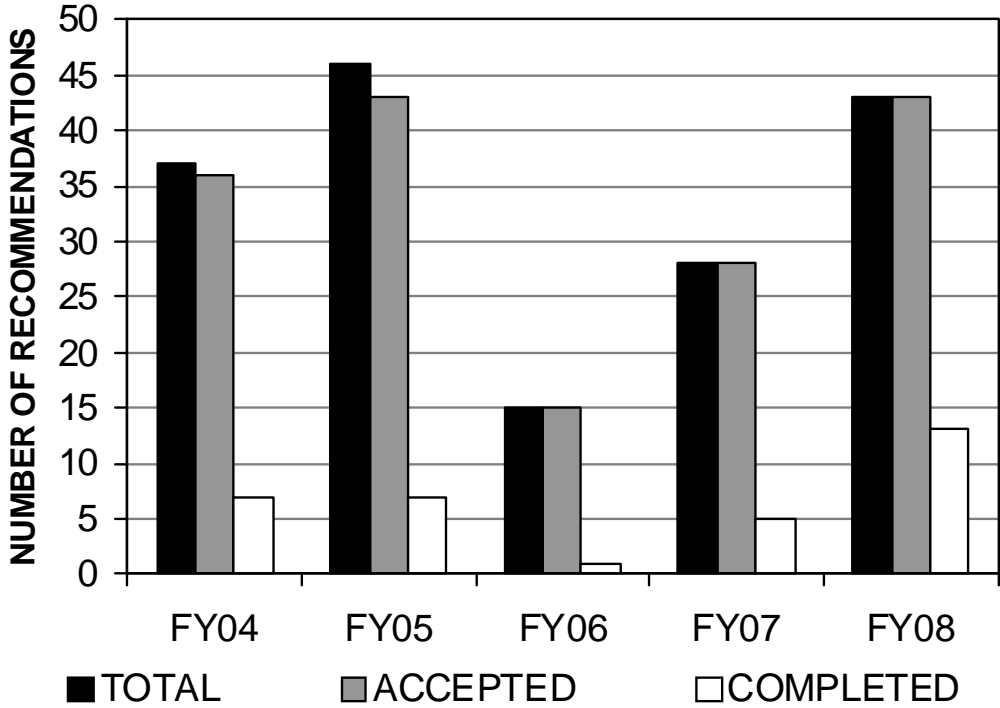
These numbers are based on the management responses to the initial audit report. Current statistics are shown in Exhibit 1.

AIRPORT

AUDIT HISTORY AS OF JUNE 30, 2008

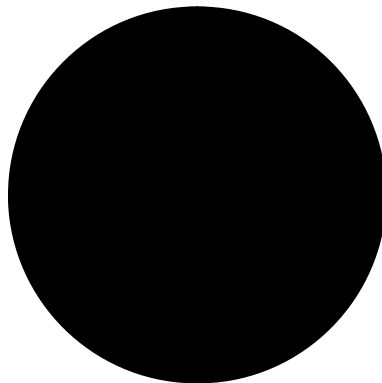| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Construction Contract Change Orders	October 12, 1988	2	0	2	2	0
Airport Concessions and Rentals	September 21, 1990	31	2	29	29	0
Supplies Inventory	May 4, 2000	3	0	3	3	0
Accounts Receivable Control Review	December 2, 2004	8	1	7	7	0
Total		44	3	41	41	0

COMPLETE
93%

DECLINED
7%
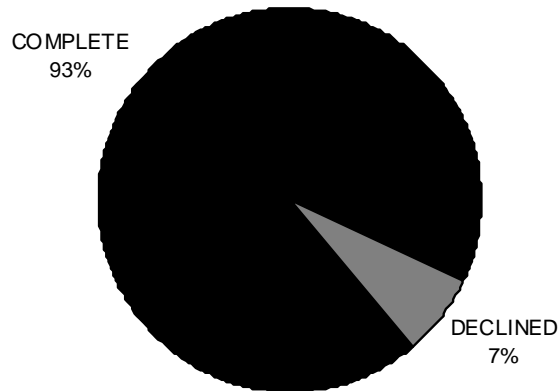
The Airport Department COMPLETED the following:
- Manual billings are double checked prior to invoicing. As much of the invoicing process as possible has been automated with the implementation of the ABM system.

CITY COUNCIL

AUDIT HISTORY AS OF JUNE 30, 2008

| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Imprest and Petty Cash	April 15, 1993	2	0	2	2	0
Special Project – Resolution #19381	August 31, 1999	8	0	8	8	0
Budget Process - Council	September 12, 2006	5	0	5	5	0
Grants Administration	January 30, 2008	1	0	1	1	0
Total		16	0	16	16	0

COMPLETE
100%

The City Council COMPLETED the following:
- The Council generally concurs that funding allocations should be made by reference to criteria that are as clear and widely accepted, and consistently applied as possible Council will use HUD funding requirements for guidance.

CITY-WIDE

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Equipment Utilization	February 28, 1991	4	0	4	4	0
Parking Facilities Revenue	September 15, 1992	2	1	1	1	0
Information Systems Plan	November 23, 1993	8	2	6	6	0
Records Storage and Retention	December 21, 1993	1	0	1	1	0
Chamber of Commerce Contract Compliance	March 31, 1993	6	1	5	5	0
LAN Security and Planning	November 28, 1995	7	1	6	6	0
Ethics Complaint	March 17, 2006	4	1	3	1	2
Total		32	6	26	24	2
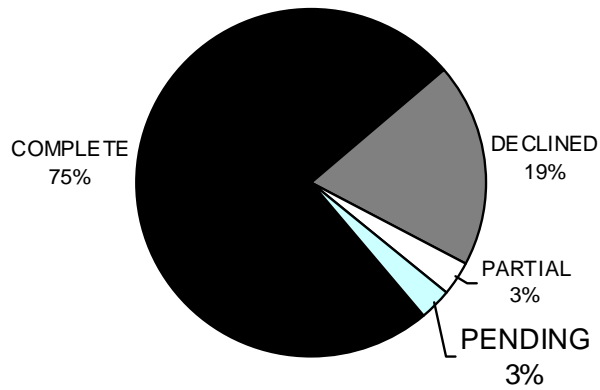
CITY-WIDE

The City COMPLETED the following:
- We agree the Ethics Ordinance should be considered in contract review. Legal staff is aware of this ordinance, and appropriately consider it where applicable.

The City PARTIALLY COMPLETED the following:
- The Mayor has consulted on existing positions, and will continue to consult with the City Attorney when considering other appointments. The issues in this report were discussed extensively by the Mayor and City Attorney. Both fully understand conflicts of interest as defined by Oklahoma Statue and the Ethics Ordinance. We agree that improved training of other employees on the Ethics Ordinance is warranted, and plan to include this in new employee orientation. Estimated date for corrective action: June 30, 2009.

Corrective action is PENDING on the following:
- We agree the Ethics Ordinance should be considered in contract review. Legal staff is aware of this ordinance, and appropriately consider it where applicable.

The following corrective action WILL NOT BE IMPLEMENTED:
- Because unintentional violations are likely to cause no great harm to the city, we believe an amendment to the Ethics Ordinance is not warranted. Other documents provide guidance for disciplinary action related to unethical acts, including Personnel Policies and Procedures and Oklahoma statutes.

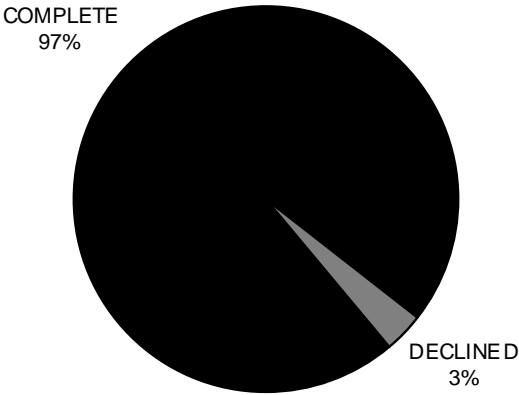# DEVELOPMENT SERVICES

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Permit and License Issuance	November 19, 1988	5	0	5	5	0
Permits and Licenses	February, 31, 2001	16	2	14	14	0
Total		21	2	19	19	0

DECLINED
10%
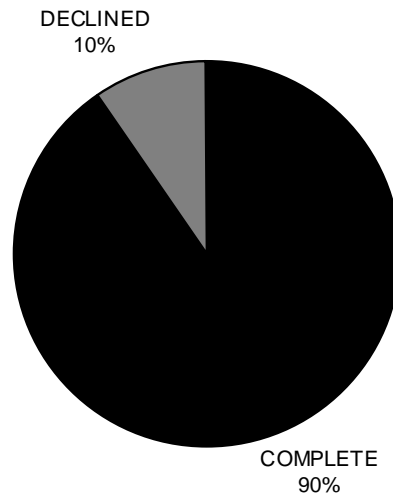
COMPLETE
90%

EQUIPMENT MANAGEMENT DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Follow-up Fuels Inventory	April 20, 1989	3	0	3	3	0
Equipment and Vehicle Maintenance	November 1, 1990	11	0	11	11	0
Inventory Management and Control	January 1, 1991	9	1	8	8	0
Imprest and Petty Cash	April 15, 1993	1	0	1	1	0
Follow-up Inventory Management and Control	December 23, 1996	4	0	4	4	0
Equipment Repairs – Outside Contracts	May 3, 2000	3	0	3	3	0
Total		31	1	30	30	0

COMPLETE
97%

DECLINED
3%

FINANCE DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Investments	February 28, 1989	6	0	6	6	0
Surplus Property	April 4, 1989	16	2	14	14	0
Payroll Cycle	November 1, 1989	6	0	6	6	0
Consolidated City-County Jail	April 1, 1990	1	0	1	1	0
Workers' Compensation	June 1, 1991	4	1	3	3	0
Purchasing/Accounts Payable	July 1, 1991	9	2	7	7	0
Payroll Computer Password	November 15, 1991	5	0	5	5	0
Fixed Assets	January 1, 1992	8	1	7	7	0
Budget Process	July 15, 1991	3	0	3	3	0
Application Review	July 15, 1991	2	0	2	2	0
Capital Projects/Construction	December 3, 1992	5	1	4	4	0
Application Review Payroll	February 22, 1993	5	1	4	4	0
Imprest and Petty Cash	April 15, 1993	2	0	2	2	0
Revenue/Accounts Receivable	July 29, 1993	9	3	6	6	0
Citation Control/Fine Collection	June 26, 1995	3	0	3	2	1
Code Enforcement	July 15, 1995	4	1	3	3	0
License and Permit Center	August 8, 1996	9	1	8	8	0
Police Grants Administration	August 22, 1997	18	2	16	16	0
Long-Term Debt	March 15, 1998	3	0	3	3	0
Grants Accounting	March 18, 1999	1	0	1	1	0
Cash Flow Position/Forecasting	June 24, 1999	5	2	3	3	0
Personnel/Payroll System	January 31, 2000	11	2	9	9	0
Revenue/Cash Control	June 30, 2000	3	2	1	1	0
Purchasing/Accounts Payable	June 1, 2001	19	4	15	15	0
General Ledger	April 10, 2002	1	0	1	1	0
Contract Database	September 9,2001	8	1	7	7	0
Changes to Construction Contracts	September 11, 2001	1	0	1	1	0
Municipal Budget Act Compliance – Legal Department	March 18, 2002	1	0	1	1	0
Municipal Budget Act Compliance – Airport	June 19, 2003	4	1	3	3	0
Wire Transfers	September 30, 2003	12	0	12	12	0
Point of Sale System	June 10, 2004	1	0	1	1	0
Cost Allocation	April 15, 2005	7	0	7	5	2
Fixed Assets	August 15, 2004	6	0	6	3	3
Revenue Analysis/Sales Tax	June 7, 2006	6	0	6	6	0
Grants – Workforce development	November 13, 2006	9	0	9	9	0
Purchase Card Review	February 29, 2008	6	0	6	6	0
Total		219	27	192	186	6

COMPLETE 85%

DECLINED 13%

PARTIAL 0%

PENDING 2%
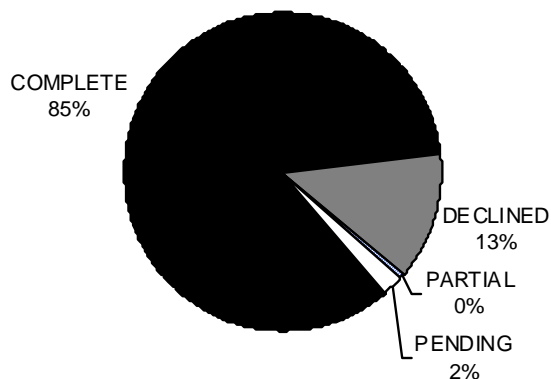
FINANCE DEPARTMENT

The Finance Department COMPLETED the following:
- Access to the new Contract Tracking system will be addressed when project gets underway.
- Though this item has been completed, the project has been re-scoped to utilize the new ECM software that has been acquired for deployment in Development Services.
- Corrective action is completed only to the extent of training new property coordinators. Report will be provided to Mayor's Management Team in January 2006 and we will proceed with implementation of plan.
- More efficient data entry procedures are expected to be implemented this year. Staffing is not fully adequate to meet all objectives. - Despite inadequate staffing, asset entries into the capital asset software have been made timely.
- The topic will be brought for discussion with the new management team in 2005.
- We will research the origins of the account description. Based upon that research, we will assure that the account description is appropriate under the circumstances.
- Resources will be requested. A log will be maintained of OTC contacts and responses.
- Treasury agrees to research for ideas and work with other departments. Treasury will institute a program to systematically review fees.
- Management knows it needs to update the P-Card policy to specifically address possible violations of policy as they occur. Section of 800.21 of the p-card policy has been amended to include a statement indicating hard copies of the Policies and Procedures Manual will be made available to each cardholder annually. The electronic version of the Policies Manual will be updated annually and made available via intranet.

The Finance Department PARTIALLY COMPLETED the following:
- Staff will redesign and improve data entry process. Cost centers will be evaluated and unused ones eliminated. We are currently discussing this project with our consultant.

Corrective action is PENDING on the following:
- This finding should be redirected to the IT area responsible for supporting the Court's JURIS system. It has been a long outstanding issue that can only be resolved through modifications to the JURIS system.
- Executive Order 03-06 serves as our policy document. A departmental version has not yet been developed that integrates BarScan Procedures. The long delay in filing our Accountant IV position severely limited our ability to implement planned corrective actions. An Accountant IV position was created FY 07, but not filled until mid-June 2008. We anticipate by the end of FY 08-09.
- Not completed due to inadequate staffing. Annual reconciliations have been performed. An Accountant IV position was created in FY 07, but not filled until mid-June 2008. Quarterly reconciliations will be performed beginning the first quarter FY 08-09.
- The department will work with Public Works to develop written procedures where none currently exist and review and update as necessary existing procedures.

The following corrective action WILL NOT BE IMPLEMENTED:
- No longer applicable as Contract Tracking has been re-scoped to utilize the new ECM software that has been acquired for deployment within Development Services.

FIRE DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Inventory Management and Control	April 11, 1994	24	0	24	24	0
Employee Leave System	February 19, 1999	4	0	4	4	0
Safety Procedures	June 10, 2004	7	0	7	4	3
Total		35	0	35	32	3

COMPLETE 91%

PENDING 9%
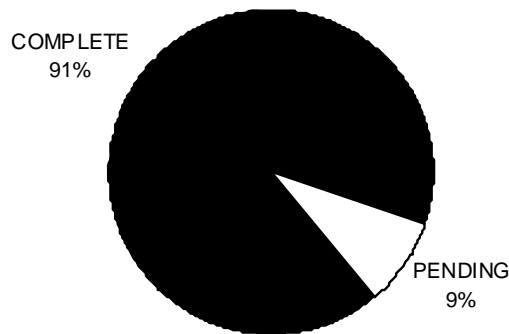
The Fire Department COMPLETED the following:
- According to Chief Mallory, respiratory program is now in Labor management committee with no progress to report.
- The number of delinquent medical physicals has dramatically decreased since the creation of a database that is managed by the Administrative Assistant of the Deputy Chief of Field Operations and monitored by TFD Safety. Though the program will need continued monitoring, the intent of this audit has been successfully completed.
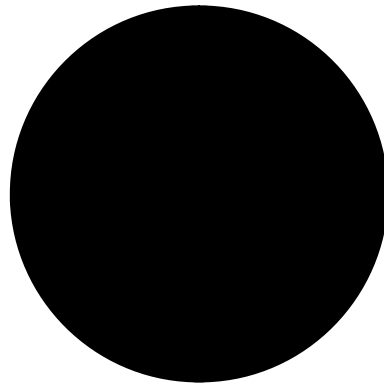
Corrective action is PENDING on the following:
- Recommended changes have not been adopted and placed into revised editions of the AOP. Requests for software to manage the MSDS catalog have been denied in the budget process. TFD Safety will attempt to use the Health, Wellness and Safety Committee to carry the recommendations and obtain support through LMC for adoption into the AOP.
- This issue will be directed to the Health Wellness and Safety Committee within the next two months for their consideration and recommendations that will then be directed to the LMC for approval. Final resolution to this issue could take as much as a year.
- Recommended changes have not been adopted and placed into revised editions of the AOP. TFD Safety will attempt to use the Health, Wellness and Safety Committee to carry the recommendations and obtain support through LMC for adoption into the AOP.

GILCREASE MUSEUM

AUDIT HISTORY AS OF JUNE 30, 2008

| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Administrative, Collection Assets, and Revenue Controls	October 31, 1988	20	0	20	20	0
Imprest and Petty Cash	April 15, 1993	2	0	2	2	0
Public Facilities Security	July 30, 2003	1	0	1	1	0
Total		23	0	23	23	0

COMPLETE
100%

GRANTS ADMINISTRATION

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Grants Administration	January 30, 2008	8	0	8	4	4
Total		8	0	8	4	4

PARTIAL
13%

COMPLETE
49%

PENDING
38%
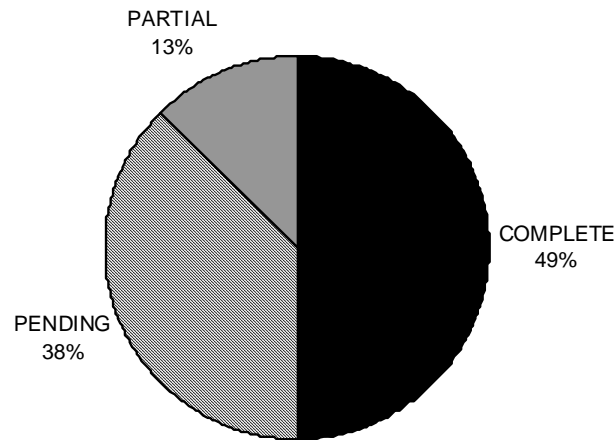
GRANTS ADMINISTRATION

Grants Administration COMPLETED the following:
- The DGA Director is now involved in grant initiation and will insure any new grant applications are appropriately analyzed before being submitted.
- Forming the Department of Grants Administration as of July 1, 2008 completes this recommendation.
- Procedures are in place for complete monitoring in accordance with CDBG standards. The Department of Grants Administration will monitor all subrecipients, including TDA. DGA also discussed an inventory tracking process with HUD, and implemented this process. Staff has received training. (Please note: This responsibility was moved from WIN to DGA).
- Procedures are in place for complete monitoring in accordance with CDBG standards. All subrecipients, including TDA, will be monitored.

Grants Administration PARTIALLY COMPLETED the following:
- The reconciliation of IDIS has been taken on by the Finance Department accounting staff, and it is in process. This project is very complex, and will not be complete until 12/31/09. Recording of all current transactions is "mirrored" in the IDIS and city's accounting system. DGA staff have received training on IDIS and we have acquired staff with knowledge of the city's accounting system.
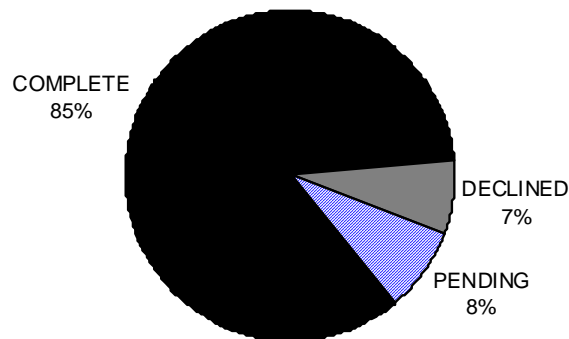
Corrective action is PENDING on the following:
- We are in the process of hiring a Housing Manager. When this position is filled, we will work on properly segregating duties, and training. (Please note, contact person Dwain Midget)
- Corrective action is pending until department can be appropriately staffed. We plan to implement recommendation by June 30, 2009.
- Corrective action is pending until department can be appropriately staffed. We plan to implement recommendation by June 30, 2009.

HUMAN RESOURCES DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Municipal Employees Retirement Plan	April 31, 1989	13	2	11	11	0
Temporary Personnel	April 15, 1991	9	1	8	8	0
Workers' Compensation	June 1, 1991	20	0	20	20	0
Payroll Computer Password	November 15, 1991	5	0	5	5	0
Loss Control Administration	December 15, 1994	14	1	13	13	0
Employee Leave System	February 19, 1999	3	0	3	3	0
Revenue/Cash Control	June 30, 2000	2	0	2	2	0
Personnel/Payroll Accounting	June 1, 2001	2	0	2	2	0
Education and Tuition Benefits Program – Special Project	October 16, 2002	4	0	4	4	0
Financial Systems Security	October 21, 2002	1	0	1	1	0
Municipal Employees Retirement Plan	June 26, 2003	11	2	9	9	0
Airport Accounts Receivable Controls Review	December 2, 2004	2	1	1	0	1
Hiring & Promotion	September 19, 2006	6	0	6	1	5
Safety Training	March 14, 2008	7	0	7	5	2
Total		99	7	92	84	8

COMPLETE 85%

DECLINED 7%

PENDING 8%

Human Resources COMPLETED the following:

- A slight change to the corrective action above should be noted; notification of position changes is sent directly to the Service Desk at the request of the Information Technology Administration and Planning Director. The position change information is available on the Imaging System through the City Clerk's office.
- Management should document the responsibilities of the position, so that the position is properly defined and succession could quickly occur if necessary. Management should complete annual PPRs for the position to adequately monitor performance.
- A standard will be set on their PPRs for at least 90% of those to show "meets the objective of the training." The Manager of Development Programs Administration and the Senior Safety Coordinator will attend at least one training class taught by each Safety Specialist quarterly and provide feedback to the Safety Specialists immediately following the training.
- Safety Training is developing training programs that include using internal resources. We are also pursuing topic specific training from professional organizations that can assist us with professional certifications. All of the Safety Specialists have been provided subscriptions to safety and health publications. Safety Specialists attend safety and health conferences to have the opportunities to network with peers in other companies and organizations.
- The process will be changed so that after each collision is investigated, the investigator will immediately enter it onto the collision log. The employee has to report their collision to Safety and also to their supervisor who will receive the results of the Collision Review Committee. In the event an employee would be involved in a collision and not report the damage done to the City vehicle, EMD will pick up on that at the time of a PM Service and notify Safety of the damage.
- We currently subscribe through BLR to an OSHA bulletin that provides monthly updates and notices of any changes in regards to OSHA rules and regulations. Any changes that affect the City are communicated to the LT Safety Committee and the Management Safety Committee. Safety will write a procedure for reviewing the literature for updates on a regular basis.
- A process is being developed to coordinate the fixed asset inventory (rolling stock) to include regular preventative maintenance, damage/repair, employee/department use, etc. for all equipment in HR/Safety possession. – No budget was allowed this FY for security upgrades.

Corrective action is PENDING on the following:

- Committee has not met since this finding. Information will be presented at the next meeting.
- Budget will be requested to obtain background checks through a contractual service.
- A new Personnel Director was approved by the City Council on October 9, 2008. The new Personnel Director, in conjunction with the Human Resources Director and Civil Services Commissioners, will review the responsibilities and duties of the Civil Service Commission. Those recommendations will include training guidelines for Commissioners. The expected completion date of the review is July, 2009.
- New policies adopted according to charter requirements. However, the need for policies to be reviewed and brought up to date has been recognized. A new position has been

created- Manager of Policy and Administration- to whom responsibility has been given to modify and draft policies as needed to achieve consistency and legal compliance. The expected completion date for a revision of al personnel policies is January 2010.

- Requests for funding of background checks have continued. In addition to comprehensive checks on applicants to sworn Police and Fire department positions, such checks are also made on applicants to Information Technology and Police Forensic Lab non-sworn positions. Any policy changes will be completed as part of the review by the new Human Resources Policy and Administration Manager.

- Present administration is currently reviewing a better program for the proper education and retention of employment analysts.

- The Chief Risk Officer for the City of Tulsa is currently developing a comprehensive risk assessment plan for the City of Tulsa. We will be partnering with her to insure that we have a valid assessment and recommendations to curtail risk related areas.

HUMAN RIGHTS DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Contracts Monitoring	December 2, 1999	1	0	1	1	0
Total		1	0	1	1	0
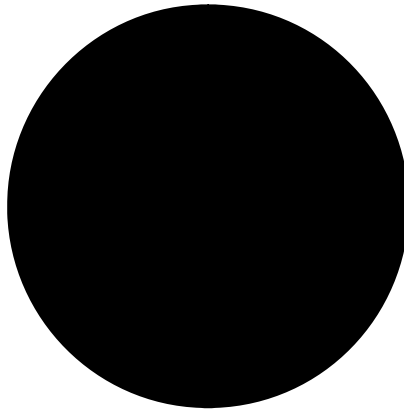
COMPLETE
100%

INFORMATION TECHNOLOGY DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
General Controls Review	December 5, 1988	7	0	7	7	0
Bull Mainframe Password Security	June 30, 1989	8	0	8	8	0
Application Review-Payroll	February 22, 1993	3	0	3	3	0
LAN Security and Planning	November 28, 1995	4	1	3	3	0
Mail Room Procedures	December 14, 1998	9	2	7	7	0
Employee Leave System	February 19, 1999	3	0	3	3	0
Emergency Warning System	December 31, 1999	1	0	1	1	0
Revenue/Cash Control	June 30, 2000	5	0	5	5	0
Phone System Operation & Security	October 31, 2000	3	1	2	2	0
Backup and Recovery of Data/Program Files	October 31, 2001	2	1	1	1	0
Financial Systems Security	October 21, 2002	17	2	15	14	1
Help Desk/Technical Support	August 29, 2003	6	0	6	6	0
Information Technology Control	August 18, 2005	5	0	5	2	3
Software License	September 19,2006	5	0	5	4	1
Help Desk Evaluation	April 10, 2007	3	0	3	3	0
Total		81	7	74	69	5

COMPLETE 85%

DECLINED 9%

PARTIAL 2%
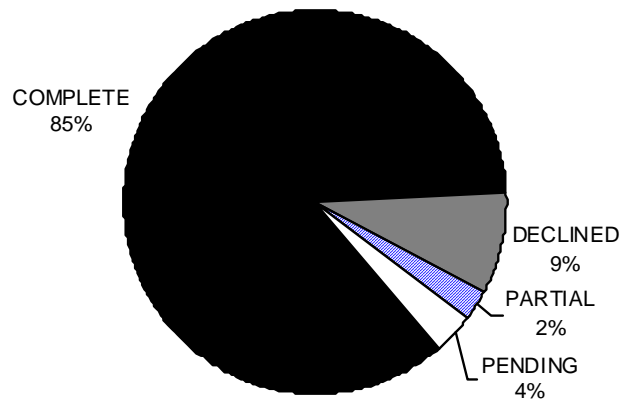
PENDING 4%

INFORMATION TECHNOLOGY DEPARTMENT

The Information Technology Department COMPLETED the following:
- This is a duplication of Audit 05-13 above. Auditor Note: Finding 3 is completed and the manager feels that they are recommending the same actions.
- The Information Technology department will complete the Executive Order 2005-03. Workgroups will be reorganized. Target date to complete is June 2008.
- The goal will be to make a decision on one of the two software packages (Magic or Heat)

The Information Technology Department PARTIALLY COMPLETED the following:
- In 2007, IT completed consolidating 8 help desks into a single service desk to assist with monitoring and auditing of software across the enterprise. In 2008, IT purchased software to be installed on every City of Tulsa PC to monitor and inventory software across the enterprise. This installation of the software will be completed by June of 2009, IT will work to finalize software policies and procedures across the enterprise to inventory, maintain, and track software across the enterprise. Furthermore, the IT department will develop, implement, train, and maintain standards for acceptable software that can be used across the enterprise by all City employees. Hope to have project completed by August 2009.

The Information Technology Department PARTIALLY COMPLETED the following:
- The AD (Active Directory) project was completed in 2008. Service Desk Manager continues to work on AD policies and aging reports for managing active directory accounts and security. Service Desk Manager is also working with Human Resources and Payroll to develop and implement the User Provisioning process- project is currently 85% completed. Project will be completed in Q1 2009.
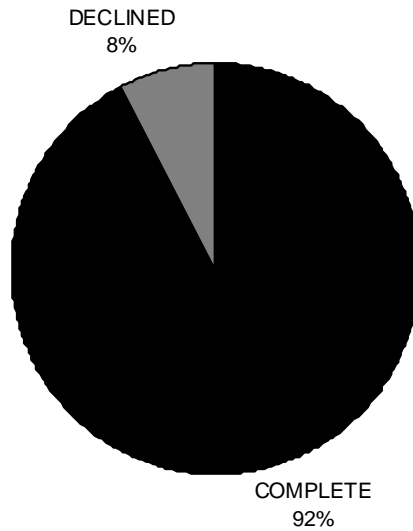
Corrective action is PENDING on the following:
- The Financial Systems Section was working to complete this assignment by January of 2006. However, due to resource constraints caused by retirement and resignation of key personnel, production support requirements, and higher priority projects, this effort was put on hold several times over the past 2+ years and has not been completed. Completion of this effort has been assigned to one staff member to work on as time allows. The current estimated date is 2nd quarter 2009.
- IT department managers have been focusing on the One Technology Center move. Department has implemented many improvements and standards that have brought the City of Tulsa closer to the ITIL (Information Technology Information Library) model. The IT department will formalize plan in writing and have it published in Q2 2009.
- No action or progress on this project- low priority. Managers have been focusing on the One Technology Center moves. Will review with IT management team in the 1st quarter of 2009 and make decision on direction to go.

LEGAL DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

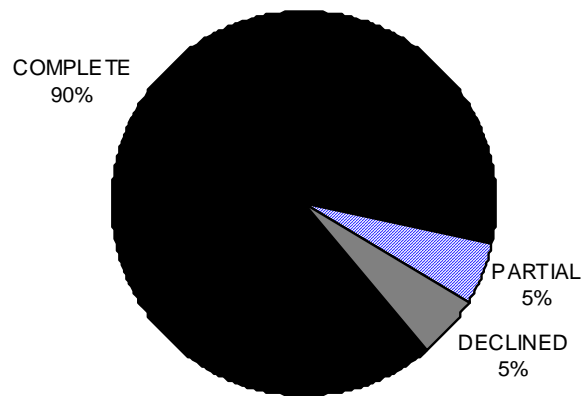| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Selected Management Practices	May 1, 1988	5	0	5	5	0
Workers' Compensation	June 1, 1991	4	0	4	4	0
Citation Control/Fine Collection	June 26, 1995	1	0	1	1	0
Contract Database	September 9, 2001	1	0	1	1	0
Cost Allocation	April 15, 2005	2	1	1	1	0
Total		13	1	12	12	0

DECLINED
8%

COMPLETE
92%

The Legal Department COMPLETED the following:
- This corrective action should be accomplished in the publication of the City's next periodic supplement to the Tulsa Revised Ordinances.
- Appendix II- Sections 302, 303, and 304. Exhibit A in Ordinance. No. 15943

MUNICIPAL COURT

AUDIT HISTORY AS OF JUNE 30, 2008

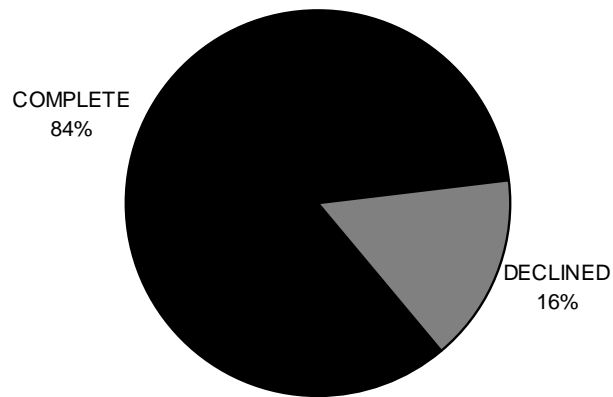| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Follow-up Cash Management Practices	October 1, 1989	11	0	11	11	0
Citation Control/Fine Collection	June 26, 1995	13	0	13	12	1
Warrants	January 31, 2001	4	0	4	3	1
Booking	August 31, 2002	10	2	8	8	0
Total		38	2	36	34	2

COMPLETE
90%

PARTIAL
5%

DECLINED
5%

Municipal Court PARTIALLY COMPLETED the following:
- Don Brown (IT) began working on the program 3 weeks ago. He hopes to have the job completed in 3 months. The court has to rely on IT for the project repairs.
- The new computer is being worked on by IT. We have installed network terminals in the court. However, at this time we do not have real time entry.

PARK AND RECREATION DEPARTMENT

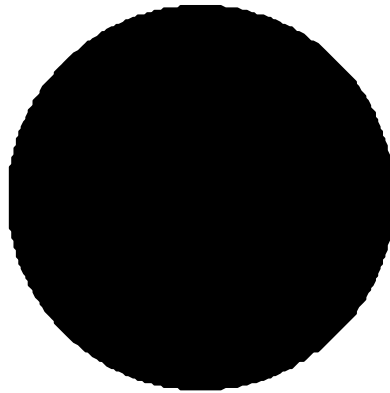## AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Imprest and Petty Cash	April 15, 1993	4	0	4	4	0
Capital Projects/Construction Contracts	June 30, 1993	13	1	12	12	0
Parks Petty Cash	August 22, 1996	2	0	2	2	0
Employee Leave Systems	February 19, 1999	4	0	4	4	0
Revenue/Cash Control	June 30, 2000	13	4	9	9	0
Tulsa Zoo Friends Contract Compliance	May 1, 2001	5	1	4	4	0
Computer Systems – RecWare	February 4, 2003	4	1	3	3	0
Total		45	7	38	38	0

COMPLETE
84%

DECLINED
16%

PERFORMING ARTS CENTER

AUDIT HISTORY AS OF JUNE 30, 2008

| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Follow-up Ticket Management Practices	October 21, 1988	1	0	1	1	0
Review of Cash Accounts	July 1, 1989	5	0	5	5	0
Ticket Management Practices	December 17, 2002	1	0	1	1	0
Total		7	0	7	7	0

COMPLETE
100%

POLICE DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Special Investigations Division Cash	September 30, 1988	2	0	2	2	0
Imprest and Petty Cash	April 15, 1993	5	0	5	5	0
Police Property Room	September 6, 1994	35	17	18	18	0
Citation Control/Fine Collection	June 26, 1995	3	0	3	3	0
Police Grants Administration	August 22, 1997	10	1	9	9	0
Court Overtime – Special Project	January 31, 1997	4	2	2	2	0
Employee Leave Systems	February 19, 1999	6	0	6	6	0
Control of Weapons and Special Equipment	November 30, 1999	7	2	5	5	0
Records Management	November 30, 2004	3	0	3	3	0
Property Room / Accreditation	December 13, 2004	10	0	10	10	0
Special Project TPD T.O.I.C.	October 04, 2007	17	0	17	17	0
Total		102	22	80	80	0

COMPLETE 78%

DECLINED 22%
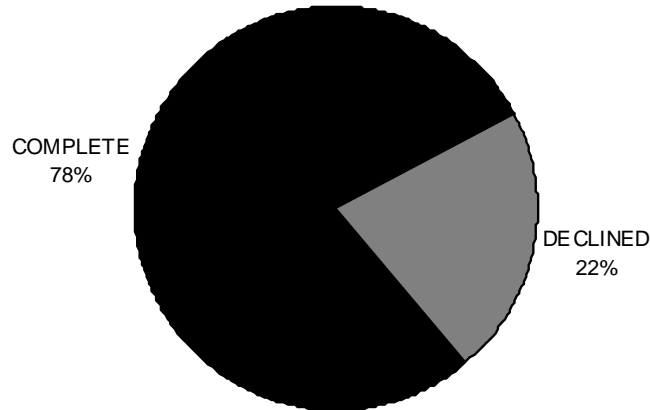
POLICE DEPARTMENT

The Police Department COMPLETED the following:

- Corrective action has been taken since this last report in 1995. The JURIS database has been modified and redesigned to contain fields that are populated when the Court event is recorded for a citation/case in Municipal Court. When the judge assesses a fine and court costs, that information is recorded and retained in the JURIS docket record and event tables. There is a fine amount field, a court cost field, and an amount paid field. If a defendant has appeared in Court, these fines will be recorded for that case. If the defendant does not have to appear in court and has to pay a fine, that amount is recorded at the time of the citation being validated in the Municipal court system and readily available for review.
- If the judge does not assess a fine on the court appear date, a number of options are available to the defendant such as request for conference, request for review, time for payment, etc. These options are recorded as minutes in the JURIS database and upon the next court appearance date, the docket will reflect the estimated court costs. The fine will only be available if the Judge assesses one for the citation's violation.
- Still awaiting outcome of city wide study by Human Resources/Payroll
- The Department agrees. The FOP account was suspended, and an (RFA) has been forwarded to the Mayor to establish a DDA with the Bank of Oklahoma. The funds will be transferred from the former FOP account to the new BOK account. All documentation has been routed through the Finance and Treasury Division for full compliance with the City Charter and the Revised Ordinance of the City of Tulsa.
- The Department agrees with this recommendation. The Finance Department will receive statements from the financial institution as required. The account custodian has established controls, and obtained reconciliations of the former DDA account. These actions will be carried over to the new account. The reconciliations will be submitted for supervisory review and approval.
- The Department agrees with this recommendation. When the on-line access controls were discovered, immediate and corrective actions were taken at the time to secure and restrict the FOP account. In addition, the DDA account is in the process of being moved to the Bank of Oklahoma, the city's master banking institution.
- The Department agrees with this in part. The main purpose of the Detective Division account was not solely for the payment of confidential informants. A clear policy will be established that definitively outlines the purpose of a Detective Division Impress Account. The main purpose will be to cover expenses incurred during the furtherance of a criminal investigation whether goods and services deemed necessary to successfully and completely investigate a crime.
- The Department agrees with this recommendation. Guidelines concerning this area of check handling will be amended.
- The Department agrees with this recommendation. The City offers training in numerous areas of finance. The D.D. already required a financial custodian to receive training in P-card usage, budget, and other areas. Accounting will be added to the list of training for persons responsible for account reconciliation.

- The Department agrees with this recommendation. Guidelines have been amended and are currently undergoing revision. The revision will include all areas covered within the audit and other areas that were not covered but need revision.
- The Department agrees with this recommendation. The Department has made efforts to recover supporting documentation. There was no communication between Accounts Payable and the Department in regard to the delayed document affidavits. Finance should establish criteria for departmental notification for certain procedural violations to establish a level of awareness.
- The Department agrees with the recommendation. The physical verification of selected items was labor intensive, and in some situations, this task could not be performed because there were inadequate inventory tags on the department's physical inventory.

PUBLIC WORKS DEPARTMENT

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Street Lighting Expense	August 1, 1988	4	0	4	4	0
Water and Sewer Data Processing	January 5, 1989	5	0	5	5	0
Follow-up Analysis of Leases	March 15, 1989	1	0	1	1	0
Right of Way/Land Acquisition	March 31, 1989	5	0	5	5	0
Water and Sewer Password Security	May 1, 1990	5	0	5	5	0
Inventory Management and Control	January 1, 1991	5	0	5	5	0
Commercial Refuse Billing	August 15, 1992	6	0	6	6	0
Capital Projects/Construction Contracts	December 3, 1992	8	2	6	6	0
Residential Refuse Contract	April 1, 1993	5	0	5	5	0
Imprest and Petty Cash	April 15, 1993	1	0	1	1	0
Utility Information System	May 22, 1996	17	4	13	13	0
Compliance Monitoring	October 31, 1997	8	0	8	8	0
Employee Leave Systems	February 19, 1999	5	0	5	5	0
Street Maintenance	August 9, 1999	2	0	2	2	0
Building Maintenance	May 31, 2000	1	0	1	1	0
Changes to Construction Contracts	September 11,2001	5	1	4	4	0
Public Facilities Security	July 30, 2003	5	1	4	4	0
Meter Shop	April 15, 2004	4	0	4	4	0
Point of Sale System	June 10, 2004	1	0	1	1	0
Cost Allocation	April 15, 2005	8	0	8	7	1
Sewer Cleaning	September 19, 2007	4	0	4	1	3
Total		105	8	97	93	4

*Inquiry forms were not sent on these findings.

COMPLETE 88%

DECLINED 8%

PARTIAL 2%

PENDING 2%
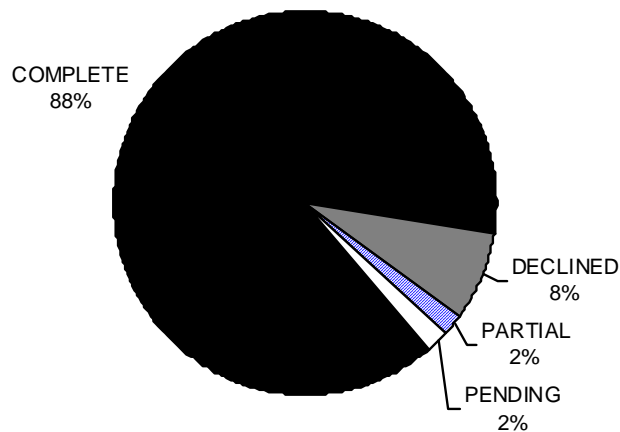
PUBLIC WORKS DEPARTMENT

The Public Works Department COMPLETED the following:

- In response to the 2005 Internal Cost Allocation Audit, Public Works implemented a process which is initiated August 1 of each year. The deputy director for each of the four divisions in Public Works and subordinate section manager's review the cost allocations for their section to accurately reflect the current cost allocations as it relates to business conducted in their section. The section managers are provided the approved list of reason codes which are used to determine the allocation of costs for their section. In many cases the appropriate reason code will be based on statistical data or information (i.e. work orders or budget). The only reason code considered somewhat subjective is Code 1- Work done or time spent. The section managers will review the applicable statistics for their section from the appropriate reason code and note any changes from the previous fiscal year.

- Section managers will submit recommended changes to both the reason code and any changes in the percentages to be used if based on work done or time spent. Section managers are required to confirm their review by an electronic signature. In the documentation process section managers also report any centers to be closed, move positions or functions to a different cost center, establish new centers or rename an existing center for clarification. Section managers must submit justification for such changes.

- The deputy director for each division will review proposed changes for their respective sections and provide approval, denial, and/or comments. The deputy director for Policy Development reviews and approves the cost allocations for the entire department to evaluate the budge impacts.

- Department budgets are prepared and submitted based on approved allocations. The cost allocations are subject to further review as the City budget is prepared by Finance.

- Written policies and procedures for the cost allocation process are completed.

- Each year a presentation is made to all Authorities, Boards and Commissions for which Public Works is responsible to provide staff support and are funded partially or in whole through Fund 3494- Cost Allocation. These include Tulsa Metropolitan Utility Authority (TMUA)/Tulsa Utility Board, Tulsa Authority for Recovery of Energy (TARE), and Stormwater Drainage Advisory Board (SDAB). The presentation provides a summary of the policies and budget process for determining the allocation of costs. It will also include a comparison of the cost allocations for the previous year.

- Public works management agrees with observation. Policy discussions have considered all of the recommendations. Management instituted improved call screening in October of 2007 with revisions in January 2008. Private trouble calls decreased form 1703 in FY 06-07 to 1076 in FY 07-08. Request for additional crew(s) were included in the 2008-2009 budget and will be included in upcoming fiscal year requests.

- Management agrees that this needs investigation. The Crew Leader II position requirement has been changed from four years to three years of experience.

- Public Works management agrees with these recommendations. The custom programs used will be phased out. We will be purchasing a new software package and moving data to that format. This budget request was included in the FY2008-2009 budget and

approved. Purchase, transition, and implementation should be completed by June 2009.
Backup procedures have already been changed. IT personnel are completing weekly
backups. Monthly a paper copy of the frequent cleaning list is put in storage for
safekeeping. Purchase and implementation of the new software package will not be
completed until 2009 or early 2010.
- Management agreed. Discussions with PW Human Resources have been initiated. We
  have proposed a special clerical progression family classification for Water Distribution
  and UCS positions which was sent to Human Resources in June of 2008. We are
 awaiting Human Resource determination.

The Public Works Department PARTIALLY COMPLETED the following:
- Contract Processing Policy for the Tulsa Authority of the Recovery of Energy was
  approved by TARE on March 22, 2006. This policy outlines the guidelines or criteria for
  contracts and agreements funded through TARE, Fund 3623.
- A similar policy has been drafted for contracts and agreements that are funded through
  TMUA, Funds 7020 and 7030. The proposed policy has not been approved by TMUA.
  Date for completion: December 31, 2008
- The SDAB is established in the capacity of an advisory board for the purpose of providing
  policy guidance to the Department and the Mayor. The SDAB does not have the authority
  to enter into contracts or agreements.

REAL ESTATE MANAGEMENT

AUDIT HISTORY AS OF JUNE 30, 2008

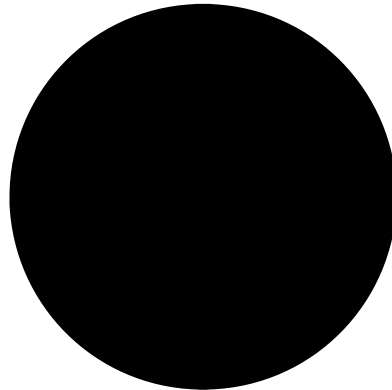| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Parking Facilities Revenue	September 15, 1992	4	0	4	4	0
Real Estate – Asset Management	March 12, 2003	1	0	1	1	0
Total		5	0	5	5	0
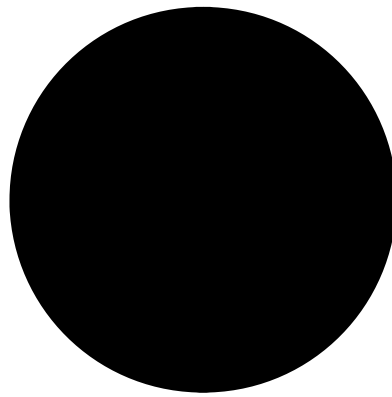
COMPLETE
100%

TULSA AREA EMERGENCY MANAGEMENT AGENCY

AUDIT HISTORY AS OF JUNE 30, 2008

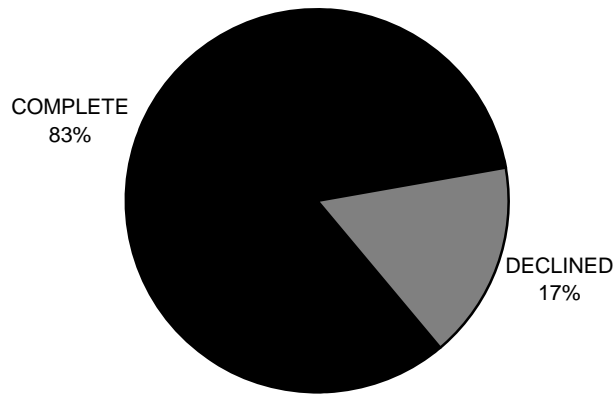| NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Emergency Warning System	December 31, 1999	2	0	2	2	0
Total		2	0	2	2	0

COMPLETE
100%

TULSA ZOO

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINDED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Tulsa Zoo Friends Contract Compliance	May 1, 2001	6	1	5	5	0
Total		6	1	5	5	0

COMPLETE
83%

DECLINED
17%

WORKING IN NEIGHBORHOODS

AUDIT HISTORY AS OF JUNE 30, 2008

NAME OF AUDIT	AUDIT COMPLETION DATE	NUMBER OF FINDINGS	NUMBER DECLINDED	NUMBER ACCEPTED	NUMBER COMPLETED	NUMBER OPEN
Code Enforcement	July 15, 1995	2	0	2	2	0
Grants Monitoring	November 15, 1998	5	1	4	4	0
Total		7	1	6	6	0

COMPLETE
86%

DECLINED
14%
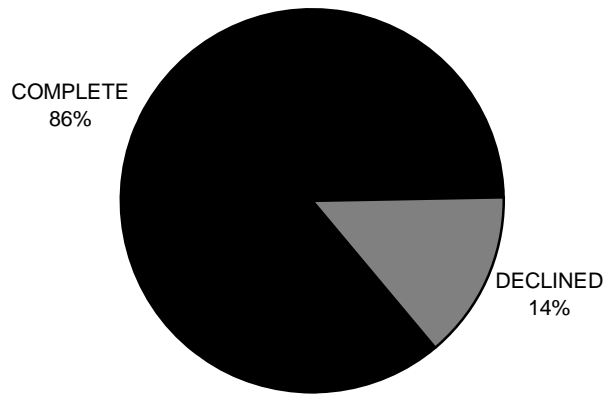
DISTRIBUTION LIST

Mayor
Councilor, District 1
Councilor, District 2
Councilor, District 3
Councilor, District 4
Councilor, District 5
Councilor, District 6
Councilor, District 7
Councilor, District 8
Councilor, District 9
City Auditor
Airport Director
Budget & Capital Planning Division Manager
Chief Risk Officer
Chief Technology Officer
City Attorney
Controller, Accounting Division
Council Administrator
Council Secretary
Communications Director
Community Development & Education Initiatives Director
Director of Operations
Director of Policy Research and Performance
Development Services Director
Economic Development Director
Engineering Services Deputy Director
Environmental Operations Deputy Director
Equipment Management Director
Finance Director
Fire Chief
General Counsel
Gilcrease Museum Director
Grants Administration
Human Resources Director
Human Rights Director
Information Technology Director
Mayor's Chief of Staff
Municipal Court Administrator
Park & Recreation Director
Performing Arts Center Director
Police Chief
Public Facilities Deputy Director
Public Works Director
Purchasing Division Manager
Real Estate Management Director
Senior Administrative Services Officer
Special Advisor to the Mayor on Urban Planning
Treasury Division Manager
Working In Neighborhoods Director
External Auditor
Mayor's Audit Advisory Committee