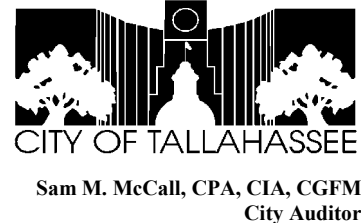


Audit Follow Up

As of March 31, 2000



“Report on Financial Controls Review in the Police Department”

(Report #9846, Issued September 30, 1998)

Report #0006

May 12, 2000

Summary

The Tallahassee Police Department (TPD) has made significant progress in addressing the concerns noted in the Report on Financial Controls Review in the Police Department (#9846). In the audit report, issued September 30, 1998, we made recommendations for improvement in two separate process areas. The first area was the payroll exception data collection process. Some of the concerns noted focused on defining user requirements for an automated time entry application, developing a user manual for the application, and defining record retention requirements.

The other area where improvements were recommended was the security administration process for the Purchasing system. These improvements included: determining which employees had purchasing authorization and reviewing, updating, and testing security access to the Purchasing system.

Management has implemented most of the tasks necessary to address the concerns noted in the audit. A user manual for the time entry application has been scheduled for completion by June 30, 2000.

TPD. Our primary objectives were to determine if:

- payroll transactions were processed completely, accurately, and were valid/authorized transactions.
- changes to payroll practices improved internal controls and enhanced the efficiency and effectiveness of the process.
- procurement transactions were processed in accordance with TPD and City policy.
- changes to procurement practices improved internal controls and enhanced the efficiency and effectiveness of the process.
- Local Law Enforcement Block Grants (LLEBG) were adequately monitored to ensure expenditures were appropriate and in compliance with grant requirements.

In general, the audit identified opportunities to strengthen the security of the purchasing system and ensure the integrity of the payroll data collection process.

Report #0006

The purpose of this audit follow up is to report on the progress and/or status of the efforts to implement the recommended action plan steps. To obtain information, we conducted interviews with key department staff and reviewed and examined supporting documentation.

Scope, Objectives, and Methodology

Report #9846

The scope of report #9846 included a review of the processes that have a financial impact on the

Background

TPD has two primary units that provide financial support to other divisions within the department. Both units report directly to the Police Chief. The first unit is the Financial and Supply Management Division. The primary functions of

this division are procurement, supply management, and budget support.

The second area is the Employee Resources Division. The primary functions of this division are hiring/termination support, grievance review, payroll processing, and general personnel support for employees.

The TPD is funded primarily through the General Revenue fund. However, additional revenues are provided through the Airport fund and Local Law Enforcement Block Grants.

Previous Conditions and Current Status

Report #9846 identified two primary areas in the TPD that needed improvement. The two areas consisted of the payroll exception data collection process and the security administration process over the Purchasing system.

The current status of tasks due is as follows:

Tasks Due and Completed by Department			
Responsible Department	# of Tasks Due by 3/31/00	# of Tasks Complete	Percent Complete
Information Services	2	2	100%
Police	12	11	92%
Procurement Services	7	7	100%
Totals	21	20	95%

**Table 1
Previous Conditions Identified in Report #9846 and their Current Status**

Previous Conditions	Current Status
Payroll Issues	
<ul style="list-style-type: none"> • To ensure the payroll exception data collection process is efficient and effective, TPD should: <ul style="list-style-type: none"> ⇒ define the user requirements of an automated time entry application and the record retention requirements for hard copy and electronic media. ⇒ document and communicate requirements for TAC team membership, on-call payments, court appearance documentation, FTO assignments, and compensatory time for uniformed personnel. ⇒ develop an automated time entry application, a user manual for the application, and a standard OT slip that provides the time entry application with the necessary data requirements. 	<ul style="list-style-type: none"> ✓ A time entry application has been developed by Information Systems Services and was presented to the TPD on March 27, 2000. The TPD has also established a record retention standard operating procedure, which became effective in March 1999. Additionally, requirements for TAC team memberships, on-call payments, court appearance documentation, FTO assignments, and compensatory time for uniformed personnel have been communicated in writing to all timekeepers and supervisors. TPD has also established an overtime authorization form that captures the information necessary for the automated time entry application. x A user manual for implementation of the time entry application is scheduled for completion on June 30, 2000.

Security Administration Issues	
<ul style="list-style-type: none"> • To ensure the integrity and security of the Purchasing system as well as adequately segregate purchasing functions, ⇒ TPD should: determine which employees require purchasing authority and communicate those results and any necessary deletions to Procurement Services. ⇒ Procurement Services should: make changes to security access, notify department directors of employee access, change user passwords, review the security level for internal service and support departments to purchase outside their own cost centers, design and test security access, and prepare and implement a purchasing security policy. 	<ul style="list-style-type: none"> ✓ The employees requiring purchasing authority have been identified and communicated to Procurement Services. As a result, department directors have been notified of employee access, and user passwords have been subsequently changed. The number of internal service and support departments allowed to purchase outside their own cost centers was identified and limited to four departments. Additionally, a purchasing security policy was established which includes a process for designing and testing security access for the Purchasing system.

Table Legend:

- Issue addressed in the original audit
- ⇒ Issue sub-components

- ✓ Issue addressed and resolved
- x Issue not resolved

Significant Outstanding Issues

As noted above, a user manual is being developed for the time entry application. The manual is scheduled to be completed by June 30, 2000.

We would like to take this opportunity to express our appreciation to the Tallahassee Police and Procurement Services Departments for their assistance and cooperation.

Appointed Official Response

City Manager's Response: I appreciate your assistance in conducting this audit of the Tallahassee Police Department at the request of Chief McNeil. The audit highlighted the need to improve controls in the purchasing function and the personnel area. I have been advised by Chief McNeil that the suggestions provided by your staff have improved our processes and service delivery to our internal and external customers. Again, I would like to thank the audit staff for an outstanding job.

Copies of this Audit Follow Up or audit report #9846 may be obtained via request by telephone (850 / 891-8397), by FAX (850 / 891-0912), by mail or in person (City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail (dooleym@mail.ci.tlh.fl.us).

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