

**2004 ANNUAL FOLLOW-UP
CITY OF SHREVEPORT
INTERNAL AUDIT REPORT (IAR) 220704-11**

OBJECTIVES

We have completed the annual follow-up on 81 audit recommendations that were cited in Internal Audit reports issued from January 1, 2003, to December 31, 2003. We have also followed-up on 115 incomplete recommendations carried forward from the 2003 annual follow-up (IAR 220703-10 dated December 31, 2003). The follow-up objectives were to determine progress made toward implementation of the recommendations contained in each report. This determination encompassed the status of the implementation and the effectiveness of the procedures put in place.

SCOPE AND METHODOLOGY

Our follow-up was performed in accordance with Operating Instruction A. 210 of the Internal Audit Office Operating Instructions Manual. The scope of the follow-up included a determination as to whether the audit recommendations had been implemented during the period subsequent to the release of each report. The follow-up methodology included requiring City management to complete and sign questionnaires that defined the status of each recommendation as follows:

- **COMPLETE** --The recommendation or some other action was taken and the deficiency appears to be effectively corrected.
- **PARTIALLY COMPLETE** -- The recommendation or some other action has been taken; however, the deficiency has not been corrected or only part of the recommendation has been implemented.
- **NO PROGRESS** -- No action has been taken.
- **NO LONGER APPLICABLE** -- The recommendation no longer applies to the entity due to organizational and procedural changes, etc.

When management's questionnaire response indicated complete or no longer applicable, the follow-up methodology included:

- Interviewing appropriate operating personnel.
- Testing compliance with established or stated policies and procedures.
- Determining the effectiveness of established or stated policies and procedures.

When management's questionnaire response indicated partially complete or no progress, the follow-up methodology included:

- Reviewing management's written explanations and the documentation that was

returned for reasonableness.

- Interviewing management for clarification when necessary.

BACKGROUND

Much of the benefit from audit work is not in the findings reported or the recommendations made, but in their effective resolution. City management is responsible for resolving audit findings and audit recommendations, and having a process to track their status can help management fulfill this responsibility. The Internal Audit Office began the tracking process with the 1992 Annual Follow-up Report (IAR 220593-06 dated May 3, 1993). Since December 31, 1991, the Internal Audit Office has made 1,727 audit recommendations. The statuses of all 1,727 recommendations are as follows:

# Complete	--	1,447 or 84%
# Partially Complete	--	62 or 3%
# No Progress	--	48 or 3%
# No Longer Applicable	--	170 or 10%

The following table summarizes the results of each follow-up report and covers the period from December 31, 1991, through December 31, 2003.

Follow-up Report Titles:	2004 Annual Follow-up	2003 Annual Follow-up	Pre - 2003 Annual Follow-up	Total
Follow-up Report Issue Dates:	12/31/04	12/31/03	12/31/02	
Period Covered:	1/1/03 to 12/31/03 (12mos.)	1/1/02 to 12/31/02 (12 mos.)	12/31/91 to 12/31/01 (120 mos.)	
Report Types Issued:				
# Audit Reports:	5	3	59	67
# Limited Reviews:	1	0	19	20
# Special Reports:	3	2	31	36
# Auditing Alerts:	0	4	32	36
# Investigative Reports:	0	0	7	7
Total Reports with Recommendations:	9	9	148	166
Number of New Recommendations:	81	104	1542	1727
Number of Partially Complete and No Progress Recommendations carried forward from prior follow-up period	115	125	911	1151
Total Recommendations followed-up on per follow-up reports:	196	229	2453	2878
Recommendation Statuses:				
# Complete:	86 or 44%	107 or 47%	1258 or 51%	1451 or 50%
# Partially Complete:	62 or 32%	77 or 34%	812 or 33%	951 or 33%
# No Progress:	48 or 24%	38 or 16%	223 or 9%	309 or 11%
# No Longer Applicable:	0 or 0%	7 or 3%	160 or 7%	167 or 6%

CONCLUSIONS/FINDINGS/RECOMMENDATIONS

Overall, the City's management had made substantial and significant progress toward the implementation of the audit recommendations contained in the various reports. We believe that the completion of the audit recommendations has helped to ensure that the entities examined are operating more efficiently and effectively. For the entities where implementation remains incomplete, we feel that a greater effort should be made in achieving completion. To aid in identifying those areas where implementation remains incomplete, the following departmental

summaries are provided.

Department	Complete	Partially Complete	No Progress	No Longer Applicable	Total
Airports	78 or 100%	0 or 0%	0 or 0%	0 or 0%	78
CSSUTC	8 or 80%	2 or 20%	0 or 0%	0 or 0%	10
City Marshal	12 or 86%	2 or 14%	0 or 0%	0 or 0%	14
Community Development	144 or 85%	10 or 6%	0 or 0%	16 or 9%	170
Finance	232 or 86%	16 or 6%	15 or 5%	9 or 3%	272
Fire	89 or 93%	1 or 1%	1 or 1%	5 or 5%	96
Mayor/CAO	234 or 67%	13 or 4%	22 or 6%	80 or 23%	349
MPC	13 or 81%	0 or 0%	0 or 0%	3 or 19%	16
DOS	229 or 95 %	7 or 2%	0 or 0%	8 or 3%	244
Personnel	0 or 0%	3 or 33%	0 or 0%	6 or 67%	9
Police	59 or 97%	2 or 3%	0 or 0%	0 or 0%	61
SPORTRAN	18 or 95%	0 or 0%	0 or 0%	1 or 5%	19
SPAR	331 or 85%	6 or 1%	10 or 3%	42 or 11%	389
TOTAL	1447 or 84%	62 or 3%	48 or 3%	170 or 10%	<u>1,727</u>

The following **Index Section** of this report is organized by department for clarity. **Partially Complete** and **No Progress** findings are identified by caption and status and have been renumbered for clarity. The finding number as delineated in the actual report is referenced in subscript (where applicable) at the end of the finding caption. The specific partially complete and no progress recommendations are contained in the body of this report.

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