

AUDIT TEAM

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**INFORMATION TECHNOLOGY
DEPARTMENT**

**RADIO AND MOBILE COMPUTER
INVENTORIES**

FEBRUARY 18, 2020

MAYOR AND CITY COUNCIL

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February 18, 2020

The Mayor and City Council:

The Office of the City Auditor has completed an audit of controls over Information Technology Department (IT) inventories of radio and mobile computers (MDCs) as of April 30, 2019. We also evaluated the status of recommendations and related management responses included in our Oklahoma City Radio System Risk Assessment report dated July 29, 2014.

Based on the results of our audit, as of April 30, 2019, we believe:

- Adequate controls have not been established over radio and MDC inventories, and radio and MDC inventories were not accurate and complete.
- Recommendations included in our previous report have been substantially addressed, except for a complete assessment of non-public safety radio replacement needs.

Related recommendations, discussed in more detail in the attached report, are summarized as follows:

- Processes for annual physical counts of assigned radios and MDCs should be modified to ensure counts are complete and efficiently conducted. See Recommendations 1 and 2.
- Radios and MDCs on-hand at IT's Radio Shop should be physically counted annually. See Recommendation 4.
- Controls should be implemented to compensate for IT Radio Shop employees having both asset custody and inventory recordkeeping responsibilities. See Recommendations 5 and 6.

All comments, recommendations, suggestions and observations arising from our audit have been discussed in detail with appropriate representatives from management. These discussions were held to assure a complete understanding of the content and emphasis of items in this report. Responses to this report from management are attached.


Jim Williamson
City Auditor


Matt Weller
Assistant City Auditor


Regina Story
Audit Manager

**INFORMATION TECHNOLOGY DEPARTMENT
RADIO AND MOBILE COMPUTER INVENTORIES**

AUDIT OBJECTIVE, BACKGROUND, SCOPE AND METHODOLOGY

The objectives of this audit were to, as of April 30, 2019:

- Evaluate the adequacy and effectiveness of controls over Information Technology Department (IT) inventories of radios and mobile computers (MDCs).
- Evaluate the status of recommendations and related management responses included in the Oklahoma City Radio System Risk Assessment report dated July 29, 2014.

IT is responsible for providing organizational support for technology-based communications and information systems. IT’s Radio Shop (Radio Shop) purchases, programs, issues, and maintains radios for all City departments, including certain City contractors, and for certain external agencies in the metropolitan area that lease radios from the City for use on the City’s radio system¹. The Radio Shop also purchases, programs, issues, and maintains MDCs for the Police and Fire Departments. An Inventory Technician position was added to the Radio Shop in 2015 to manage inventories and the Radio Shop began using a new inventory management system in 2016.

As of April 30, 2019, there were 8,190 handheld and mobile radios and 1,403 MDCs in use or on-hand based on the recorded status in Radio Shop inventory records as included in Exhibit 1. All new and ready to use radios and MDCs, and most of the spares, those in for repair, and those no longer used are currently stored at the Radio Shop. The original value of handheld/mobile radios and MDCs in use or currently on hand is estimated to exceed \$21 million and approach \$4 million, respectively².

Exhibit 1

Status	Radios	MDCs
Assigned and in use	5,272	992
Assigned but not in use ⁽¹⁾	300	-
New (in the box)	93	18
Ready to use (on the shelf)	166	-
Spares (for temporary use)	61	-
In for repair	25	97
No longer used ⁽²⁾	2,273	296
Totals	8,190	1,403

⁽¹⁾ Most are City Trust-owned radios that are currently disabled on the City’s radio system.

⁽²⁾ Removed from service, stored, and will be obsolete upon replacement of the City’s radio system which is currently in progress.

¹ The City leases 306 owned handheld and mobile radios to external agencies. Certain other external agencies in the metropolitan area pay to use the City’s radio system and some also pay for the Radio Shop to maintain and program their radios for such use. The Radio Shop also programs, but does not maintain, around 100 radios owned by other external agencies in the metropolitan area for use on the City’s radio system in emergency situations. Only the leased radios are considered part of the City’s radio inventory.

² Estimated original values were calculated based on average historical purchase prices for those models accounting for the largest portion of the inventory.

Policies governing radio and MDC inventories include:

- City policies for inventories of non-capitalized, non-consumable items.
- IT's policies and procedures for complying with the City's non-capitalized inventory policy.

Procedures performed during this audit included interviewing management; reviewing policies and procedures; reviewing documentation supporting inventory procedures; observing work processes; examining inventory records; comparing inventory records to radio system and computer network access information; and physically inspecting inventory.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). GAGAS requires that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The following section of this report includes recommendations intended to provide constructive suggestions for improving management of radio and MDC inventories. Each recommendation and status included in this report is immediately followed by management's response. Responses from management are attached to this report in their entirety.

ADEQUACY AND EFFECTIVENESS OF INVENTORY CONTROLS

Adequate controls have not been established over radio and MDC inventories, and radio and MDC inventories were not accurate and complete as of April 30, 2019.

Annual Inventory Verification

Comment 1

All radios and MDCs assigned to departments are not physically counted annually as required by City policies for non-capitalized, non-consumable inventories. City policies require IT to provide departments with a listing of all radios and MDCs under their control annually in March. Departments are required to conduct a physical inventory of the radios and MDCs, update the listing as necessary, and return the listing to IT on or before March 31st. The March timing results from IT's timeline for developing chargebacks to departments for equipment to be supported during the next budget year.

City policies also require Department Director review and approval of items in the inventory records that cannot be physically located and that support for such items be retained with physical count documentation for 5 years.

While the current process may be adequate for developing chargebacks, it is not practical for ensuring all assigned, City and City Trust-owned radios and MDCs are physically counted because:

- The quantity of radios and MDCs assigned and in use by departments is too large and too dispersed to be efficiently counted. See Comment 2.
- The listing provided by IT to departments includes 43 potential categories for verification and only includes radio and MDC totals without any other identifying information.
- Departments are given an unreasonably short amount of time to verify the listing provided by IT and respond (7 business days in March 2019).
- Trust-owned radios that, at the request of departments, have been disabled on the radio system and may be disposed without notifying IT are not included on the listing.
- Listings are not distributed to external agencies that lease radios from the City.
- Responses, including Department Director sign-off on items that cannot be physically located, are not obtained from all departments and all responses obtained are not retained to support adjustments made to the inventory records.

Responses received by IT in March 2019 were only available for 4 of 13 departments with assigned radios and MDCs. Incomplete annual inventory verification could allow radios or MDCs to be stolen or lost without detection.

Recommendation 1

The process for facilitating annual physical counts of assigned radios and MDC inventories by departments should be modified by:

- Identifying radios and MDCs with recent (i.e. 30 days or less) connections to their respective networks and only including those without recent connections on listings distributed to departments to facilitate more efficient physical counts. See Recommendation 2.
- Distributing listings including serial numbers and any other necessary identifying information.
- Allowing a reasonable amount of time (i.e. 30 days or more) for departments to physically count the radios and MDCs included on the distributed listing and respond.
- Including disabled Trust-owned radios on listings provided to departments that, according to inventory records, are in possession of such radios to confirm the number on-hand.
- Distributing listings to external agencies that lease radios from the City.
- Obtaining responses, including Department Director sign-off on items that cannot be physically located, from all departments and retaining those responses for 5 years.

These modifications should be coordinated with the March timing currently required by City policies through an earlier start or a revision to the timing in City policies should be pursued.

Information Technology Response 1

Agree with modification - To improve physical counts by departments of radios and Mobile Data Computers (MDC) assigned to departments and to increase involvement and awareness of assigned radio assets, IT is doing the following:

- *In early January of each year (prior to annual inventory), IT will generate an annual usage report for each department to identify equipment with low or no usage and radios which do not need to be physically counted due to recent network connection confirmation.*
- *IT will not distribute radio inventory listings to departments for annual inventory updates as recommended. Instead, IT will upgrade the MCM Tech software to enable non-public safety departments to update radio inventories and assignments of their specific equipment directly in the software. (Inventories include radio identification numbers and other information for each radio asset.) We hope to have this in place before March 2020 to allow time for departments to conduct physical inventories. Training will be provided to department contacts.*
- *At this point, the IT department will continue to manage MDC and radio asset inventories for public safety departments. However, IT will involve Police and Fire contacts to physically locate any devices without recent network connections and make appropriate update of the related inventory records annually.*
- *External agencies receive radio asset listings twice a year already as part of the licensing, maintenance, and lease program. At this point, IT does not plan to lease any Project 25 (P25) radios to external departments going forward as we transition from Enhanced Digital Access Communication System (EDACS) to P25.*

The combination of usage reporting and department-maintained inventories should provide more accurate records, as well as provide firsthand knowledge of assigned equipment to both departments and external users. This process should be in place prior to the March 2020 budget activities.

Comment 2

Network connection confirmation is not used in-lieu of physical counts to verify radio and MDC inventories. Policies specifically allow network connection confirmation for verifying radio and MDC existence because of the complications of physically counting those assigned to personnel in the field, particularly public safety personnel.

The Radio Shop has developed a report showing when radios last connected to the radio system and a similar IT report for MDC log-ins to the City's network is also available. However, these reports are never compared to radio and MDC inventory records in their entirety.

Network connections were confirmed within the 30 days prior to April 28 for 73% (3,865) of handheld and mobile radios and within the 30 days prior to May 20 for 85% (844) of MDCs assigned according to inventory records. The efficiency of physical counts is significantly reduced by not verifying radio and MDC existence through network connection confirmations because of the quantities involved. See Comment 1.

Recommendation 2

Radios and MDCs with recent (i.e. 30 days or less) connections to their respective networks should be identified and listings distributed to departments should only include those without a recent network connection to allow for more efficient physical counts. See Recommendation 1.

Information Technology Response 2

Agree - See response to Recommendation 1. This process should be in place prior to the March 2020 budget activities.

Comment 3

Information necessary to accurately confirm network connections is missing or inaccurate in the inventory records for certain radios and MDCs. Radio system identification numbers were missing from inventory records for 135 assigned radios and similarly, there were 102 radios with recent radio system connections that could not be found in the inventory records.

Additionally, computer names were missing for 550 assigned MDCs and inaccurate for 126 assigned MDCs. Though the number portion of computer names logging into the City's network can be compared to the number portion of MDC asset IDs in the inventory records, the results are not completely accurate since the number portion of the asset IDs can be the same for MDCs and other City computers.

The ability to accurately confirm network connections is necessary to reduce quantities subject to physical counts.

Recommendation 3

Radio system identification numbers and computer names should be entered for all active radios and MDCs, respectively, missing such information in the inventory records, and all active MDC computer names recorded in the inventory records should be verified for accuracy.

Information Technology Response 3

Agree - See response to Recommendation 1. This process should be in place prior to the March 2020 budget activities.

Comment 4

Radios and MDCs on-hand at the Radio Shop are not physically counted annually, with those that are unverified submitted to the IT Director for review and approval. City policies require a physical count to be conducted at least annually by someone other than those with custody or access to the items. Those policies also require that a summary of unverified items be submitted to the Department Director for review and approval at least annually. Related IT policies only require that the items be physically counted.

The Radio Shop had 2,448 radios and 388 MDCs on-hand as of April 30 according to inventory records, including 2,150 and 291, respectively, that are no longer used. See Comment 10. Lack of annual inventory verification could allow radios or MDCs to be stolen or lost without detection.

Recommendation 4

Radios and MDCs on-hand at the Radio Shop should be physically counted annually, or the annual physical count observed, by someone without routine access or custody responsibility and any missing items summarized and submitted to the IT Director for review and approval.

Information Technology Response 4

Agree - This process will be implemented in concert with the MCM Tech software upgrade and conducted prior to the end of the Fiscal Year.

Segregation of Employee Responsibilities

Comment 5

Radio or MDC statuses can be changed, or inventory records deleted in the inventory system by Radio Shop employees that have physical access to the assets. Because of the nature of their duties and limited administrative staff, all Radio Shop employees need to have physical access to the assets and the ability to change statuses in the inventory system for radios and MDCs. Though rarely done, three employees can also delete inventory records from the inventory system. While status changes are often evidenced by approved work orders in the inventory system, work order creation and approval are not required to change a status.

Without segregation of inventory custody from recordkeeping responsibilities, or effective compensating controls, theft of radios and MDCs could occur without detection.

Recommendation 5

All changes to radio and MDC statuses indicating the asset is gone (e.g. lost, stolen, disposed, etc.) and if possible, inventory record deletions, should be supported by inventory system work orders involving two separate employees, an originator and an approver. If requiring inventory system work orders for inventory record deletions is not technically possible, a manual form should be created to document sign-offs by the employee deleting the record and an approver. Inventory system reports should be created to capture all:

- Status changes indicating a radio or MDC is gone,
- Deleted inventory records, and
- Approved inventory system work orders created for status changes indicating a radio or MDC is gone and if possible, inventory record deletions.

These reports and, if required, signed-off manual forms supporting deleted inventory records, should be periodically compared to ensure the status changes and inventory record deletions are supported by work orders or manual forms involving two separate employees. This comparison should be done by the Radio Shop Manager's supervisor or another IT employee without access to the inventory to compensate for the difficulty in segregating Radio Shop custody and recordkeeping responsibilities.

Information Technology Response 5

Agree - Radio Shop personnel will implement a Work Order process as recommended with a corresponding report summary for management review within the next 3 months in concert with the MCM Tech software update.

Comment 6

Radio and MDC parts and supply inventory responsibilities are not adequately segregated and physical access to the inventory is not adequately restricted. The Radio Shop Inventory Technician receives ordered parts and supplies and records receipts in the inventory records. Receipts recorded by the Inventory Technician in the inventory system are verified by the Office Administrator in the IT Public Safety Systems office for parts and supply purchases from one vendor, representing about a third of the parts and supplies purchased during fiscal year 2019.

The Inventory Technician also physically issues inventory and can record issuances in the inventory records. Other Radio Shop employees may also physically remove items directly from inventory and subsequently notify the Inventory Technician. Approximately \$400,000 of parts and supplies were used during fiscal year 2019 according to the inventory records.

A single employee with responsibilities for both asset custody and maintaining inventory records, and unrestricted physical access to the inventory by Radio Shop employees increases the risk of theft.

Recommendation 6

To address the risks created by the Inventory Technician's responsibilities for both asset custody and maintaining inventory records, and unrestricted Radio Shop employee physical access to parts and supply inventories:

- The Office Administrator in the IT Public Safety Systems office should verify that all parts and supply receipts are recorded by the Inventory Technician in the inventory system.
- An inventory system report capturing approved work orders containing issued parts and supplies should be created and periodically reviewed by someone without physical access to the inventory to ensure those work orders have separate originators and approvers.
- Physical access to parts and supply inventories should be restricted to the Inventory Technician and designated back-ups.

Information Technology Response 6

Agree with modification - The Office Administrator in the IT Public Safety Systems office will verify that all parts and supply receipts are recorded by the Inventory Technician in the inventory system. Work orders will be created for the issuance of all inventory items and have separate originators and approvers. An inventory system report capturing approved work orders containing issued parts and supplies will be created and periodically reviewed by the Office Administrator or Division Head to ensure those work orders have separate originators and approvers. Physical access to parts and supply inventories will be restricted to the Inventory Technician and designated back-ups, with the exception of an emergency need by others to access parts and supply inventories. A process for emergency access is being developed and will be implemented within the next month.

Other Radio and MDC Inventory Controls

Comment 7

Custody of issued radios and MDCs is not consistently evidenced by user departments and is not consistently retained when evidenced. The Radio Shop's current practice is limited to obtaining user signatures on an Equipment Issued Form for Police Department handheld radio issuances and a Radio System Support Equipment Release Form when any radio is swapped. Completed Equipment Issued Forms had not been consistently retained for Police Department handheld radio issuances.

Without evidence of asset custody, responsibility for safeguarding assets may not be established and the risk of theft is increased.

Recommendation 7

The Radio Shop should obtain and retain evidence of user department acceptance of all radios and MDCs issued and relinquishment of all radios and MDCs returned.

Information Technology Response 7

Agree - This process will be implemented in concert with the MCM Tech software upgrade and will be implemented within the next 3 months.

Comment 8

Purchased MDCs are not consistently recorded in the inventory records upon receipt. Thirty-six of 100 MDCs received in calendar year 2017 were not recorded in the inventory records until calendar year 2018, several months after receipt. Though serial numbers are available upon receipt, Radio Shop personnel wait until the MDC is unboxed and the asset tag is visible to record the MDCs in the inventory records.

Purchased assets could be stolen without detection if not recorded in the inventory records upon receipt.

Recommendation 8

Purchased MDCs should be recorded in the inventory records using serial numbers upon receipt and asset tag information should be added when the MDC is eventually unboxed.

Information Technology Response 8

Agree - Process has been changed.

Radio and MDC Inventory Records

Comment 9

Original values are not recorded in radio and MDC inventory records. The inventory system includes a “cost” field. However, cost information has not been entered in the inventory system for radios and MDCs purchased since the new system was implemented in 2016.

City policies for non-capitalized, non-consumable inventory require that related inventory records include the original values.

Recommendation 9

Original values should be entered in the inventory records for future radio and MDC purchases.

Information Technology Response 9

Agree - All new asset costs will be entered when received. Assets with missing costs from prior receipts will be updated with available cost data within the next 3 months.

Excessive Storage of Unused Radios and MDCs

Comment 10

An excessive number of radios and MDCs are currently stored at the Radio Shop that are no longer used and will soon be obsolete. Inventory records at April 30, 2019 indicated 2,150 radios and 291 MDCs on-hand that are no longer being used. Most of the radios will not be functional on the City's new P25 radio system³. These radios and MDCs are currently kept in rented external storage containers at the Radio Shop, costing \$6,276 annually.

Unnecessary, long-term storage of assets no longer used increases the risk for theft or loss. Further, the condition of the asset may deteriorate and lose value during long-term storage.

Recommendation 10

Radios and MDCs removed from service, except for a reasonable number to be maintained on-hand for repair parts or temporary, emergency issuances should be disposed timely through City procedures for disposal of surplus property.

Information Technology Response 10

Agree with modification - MDCs available for surplus have been identified and are in the surplus process. The high number of previously replaced radios in stock that are currently compatible with the existing EDACS radio system will be retained for parts, replacements, and external lease until the transition to the new P25 system is completed in 2020.

³ The City is currently in the process of replacing the Enhanced Digital Access Communications System radio system with a P25 radio system.

STATUS OF RECOMMENDATIONS FROM PREVIOUS REPORT

Recommendations included in our previous report have been substantially addressed, except for a complete assessment of non-public safety radio replacement needs.

Status 1

Implemented. A radio system consultant was engaged to assist with developing a plan for transition to a P25 Radio System. The consultant assisted with project implementation timeline and budget development, identification of potential financing strategies, and radio system vendor selection. The City entered a 15-year lease-purchase agreement for \$13.1 million to finance the purchase of the new radio system. Project completion is expected in early calendar year 2020.

Information Technology Response - Status 1

Agree.

Finance Department Response – Status 1

Agree with status of implemented.

Status 2

Not Implemented. Though included in the Finance Department’s Grant Policies and Procedures Manual, a resolution requiring City Council approval of the purpose, amount, obligations and planned use of all City grant awards has not been presented to City Council for consideration.

Finance Response - Status 2

Agree with recommendation. This policy has been documented in the City’s grant manual for a number of years. On November 19, 2019, the Finance Department brought a resolution to City Council to approve the policies established by the grants manual with an emphasis placed on the requirement for applications and awards to be approved by Council prior to actual acceptance. City Council approved the resolution without issue.

Status 3

Substantially Implemented. Implementation of a new inventory system has improved the completeness of radio inventory records and the ability to effectively manage radio inventories through more efficient reporting. Radio inventory control weaknesses are addressed in the Adequacy and Effectiveness of Inventory Controls section of this report.

Information Technology Response - Status 3

Agree.

Status 4

Partially Implemented. Replacements of non-public safety, non-P25 radios were deferred and the radio system consultant's scope of work included assessment of the use of communication alternatives by non-public safety departments. The radio system consultant accumulated information about non-public safety department use of radios and other communication methods but did not reach any related conclusions or make any related recommendations.

During our audit, the City Manager's Office directed the Office of Management and Budget (OMB) to perform an analysis of radio utilization. Based on the preliminary results of that analysis, the City Manager's Office decided that only non-public safety radios with significant, or meaningful, recent usage would be automatically replaced.

While the most cost-effective means of communication for non-public safety employees has not been assessed, the preliminary results of OMB's radio utilization analysis and subsequent City Manager's Office decision will help to ensure that underutilized radios are not being replaced.

Information Technology Response - Status 4

Agree with modification.

- *OMB conducted a review of radio assignments and usage through reports provided by IT cross-referenced to assigned cell phones.*
- *OMB led a working group to develop a set of guidelines and a policy for appropriate usage for departments to follow and consider when requesting communication devices. Ultimately review and approval of assigned communication devices will be at the Department Head level.*

- *For non-public safety, non-trust departments IT will only make the initial purchase of P25 replacement radios where utilization is confirmed in reports or where the department defines an emergency response requirement for a low-usage radio. (The radio system is the defined primary communication for emergency response; there are no recommended alternatives at this time.)*
- *Ongoing, OMB and IT are working to develop budget reports for non-public safety, non-trust departments to consider the operational impact of assigned communication devices.*
- *The policy and operational reports will be implemented with the FY21 budget preparation.*

Status 5

Implemented. Reasonable time-specific parts and service support was included in the P25 radio system contract for major system components.

Information Technology Response - Status 5

Agree.

Status 6

Substantially Addressed. Though a formal, on-going process for communicating P25 radio system project information with all user department personnel was not established, all user departments were engaged regarding project needs and expectations at the beginning of the project and have been periodically updated as the need has arisen throughout the project.

Information Technology Response - Status 6

Agree.



MEMORANDUM

The City of
OKLAHOMA CITY

TO: Jim Williamson, City Auditor

THROUGH Craig Freeman, City Manager *CF*

FROM: Schad Meldrum, Information Technology Director *WSM*

DATE: January 21, 2020

SUBJECT: Information Technology Response to Radio and Mobile Computer Inventories
Follow-Up Audit

Information Technology (IT) Response to Auditors "Radio and Mobile Computer Inventories"
Follow-Up Audit as of October 15, 2019.

Recommendation 1: Agree with modification – To improve physical counts by departments of radios and Mobile Data Computers (MDC) assigned to departments and to increase involvement and awareness of assigned radio assets, IT is doing the following:

- In early January of each year (prior to annual inventory), IT will generate an annual usage report for each department to identify equipment with low or no usage and radios which do not need to be physically counted due to recent network connection confirmation.
- IT will not distribute radio inventory listing to departments for annual inventory updates as recommended. Instead, IT will upgrade the MCM Tech software to enable non-public safety departments to update radio inventories and assignments of their specific equipment directly in the software. (Inventories include radio identification numbers and other information for each radio asset.) We hope to have this in place before March 2020 to allow time for departments to conduct physical inventories. Training will be provided to department contacts.
- At this point, the IT department will continue to manage MDC and radio asset inventories for public safety departments. However, IT will involve Police and Fire contacts to physically locate any devices without recent network connections and make appropriate update of the related inventory records annually.
- External agencies receive radio asset listing twice a year already as part of the licensing, maintenance, and lease program. At this point, IT does not plan to lease any Project 25 (P25) radios to external departments going forward as we transition from Enhanced Digital Access Communication System (EDACS) to P25.

The combination of usage reporting and department-maintained inventories should provide more accurate records, as well as provide firsthand knowledge of assigned equipment to both departments and external users. This process should be in place prior to the March 2020 budget activities.

Recommendation 2: Agree – See response to Recommendation 1. This process should be in place prior to the March 2020 budget activities.

Recommendation 3: Agree - See response to Recommendation 1. This process should be in place prior to the March 2020 budget activities.

Recommendation 4: Agree – This process will be implemented in concert with the MCM Tech software upgrade and conducted prior to the end of the Fiscal Year.

Recommendation 5: Agree – Radio Shop personnel will implement a Work Order process as recommended with a corresponding report summary for management review within the next 3 months in concert with the MCM Tech software update.

Recommendation 6: Agree with Modification – the Office Administrator in the IT Public Safety Systems office will verify that all parts and supply receipts are recorded by the Inventory Technician in the inventory system. Work orders will be created for the issuance of all inventory items and have separate originators and approvers. An inventory system report capturing approved work orders containing issued parts and supplies will be created and periodically reviewed by the Office Administrator or Division Head to ensure those work orders have separate originators and approvers. Physical access to parts and supply inventories will be restricted to the Inventory Technician and designated back-ups, with the exception of an emergency need by others to access parts and supply inventories. A process for emergency access is being developed and will be implemented within the next month.

Recommendation 7: Agree – This process will be implemented in concert with the MCM Tech software upgrade and will be implemented within the next 3 months.

Recommendation 8: Agree – Process has been changed.

Recommendation 9: Agree – All new asset costs will be entered when received. Assets with missing costs from prior receipts will be updated with available cost data within the next 3 months.

Recommendation 10: Agree with Modification – MDCs available for surplus have been identified and are in the surplus process. The high number of previously replaced radios in stock that are currently compatible with the existing EDACS radio system will be retained for parts, replacements, and external lease until the transition to the new P25 system is completed in 2020.

Status 1: Agree

Status 3: Agree

Status 4: Agree with modification

- OMB conducted a review of radio assignments and usage through reports provided by IT cross-referenced to assigned cell phones.
- OMB led a working group to develop a set of guidelines and a policy for appropriate usage for departments to follow and consider when requesting communication devices. Ultimately review and approval of assigned communication devices will be at the Department Head level.
- For non-public safety, non-trust departments IT will only make the initial purchase of P25 replacement radios where utilization is confirmed in reports or where the department defines an emergency response requirement for a low-usage radio. (The radio system is the defined

primary communication for emergency response; there are no recommended alternatives at this time.)

- Ongoing, OMB and IT are working to develop budget reports for non-public safety, non-trust departments to consider the operational impact of assigned communication devices.
- The policy and operational reports will be implemented with the FY21 budget preparation.

Status 5: Agree

Status 6: Agree



MEMORANDUM

The City of
OKLAHOMA CITY

TO: Jim Williamson, City Auditor

THROUGH: Craig Freeman, City Manager *CF*

FROM: Brent Bryant, Finance Director *BB*

DATE: January 15, 2020

SUBJECT: Radio System Risk Assessment Audit #19-02

Following are the Finance Department's responses to recommendations outlined in the recent Audit.

Status 1 - Agree with status of implemented.

Status 2 - Agree with recommendation. This policy has been documented in the City's grants manual for a number of years. On November 19, 2019 the Finance Department brought a resolution to City Council to approve the policies established by the grants manual with an emphasis placed on the requirement for applications and awards to be approved by Council prior to actual acceptance. City Council approved the resolution without issue.