

**Special Project
TPD Inventory Controls
April 2009**

**City of Tulsa
Internal Auditing**



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A handwritten signature in blue ink that reads 'Ron Maxwell'.

Ron Maxwell, CIA, CFE
Chief Internal Auditor

A handwritten signature in blue ink that reads 'Phil Wood'.

Phil Wood, CIA, CFA
City Auditor

AUDIT TEAM:

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INTER-OFFICE CORRESPONDENCE

TO: Mayor Kathy Taylor

FROM: Ronald Palmer, Chief of Police 

DATE: April 4, 2009

SUBJECT: TPD Range Audit Response

On behalf of the Tulsa Police Department, I wish to thank the office of the City Auditor and the Audit Team, whose efforts, over a period of many months, have produced a very thorough, comprehensive, and useful report. The report, with its 17 recommendations, is not flattering, but it reveals a number of inefficient processes that the Police Department is eager to address in order to create and maintain a sound weapons and ammunition inventory system. The Police Department requested this scrutiny, we welcome the resulting report, and we accept responsibility both for the inadequacies identified therein and for quickly correcting them.

As noted above, the Police Department requested this audit after becoming aware of possible criminal wrong-doing by a member of TPD Range Staff and after referring the matter for investigation by Federal authorities. The criminal investigation led to the conviction and imprisonment of a member of Range staff for misappropriating weapons and ammunition from the TPD inventory. The Police Department and specifically the staff of the Training Academy have fully cooperated with auditors and have already taken steps to implement efficiencies that we are confident will prevent future inventory irregularities.

The underlying observation of the auditors' report, with which the Police Department agrees, is that for a number of years this highly professional police department relied on practices which were insufficient to accurately track the assignment and usage of both weapons and ammunition.

The Staff and officers of the Tulsa Police Department are acutely aware of the necessity of operating in a transparent, efficient, and highly ethical manner. The Police

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Department will spare no effort to correct the deficiencies identified in the auditors' report and to reclaim public confidence in the professionalism of all departmental operations.

Attached please find a copy of the document prepared by the City Auditor. TPD responses to the findings are included in the body of the audit.

RP:adw

DESCRIPTION OF PROJECT

The Tulsa Police Department (TPD) contacted Internal Auditing for consultation regarding an examination of existing inventory and the system of internal controls for TPD weapons and ammunition. Internal Auditing conducted a physical inventory count of TPD weapons and ammunition and traced the counts into inventory records maintained by TPD. This report provides the physical inventory count results and recommended improvements to inventory controls noted during this project.

METHODOLOGY AND SUMMARY

Following is a summary of procedures completed for the project and related conclusions, comments, and status.

- **Weapons Inventory Valuation**

The two weapons software systems used by TPD are designed for management of the firing range and other police department operations rather than for the purpose of a financial inventory system. As such, neither software system records weapons cost or other dollar value of the weapons inventory. TPD requested Internal Auditing to determine an approximate value of its weapons.

Conclusion/Summary Status: Internal Auditing provided schedules of estimated replacement costs for all TPD weapons, summarized below.

Weapons	Number	Replacement Cost
Assigned to officers	2,074	\$1,060,370
Vault	803	416,526
Unlocated	25	11,864
Totals	2,902	\$1,488,760

- **Inventory Verification**

To provide a verified inventory, Internal Auditing conducted a physical inventory count of TPD weapons and ammunition. This included a complete physical inventory of the weapons vault and ammunition stored at the firing range and computer analysis testing of weapons assigned to TPD officers in the field.

- **Weapons Vault Physical Inventory Count**

TPD currently uses two software systems for recording and management of weapons data and information, the Automated Range Management System (ARMS) and RangeMaster Pro (RMP). Neither of these systems contains complete records of all the weapons tracked by TPD, and some records are duplicated on both systems. Also, to meet TPD information needs, both systems have a mix of weapons owned by TPD, other agencies, and personally owned weapons. Due to these circumstances and characteristics of the two software systems, a complete listing of all weapons owned by TPD was not available and had to be constructed. Internal Auditing copied the files of

all weapon records from both software systems. Duplicate weapon records were matched and eliminated. Records of weapons not owned by TPD were identified and segregated from records of TPD weapons. The records of TPD owned weapons were further segregated between weapons assigned to officers in the field and weapons stored at the firing range vault in order to facilitate the physical inventory count of the weapons vault and other verification testing completed by Internal Auditing.

- **Computer Analysis Testing**

Records of Weapons Assigned to Officers in the Field

Test counts were not performed on the records of weapons assigned to officers. Instead, Internal Auditing matched serial numbers of weapons recorded in TPD's inventory records maintained at the range to reports of TPD active officers independently obtained from TPD Information Services to ensure that potentially missing weapons were not concealed by being fictitiously assigned to officers.

Test for Deleted Records

Internal Auditing obtained weapon systems backup records from TPD Information Services. Weapon serial numbers recorded in TPD's inventory systems were compared year-to-year to determine whether any serial numbers had been deleted since 2005.

Test for Unrecorded Weapons

Internal Auditing obtained purchase documentation available from Finance Department records for weapon purchases from 2001 through 2007. Weapon serial numbers from the purchase documentation were matched to serial numbers of weapons recorded in TPD inventory records to ensure that all weapons purchased were recorded.

Conclusion/Summary Status: Unsatisfactory. Weapons inventory computer record errors and weapons shortages and overages were provided to TPD; see schedule on following page.

Accounting of TPD Weapons Systems Records

ARMS weapon records	4,682	
Less: ARMS records transferred to RangeMaster system	(2,555)	
Net ARMS weapon records		2,127
RangeMaster weapon records		3,285
Total weapon records net combined systems		<u>5,412</u>
Records of weapons not owned by City		2,498
Field records		
Firearm records matched to active officers	2,042	
Firearm records matched to reserve officers	40	
Firearms found in vault count but recorded as assigned to active officers	(45)	
Firearm found in the vault count but recorded as assigned to active officers in ARMS system	(1)	
Firearm records recorded as in vault but not found in vault count and confirmed as in the field	38	
Total field records		2,074
Vault records		
Firearms recorded as unassigned and found in the vault	576	
Firearms found in the vault count but not recorded as unassigned	225	
Firearms not belonging to TPD counted long in vault	(17)	
Stolen firearms recovered by Bureau of Alcohol, Tobacco, Firearms and Explosives (BATFE)	19	
Total vault records		803
Unaccounted for weapons records		
Firearms recorded as unassigned but not found in vault count or assigned to active officers	21	
Firearms recorded as assigned in the field but not matching to active officers or counted in the vault	2	
Firearms records that were discovered deleted through an analysis of system backups	1	
Firearms not recorded according to purchasing records analysis	1	
Total unaccounted for weapons records		25
Total City-owned weapon records		2,902
Miscellaneous adjustments needed to arrive at total weapon records		
Firearms located in vault not recorded		(38)
Firearms records deleted in last three years without reason given		(44)
Firearms purchased not recorded		(1)
Firearms purchased not recorded but found in the field		(2)
Invalid ARMS firearms records		32
Firearms recorded to vault but no longer owned by TPD		23
Firearms recorded to field no longer owned by TPD		47
Stolen firearms recovered by BATFE and not listed in inventory system		(5)
Net adjustments		<u>12</u>
Total weapon records net combined systems		<u>5,412</u>

- **Ammunition Physical Inventory Count**

A perpetual inventory system is not used for ammunition. Accordingly, no current balances of quantities on hand or historical usage information other than purchasing records is available for ammunition.

- **Ammunition On Hand**

With assistance from TPD, Internal Auditing conducted a physical inventory of ammunition stored at the firing range, scheduled below.

Inventory of Ammunition

Caliber; Type	Total Rounds
.40;	
Practice	3,900
Duty	100
Frangible	4,200
Shotgun;	
Practice	190
00 Buck	11,755
Slug	8,463
Less lethal	2,075
.223;	
Practice	60,760
Duty	19,540
Frangible	7,500
.300; Duty	100
.308; Practice & Duty	6,480
.38;	
Practice	7,000
Duty	3,575
.357; Practice	20,600

- **Historical Purchases of Ammunition**

To provide TPD’s management with historical data for ammunition, Internal Auditing prepared schedules based on purchase documentation available from Finance Department records of all ammunition purchases located for the years 2001 through 2007, summarized below.

Total Ammo Purchases by Year

Year	Rounds	Dollars	Average Officer Count	Rounds per Officer	Dollars per Officer
2001	279,050	\$62,565.27	811	344	\$77.15
2002	895,550	\$179,643.86	798	1,122	\$225.12
2003	379,000	\$59,175.66	771	492	\$76.75
2004	570,250	\$87,158.18	764	746	\$114.08
2005	870,105	\$135,533.48	800	1,088	\$169.42
2006	948,485	\$206,397.69	810	1,171	\$254.81
2007	436,490	\$124,373.38	824	530	\$150.94
Total	4,378,930	\$854,847.52	797	785	\$153.23

Detailed historical ammunition purchases by caliber are shown in Appendix 1.

Conclusion/Summary Status: Internal Auditing could not determine whether ammunition was missing, because inventory records have not been kept for ammunition.

- **Internal Controls**

Internal Auditing reviewed internal controls related to TPD weapons and ammunition inventories by conducting interviews of firing range personnel and review of written policies, procedures, and other relevant background information.

Conclusion/Summary Status: Unsatisfactory. Recommendations for improvement to internal controls related to TPD weapons and ammunition are included in this report.

OBSERVATIONS AND RECOMMENDATIONS

INVENTORY INFORMATION SYSTEMS

Observation 1

Inventory records for weapons are not complete and accurate.

Automated Range Management System (ARMS) is the software system developed in-house for maintaining the weapons inventory records. When the RangeMaster Pro (RMP) software system was purchased several years ago to replace ARMS, all current weapons recorded in ARMS were to be transferred to the RMP inventory records. However, many records were never added to RMP.

Having to search for records of weapons in both ARMS and RMP complicates the accounting for TPD's weapons inventories. Additional training is required for TPD personnel to learn how to operate two systems, rather than one. Tracing weapons counted into two inventory systems during the physical inventory is unnecessarily complicated.

Internal Auditing performed a comprehensive analysis of TPD's records and conducted inventories of ammunition and weapons in TPD's vault. Internal Auditing's work revealed discrepancies in TPD's records, and with help from TPD's range officers, many of these were researched but still need to be corrected. Internal Auditing has provided TPD spreadsheets of the remaining discrepancies still needing to be researched, resolved, and corrected in TPD's records.

Recommendations 1

a. TPD should update inventory records to ensure all currently owned weapons are accurately recorded and to correct all recording errors.

b. TPD should determine what features are desired in its inventory system, and enhance or replace its inventory system accordingly. Specifications for enhancements to the perpetual inventory system for weapons should include capability for the following:

- Track all purchases of weapons they coordinate, and also all weapons owned by each agency;
- Identify weapons by location to facilitate physical inventories;
- Enhance reporting capabilities;
- Allow transfer of a weapon directly from one officer or location to another;
- Standardize recording of information, such as serial numbers of weapons, to ensure uniform data entry; and
- Maintain a history for each firearm in order to keep a record of each weapon's location, assignment, and status.

Response 1

As noted on Page 3, the audit identified thousands of weapon records, not all of which could be traced to existing weapons in the TPD inventory. As the auditors could more cogently explain, the discovery of a record refers to indications on file that a weapon was purchased, disposed of, issued, inventoried, serviced, fired at the range during qualification sessions, or otherwise passed through inventory at some point in the last several decades. The existence of a "Record" is not necessarily synonymous with the existence of a "Firearm." In later stages of the audit, some 161 records were identified that could not be accounted for, deleted, or suspect, presumably because they represented firearms that were missing from inventory.

Diligent work by Training Division Staff enabled them to match the majority of these weapon records to actual weapons and to account for the whereabouts of those weapons. To date, 23 weapon records have not been matched with weapons in the TPD inventory. As noted above, a member of Range Staff was imprisoned for misappropriating weapons and ammunition from the TPD Range. The full scope of weapons losses attributable to this source cannot be fully determined. Training Division Staff continue to follow-up on this issue.

Too, the following numbered steps have already been taken by the TPD:

- 1) Video surveillance equipment has been installed at the Range and door locks have been changed.
- 2) The weapons vault combination has been changed.
- 3) All ammunition is now stored in a secure Range room with limited key access.
- 4) The Range alarm system has been upgraded.
- 5) All weapons are now ordered to be kept in the vault when not in use and the vault is kept under constant video surveillance.
- 6) TPD is applying for federal grant funding for a civilian Inventory Control Specialist.

In addition, the TPD Range has already acquired the newest version of RangeMaster Pro, RangeMaster Pro II (RMP II). RMP II has expanded recording and reporting capabilities. TPD is in the process of transitioning all current records into this system. Weapons assignment data from paper records, some going back two decades, have been electronically recorded, and are also being entered into RMP II.

Anticipated Completion of complete weapon data entry: June 2009

Observation 2

Inventory records are not maintained for ammunition.

Ammunition purchases and issues are not recorded in a perpetual inventory system by TPD. Controls would be significantly improved and important management information could be provided if a perpetual inventory system were established and reconciled to periodic physical inventory counts of ammunition. Management could more readily

monitor quantities of ammunition issued to individual officers and could be more timely notified of any discrepancies in ammunition inventory.

Recommendation 2

A perpetual inventory system should be established for ammunition to improve internal controls and provide a basis for comparison and reconciliation to periodic physical inventory counts. Minimum specifications for a perpetual inventory system for ammunition should include the following:

- Require user identification (id) and password controls;
- Provide entry tracking by user id;
- Provide edit checks (all required fields have entry, and entries are valid for each field);
- Provide barcode technology;
- Provide for appropriate segregation of duties (i.e., read-only access for those who have access to ammunition inventory or, if that is not practical, dual-swipe card access required for those entering ammunition inventory storage room, with separation of ordering, receiving, dispensing, and recording inventory transactions);
- Provide daily running balances of quantities on hand and daily balancing;
- Provide quantity by case or box;
- Establish and administer a main or a central storage supply with appropriate physical security and a separate working supply along with written dispensing procedures;
- Provide minimum reorder points;
- Provide usage tracking by officer and by other categories (e.g., TPD divisions, ammunition types, etc.) ; and
- Provide statistics for management reports (e.g., inventory turnover, aging, ammunition usage by division, type of ammunition, and by officer).

Response 2

The Police Department agrees that ammunition inventory controls have been inadequate. As noted in the Audit Report, ammunition purchases and stocks have fluctuated without explanation. It is the position of the Police Department that these fluctuations are likely due to several factors:

- 1) Wartime ammunition demands resulted in ammunition scarcities for police departments. Since ammunition is the primary fuel of a firearms range, it appears that there may have been a tendency at times to overstock when ammunition was readily available.
- 2) Initiation of the Patrol Rifle Program increased the Police Department's demand for .223 caliber ammunition.
- 3) The necessity of having ammunition in stock for practice sessions may have led to overstocking, due to failure to predict practice requirements.
- 4) Ammunition may have been issued to personnel for practice and duty purposes without adequate documentation and accountability.

- 5) Substantial ammunition pilferage was documented in relation to the officer discussed above, who was subsequently imprisoned. The full scope of ammunition losses attributable to this source cannot be determined. Follow-up continues.

The TPD FY2010 budget submission includes \$95,000 for additional camera surveillance and a new bar code inventory control system for the Range that will enable staff to entirely account for ammunition receipt, storage, and usage, down to individual; usage by each officer.

Anticipated completion date: Pending budget approval.

INVENTORY CONTROL PROCEDURES

Observation 3

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

Other than small quantities of ammunition held by individual police officers for use on duty, virtually all ammunition is stored at TPD's firing range. When ammunition purchases are received at the range, officers must physically transport ammunition from trucks to the stockpile in a back room. TPD has plans to reconfigure the range building so that ammunition received can be moved more efficiently to a secured area.

Only officers assigned to the range are allowed to access the stockpile of ammunition. Whenever ammunition needs to be dispensed, either for scheduled training and qualifications or unscheduled practice, a range officer leaves his work area, retrieves ammunition from the stockpile in the back of the building, and brings it to officers in an unrestricted area of the building.

Recommendation 3

TPD should have lockable operating supplies of ammunition conveniently located to dispense at the firing range. Access to all ammunition should continue to be restricted to range officers, who should replenish operating supplies according to range use.

Response 3

Concur. As noted above all ammunition storage is under constant video surveillance. Plans are underway to reconfigure the Range house for more convenient and secure ammunition storage and disbursement, which will be monitored and recorded by the new inventory control system.

Observation 4

TPD officers do not sign for ammunition received.

On page 61 of TPD's Firearms Training Unit Manual, under the section entitled "Range Standard Operating Procedure Practice Sessions," it states, "Ammunition will be made

available to officers once each month for practice with their issued service handgun. The quantity of ammunition provided will be at the discretion of the Rangemaster, depending on ammunition available. All officers utilizing said practice sessions will sign for the ammunition received, and will adhere to Range procedures at all times.”

Currently, a manual clipboard is used for officers to sign out to shoot, but it is not as specific as the required report. The officer who retrieves the ammunition from storage signs a log and lists the officer making the request. The log of range use is currently used more to justify the Rangemaster’s request for ammunition purchases.

Recommendation 4

Each officer should be required to sign for ammunition issued to them. The quantity of ammunition dispensed to officers should be recorded by a “point-of-sale” system which has a feature that allows the firing range office to swipe the barcode on the ammunition box issued from inventory.

Response 4

The requested inventory control system will feature a “point-of-sale” system as aforementioned.

Observation 5

Weapons and ammunition inventories are not counted on a routine basis.

The Rangemaster and Assistant Rangemaster completed a physical inventory of weapons stored in the vault at the Firing Range in January 2008. It had been several years since a physical inventory of weapons had been performed. Ammunition had never been counted and reconciled to the inventory records by TPD.

Periodic physical inventory counts are critical for maintaining effective internal control over City assets. The results of these inventory counts should be compared and reconciled to weapons and ammunition inventory records on a routine basis, no less than annually.

Recommendation 5

Physical inventory counts should be conducted of weapons and ammunition on a routine basis.

Response 5

Concur. The Range will, starting this year, conduct an at-least annual inventory of all weapons and ammunition.

Observation 6

Inventory records are not periodically reconciled.

Procedures have not been established for reconciling perpetual inventory records with physical inventory counts of weapons and ammunition. The primary purpose for

performing a physical inventory is to compare the count results to the perpetual inventory records to determine whether inventory transactions have been accurately recorded during the reporting period, and to detect and correct any differences.

Besides reconciling records of weapons and ammunition with periodic inventory counts, TPD's inventory records could be compared and checked against other pertinent records and reports. Financial records of City purchases and fixed assets could be agreed to TPD's inventory records, and manpower reports, such as TPD academies, retirees, and active officers, could be used to confirm or correct TPD's inventory records. Changes to TPD's inventory records could periodically be analyzed for completeness and correctness.

Recommendation 6

TPD should establish procedures for periodic reconciliations of perpetual inventory records for weapons and ammunition.

Response 6

The Training Division is currently writing procedures to perform inventory reconciliation.

Anticipated Completion Date: July 2009

Observation 7

Physical inventory counts are not supervised and reviewed by management.

The Rangemaster and Assistant Rangemaster performed a physical inventory count of weapons stored in the vault at the Firing Range over approximately six weeks from December 2007 through mid-January 2008. Management did not supervise the Rangemaster and Assistant Rangemaster during the process of conducting the physical inventory, nor did they review the results of the count and reconciliation to inventory records.

Without management's supervision and review of the physical inventory process, errors in counting inventory may go undetected, or management's instructions may be overlooked or not performed.

Recommendation 7

Management should supervise personnel performing physical inventories of weapons and ammunition and should review and approve the final results of the physical inventory counts and reconciliation to the perpetual inventory records.

Response 7

Concur. Training Division policies will reflect the importance and role of management in reviewing and reconciling inventory records.

Observation 8

Written physical inventory procedures have not been established.

TPD has no written physical inventory procedures or instructions for performing the physical inventory counts of weapons and ammunition. Written physical inventory instructions provide a valuable reference source for the inventory team to use as a checklist of procedures to be performed to help ensure an accurate count of inventories. Moreover, when TPD personnel have not received training in conducting physical inventories or basic overall training in maintaining inventory records, the possibility of inaccuracies is further increased when detailed written inventory procedures are not available to the count team.

TPD should also have written policies and procedures for performing tasks on the RangeMaster Pro software system where the weapons inventory is maintained.

Recommendations 8

a. Detailed written procedures should be prepared to ensure management's directives are followed by personnel performing physical inventory counts of TPD weapons and ammunition.

b. Detailed written procedures should be prepared to assist personnel performing recordkeeping duties for TPD's weapons and ammunition.

Response 8

Concur. As noted above, inventory control procedures are being developed, and plans to hire an Inventory Control Specialist are moving forward. The various screens and capabilities of our new software are being explored and documented.

Anticipated Completion Date: July 2009

Observation 9

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

At least annually, every TPD officer must fire a qualifying score with each weapon the officer is authorized to carry. Officers are instructed to bring to qualification all weapons they intend to carry, and firing range personnel observe a course of fire and score results for each weapon tested. Officers are authorized to carry only those weapons with which they receive a qualifying score.

Some officers are in possession of weapons they have not brought to qualification. They may have had a change of duties making those weapons less desirable to carry, but anticipate carrying them again sometime in the future. Comparing qualification results to inventory records, both electronic and manual, should identify issued weapons not brought to qualification, unless records were falsified.

Recommendations 9

- a. Range personnel should examine inventory records to ensure all weapons issued to officers are brought to qualification as directed in TPD's policies and procedures.
- b. Each weapon in an officer's possession without being currently qualified should be returned to firing range personnel and retained in TPD's stockpile of weapons until re-issue or disposal.

Response 9

Concur. Poor coordination during Rangemaster transitions led to a reliance on information contained in Rangemaster Pro. In reality, the most complete records of TPD weapon assignment were found to be in the paper records maintained at the Range. For many years these paper records were not examined at annual qualification time, resulting in officers not qualifying with their assigned weapons.

As noted elsewhere, steps are being taken to ensure all weapon records are electronically stored. The redundant paper system is under examination and refinement to ensure that all weapons are assigned with a signature.

Anticipated Completion Date: July 2009

PHYSICAL SECURITY MEASURES

Observation 10

Security at the firing range needs improvement.

The weapons unassigned to officers are stored in a vault at the firing range. Until recently, the vault's combination lock code had never been changed since it was originally installed several years ago. Inside the vault, access to weapons is unrestricted.

All officers at the firing range knew the combination to unlock the vault. Accordingly, all officers assigned to the firing range had single access to the vault where the weapons were stored, as well as access to RangeMaster Pro (RMP) and Automated Range Management System (ARMS) software systems containing the weapons inventory records. This is considered to be a significant weakness in the security of weapons inventories at the firing range.

Officers working at the firing range are often very busy and unable to watch those entering the vault. On some occasions, an officer may be working alone in the firing range office and will leave his desk to retrieve weapons from the vault or ammunition stored in the back of the building.

Recommendations 10

- a. Management should consider installing dual-access locking devices for the vault that require two individuals with authorized access to the weapons to use their access cards to unlock the vault where the weapons are stored.
- b. Weapons in the vault should be stored in locked compartments.
- c. Individuals authorized to physically access weapons and ammunitions should not be granted access to RMP and ARMS inventory records other than read-only access.
- d. Codes to combination locks, user names, and passwords should be changed on a routine basis.
- e. Management should consider installing a photoelectric loop sensor alarm at the gate where vehicles enter the firing range to alert personnel inside the building of those entering the premises.

Response 10

As noted in Response 1, Video surveillance equipment has been installed at the Range, door locks have been changed, the vault combination has been changed, and ammunition is now stored in a secure Range room with limited key access.

Too, the alarm system has been upgraded, and all weapons are now ordered to be kept in the vault when not in use and the vault is kept under constant video surveillance.

The written procedures will reflect a change in the segregation of duties and capabilities of Range personnel and the Inventory Control Specialist insofar as the ability to change weapon assignment and disposition.

Anticipated Completion Date for pending items: August 2009

Observation 11

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

TPD maintains inventory records for weapons on a purchased software system called RangeMaster Pro (RMP). All sworn officers assigned to the firing range have access to RMP and can add, change, and delete data. The same officers are also assigned to receive weapons purchased by the City and either distribute them to the field or safeguard them with the rest of TPD's inventory.

Because it is expedient and TPD officers are considered trustworthy, officers at the range have not used identification and password controls available on RMP. The combination of not segregating duties and not using security features available in the software severely diminishes the reliability of TPD's inventory data. Segregating duties would reduce the risk of defalcations, and using available software controls would help identify persons making system entries and protect the integrity of honest officers.

Recommendation 11

TPD officers should use the security features available in the inventory system.

Response 11

Concur. Existing security features are now being used, and new restrictions will follow pending approval and hiring of the Inventory Control Specialist.

STAFFING AND TRAINING

Observation 12

Duties of TPD firing range personnel are not adequately segregated.

Each sworn TPD officer employed at the firing range has access to weapons and ammunition inventories. These employees also have access to the weapons inventory records. Both misappropriation of inventory and errors, either intentional or unintentional, may go undetected when duties involving custody of inventory and access to inventory records are not appropriately segregated.

Appropriate segregation of duties could easily be accomplished by hiring nonsworn paraprofessionals to perform the inventory recordkeeping duties. Further, the capability to add, change, or delete inventory records could be restricted by function to specific personnel. Personnel responsible for recording transactions in the inventory records would not be provided single physical access to inventories. Single physical access occurs when one individual is allowed access to inventory items without observation by others. Duties involving custody of inventories, such as ordering, receiving, issuing, and counting the weapons and ammunition, could be divided among sworn personnel assigned to the firing range, where most unassigned weapons and ammunition are stored. TPD range officers who access weapons would have read-only access and would not be able to make entries to the inventory records.

Hiring civilian personnel with expertise in inventory accounting would allow TPD's sworn personnel at the range to do the work for which they have been extensively trained: providing public safety. Relieving them of inventory accounting would also segregate duties so officers would not be responsible for both recordkeeping and asset custody. Segregating duties reduces the risk of misappropriation of assets, nondetection of recording errors, and suspicion in the event of future inventory shortages.

Recommendations 12

a. Management should strengthen internal controls for inventories of weapons and ammunition by restricting duties of firing range personnel.

- Access to inventories should be restricted for personnel responsible for recordkeeping.
- Capability to add, change, or delete inventory records should be restricted by function to specific personnel.

b. Management should consider hiring one or more nonsworn paraprofessionals to perform inventory recordkeeping duties at the firing range. Persons having expertise with inventory accounting and control and with stock room operations are needed.

Response 12

Concur. Written procedures are being modified to strengthen inventory control, and as noted, TPD is applying for a grant-funded civilian Inventory Specialist.

Observation 13

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

TPD firing range personnel have not received sufficient training related to inventory recordkeeping, storekeeping, and software systems. Officers assigned to work at the firing range do not routinely receive such training prior to performing their duties related to maintaining the weapons and ammunition inventories, such as recordkeeping, storekeeping, and operating the Automated Range Management System (ARMS) and RangeMaster Pro (RMP) software systems where weapons transactions are recorded.

Mandatory training by information technology (IT) support personnel should be required before an officer is issued a system user identification name (user id) and password in order to use the ARMS and RMP software systems. Numerous errors were noted in ARMS and RMP because officers were not familiar with the software when assigned to the firing range. Several of these errors were never corrected after the officers later became more familiar with the systems.

It is also important that officers receive training to sufficiently understand the importance of internal controls related to recordkeeping, security, and storekeeping prior to assuming those responsibilities. Providing adequate training to personnel before their assignment to the TPD firing range would also reduce errors and strengthen controls related to the weapons and ammunition inventories.

Recommendations 13

a. Mandatory training provided by IT support personnel should be required for TPD firing range personnel prior to assuming their duties or receiving authorization to access the ARMS and RMP software systems.

b. Training for TPD firing range personnel should include a review and understanding of policies, procedures, and internal controls related to recordkeeping, security, and storekeeping of weapons and ammunition.

Response 13

We believe that in a perfect world IT support personnel would have enough product knowledge to train our personnel. But we accept the reality that the TPD is the only City entity using RangeMaster Pro, and the TD Range staff is working hard to familiarize themselves with the software and its associated documentation.

Too, new Range policies will enforce the importance of internal controls as outlined in paragraph, b., above.

OTHER OBSERVATIONS

Observation 14

TPD may not get optimal benefit from disposal of weapons.

Concerned with potential liability to the City, TPD has followed a conservative policy for disposal of weapons. Weapons purchased by TPD but no longer used have been traded to vendors when purchasing new weapons, but have never been sent to surplus for sale to the public. Similarly, TPD has not sold or traded weapons from the property room. TPD occasionally takes ownership of property room weapons useful for duty or training, but otherwise has weapons from the property room melted.

During the physical inventory of weapons in the vault at the firing range, Internal Auditing observed several weapons no longer used by TPD. These items have not been designated for trade-in when new weapons are purchased, or for surplus sale if approved by management.

Trading or selling unused weapons would not only reduce the City's total acquisition costs, but would also free up space and provide additional storage capacity in the vault where weapons are stored. Moreover, it would reduce time spent counting, rearranging, and recording the old, unused weapons.

Observation 15

Some discontinued weapons were sold to TPD officers.

The only sales of TPD weapons have been when TPD changed models of duty weapons and offered officers the opportunity to purchase their former duty weapons. Internal Auditing observed inventory records of eight weapons once owned by TPD and now classified as personal weapons belonging to officers.

Oklahoma statutes prohibit a municipal officer or employee from buying personal property from the municipality. Further, any person who receives wages from a municipality is prohibited from buying any surplus property of the municipality unless the surplus property is offered for sale to the public after notice of the sale is published.

Recommendations 14 & 15

a. TPD should contact the Legal Department regarding viable options for disposal of weapons.

b. TPD should establish and consistently follow a policy for disposal of weapons and sales to officers.

Response 14

The Police Department already follows a practice of seeking trade-in value when disposing of old duty weapons in return for new ones. This is a fiscally responsible use of public resources. The Police Department recognizes that on very infrequent occasions, the department may come into possession of rare or historically noteworthy firearms. The department is not opposed to transferring ownership of these firearms to museums or other responsible repositories for display purposes. However, the Police Department is opposed to selling firearms, either at auction or to retailers, simply as a means of disposing of them or raising funds. The Police Department prefers that non-duty firearms that cannot be returned to their rightful owners be destroyed.

Response 15

The Police Department has, in the past sold duty firearms to Tulsa Police Officers. These firearms were exclusively weapons purchased for duty purposes that had become obsolete and subject to replacement, and that may have had sentimental value to the officers who carried them on duty. In the most recent instance, this practice was followed when the Police Department disposed of .40 caliber S&W pistols in favor of .40 caliber Glock pistols. Prior to selling the S&W inventory to a dealer, City Legal was consulted and permission was granted by City Government to sell some of these weapons to interested officers. The practice complied with state law. By its nature, this practice is rare, becoming an issue only when a model of duty sidearm has become obsolete and must be replaced with a new generation of weapon. The Police Department will explore the creation of a written policy or procedure to govern this eventuality.

Observation 16

Internal controls for weapons transferred from the City's property room to the Police Department are inadequate.

Pursuant to state statutes, TPD has custodial responsibilities for various types of property, including weapons confiscated by the City. TPD must keep complete and accurate records that provide an adequate trail of property from its receipt through disposition. TPD must also obtain required approval before disposing of property.

When weapons are transferred from the property room to TPD, officers assigned to the range sign for their receipt and record them in TPD's inventory of weapons. However, no reconciliation is performed to ensure agreement between records of TPD's property room and inventory of weapons.

Recommendations 16

- a. TPD should confirm legal ownership of weapons when transferred from the property room to TPD's inventory.

- b. TPD should periodically reconcile records of weapons transferred from the property room with TPD's inventory records of weapons.

Response 16

No weapon is transferred to the Range from the Property Room without a court order. The Property Room maintains documentation of the court orders with property receipt associated with the weapon being transferred.

While inventory controls at the Range have been historically inadequate, the new inventory controls will assure that all weapons are properly inventoried. New policies will ensure that origination documents, whether weapons were acquired through purchase, the Property Room, or another source, will be electronically maintained and archived.

Observation 17

The Firearms Training Unit Manual needs to be updated.

There are several weapons listed in TPD's Firearms Training Unit Manual (such as M4 rifles, MP5 automatic rifles, H & K Benelli model 3000 shotguns, Mossberg model 3000 shotguns, and Smith and Wesson model 3000 shotguns) that are not listed on the "Approved Weapons List" in TPD's Tactical and Operations Guidelines 2001.

The Firearms Training Unit Manual does not include the ammunition issuance and inventory requirements for the Assistant Rangemaster in the list of records to be maintained at the firing range.

Page 37 of the Firearms Training Unit Manual under the section entitled "Recruit Class Leaders Responsibilities" needs to be completed. Currently, this section ends with the following statement, "The class will not depart from the range until it has been dismissed by the".

The manual was last updated in January 2008. However, the above items were not resolved in the latest revision.

Recommendation 17

The Firearms Training Unit Manual should be updated to include the above-mentioned revisions.

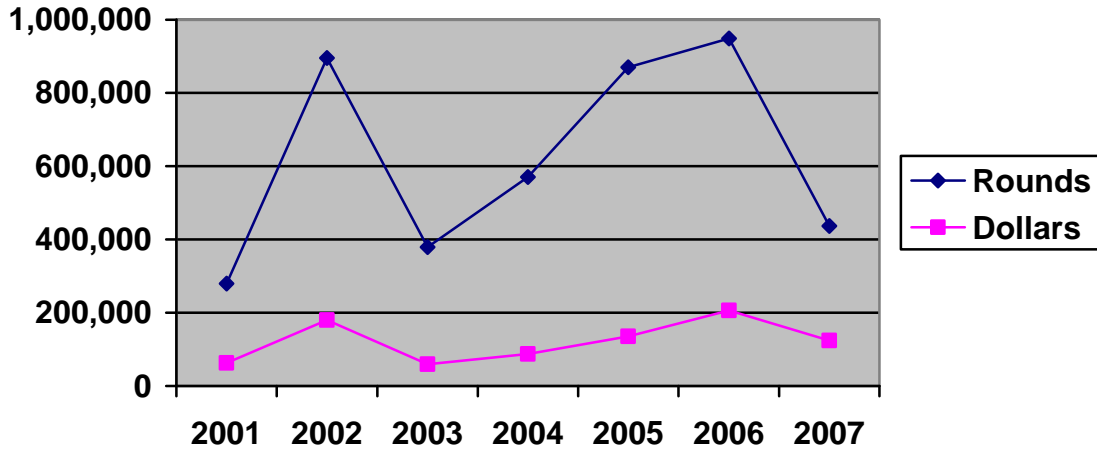
Response 17

The manual has been updated.

Appendix 1

Historical Ammunition Purchases
2001 – 2007

Total Ammunition By Year



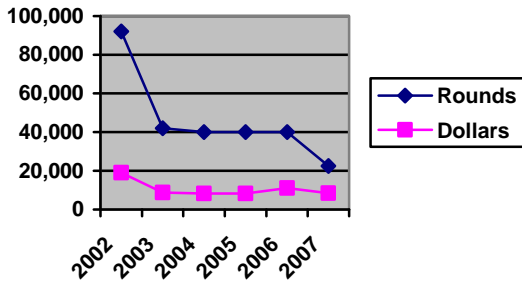
Year	Rounds	Dollars	Average Officer Count	Rounds/ Officer	Dollars/ Officer
2001	279,050	\$62,565.27	811	344	\$77.15
2002	895,550	\$179,643.86	798	1,122	\$225.12
2003	379,000	\$59,175.66	771	492	\$76.75
2004	570,250	\$87,158.18	764	746	\$114.08
2005	870,105	\$135,533.48	800	1,088	\$169.42
2006	948,485	\$206,397.69	810	1,171	\$254.81
2007	436,490	\$124,373.38	824	530	\$150.94
Total	4,378,930	\$854,847.52	797	785	\$153.23

Total
Average

Appendix 1

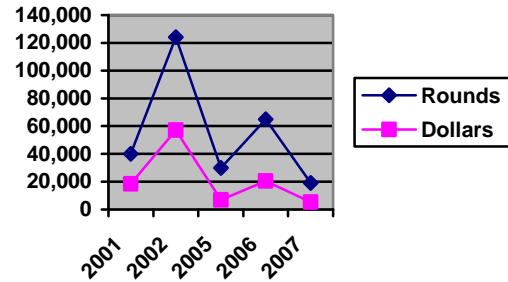
.40 Caliber Ammunition Purchases: 2001 - 2007

.40 Duty



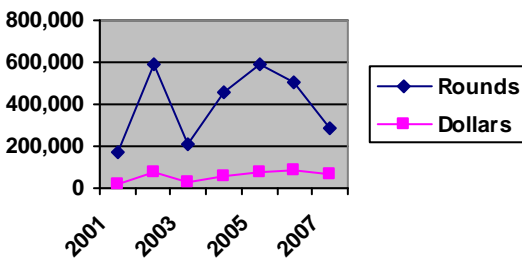
Year	Rounds	Dollars
2002	92,000	\$19,044.00
2003	42,000	\$8,694.00
2004	40,000	\$8,280.00
2005	40,000	\$8,280.00
2006	40,000	\$11,104.00
2007	22,500	\$8,506.00
Total	276,500	\$63,908.00

.40 Frangible



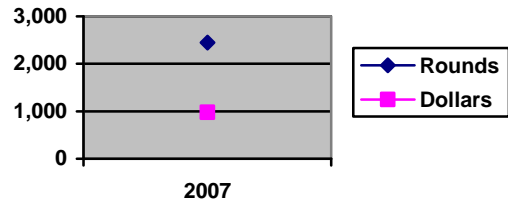
Year	Rounds	Dollars
2001	40,000	\$18,400.00
2002	124,000	\$57,040.00
2005	30,000	\$6,900.00
2006	65,000	\$20,503.00
2007	19,000	\$5,216.40
Total	278,000	\$108,059.40

.40 Practice



Year	Rounds	Dollars
2001	175,700	\$23,731.01
2002	594,500	\$78,169.84
2003	210,000	\$24,780.00
2004	455,000	\$60,151.00
2005	590,000	\$77,998.00
2006	501,500	\$82,028.50
2007	284,300	\$61,946.62
Total	2,811,000	\$408,804.97

.40 Safeshot Blanks

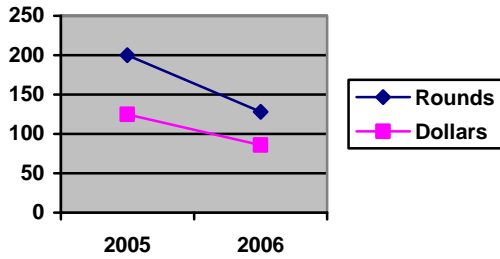


Year	Rounds	Dollars
2007	2,450	\$980.00

Appendix 1

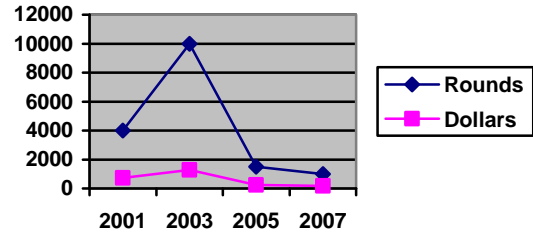
**12 Gauge Blanks, Birdshot, and Flexible Batons
Ammunition Purchases: 2001 – 2007**

12 Gauge Blanks



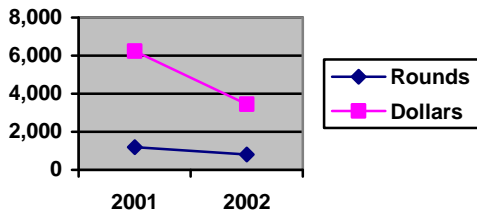
Year	Rounds	Dollars
2005	200	\$127.92
2006	125	\$85.80
Total	325	\$213.72

12 Gauge Birdshot



Year	Rounds	Dollars
2001	4,000	724.80
2003	10,000	\$1,284.90
2005	1,500	\$239.40
2007	1,000	\$182.20
Total	16,500	\$2,431.30

12 Gauge Flexible Baton

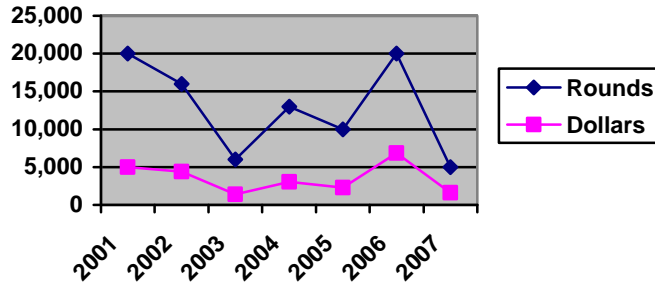


Year	Rounds	Dollars
2001	1,200	\$6,240.00
2002	800	\$3,448.00
Total	2,000	\$9,688.00

Appendix 1

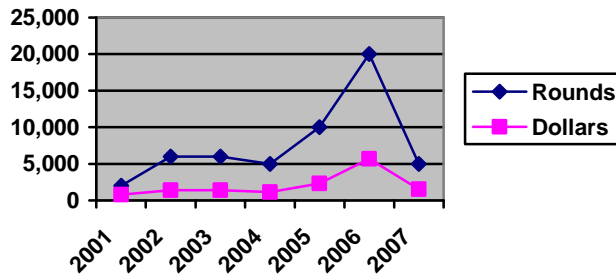
**12 Gauge 00 Buck and Slugs
Ammunition Purchases: 2001 - 2007**

12 Gauge 00 Buck



Year	Rounds	Dollars
2001	20,000	\$4,983.20
2002	16,000	\$4,400.00
2003	6,000	\$1,404.00
2004	13,000	\$3,042.00
2005	10,000	\$2,300.00
2006	20,000	\$6,850.00
2007	5,000	\$1,603.70
Total	90,000	\$24,582.90

12 Gauge Slugs

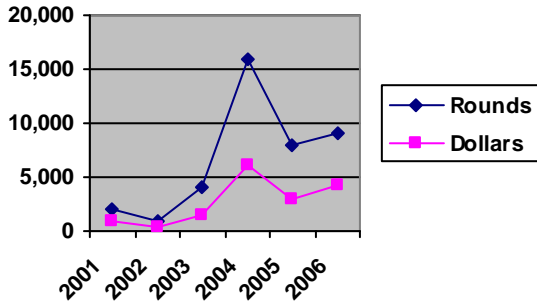


Year	Rounds	Dollars
2001	2,000	\$800.00
2002	6,000	\$1,404.00
2003	6,000	\$1,404.00
2004	5,000	\$1,120.00
2005	10,000	\$2,300.00
2006	20,000	\$5,688.00
2007	5,000	\$1,526.50
Total	54,000	\$14,242.50

Appendix 1

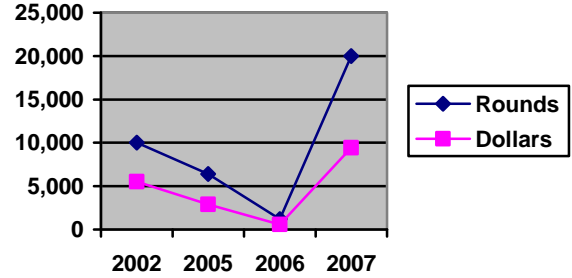
.223 Caliber Ammunition Purchases: 2001 - 2007

.223 Duty



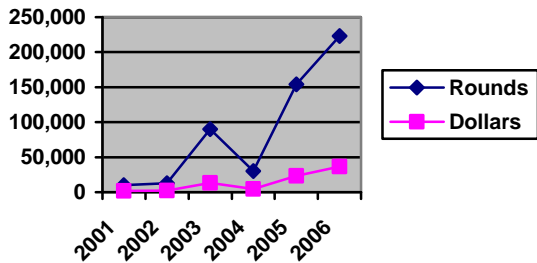
Year	Rounds	Dollars
2001	2,000	\$840.00
2002	1,000	\$389.50
2003	4,000	\$1,558.00
2004	16,000	\$6,072.00
2005	8,000	\$2,966.00
2006	9,200	\$4,255.60
Total	40,200	\$16,081.10

.223 Frangible



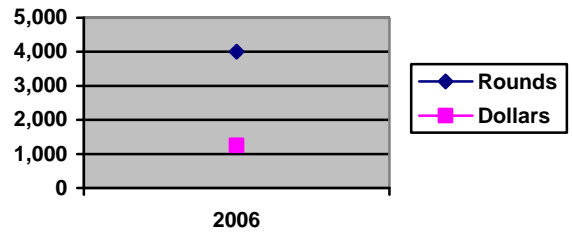
Year	Rounds	Dollars
2002	10,000	\$5,540.00
2005	6,400	\$2,907.16
2006	1,200	\$596.74
2007	20,000	\$9,435.00
Total	37,600	\$18,478.90

.223 Practice



Year	Rounds	Dollars
2001	10,000	\$2,026.50
2002	13,000	\$2,340.00
2003	90,000	\$13,410.00
2004	30,000	\$4,470.00
2005	154,000	\$23,348.00
2006	223,000	\$36,518.50
Total	520,000	\$82,113.00

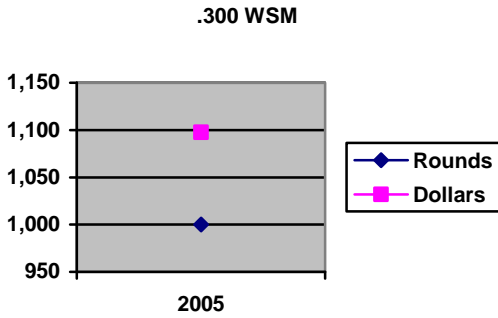
.223 Reduced Ricochet



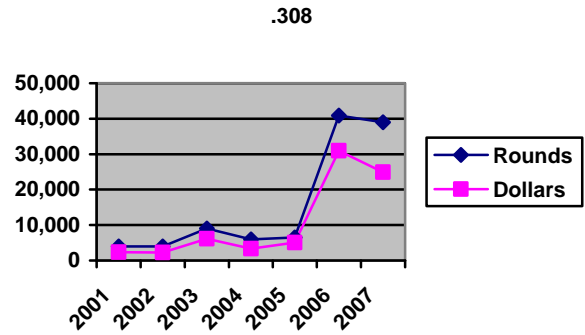
Year	Rounds	Dollars
2006	4,000	\$1,247.40

Appendix 1

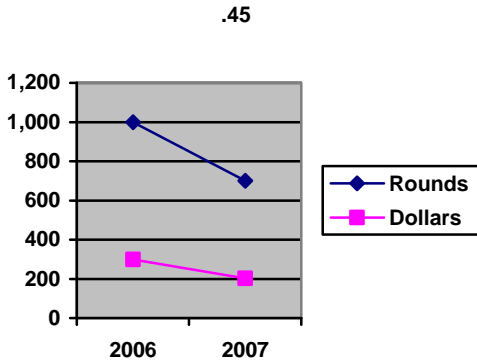
**.300 WSM, .308, and .45 Caliber
Ammunition Purchases: 2001 - 2007**



Year	Rounds	Dollars
2005	1,000	\$1,097.50



Year	Rounds	Dollars
2001	4,000	\$2,305.00
2002	4,000	\$2,299.00
2003	9,000	\$6,093.06
2004	6,000	\$3,316.69
2005	6,500	\$5,057.50
2006	40,860	\$30,955.30
2007	39,000	\$24,921.00
Total	109,360	\$74,947.55

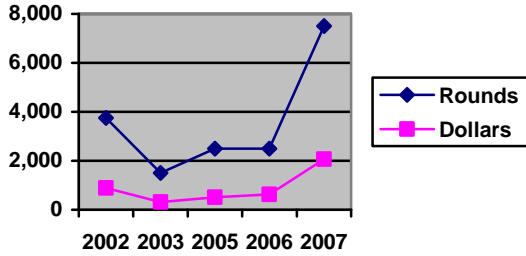


Year	Rounds	Dollars
2006	1,000	\$299.00
2007	700	\$202.86
Total	1,700	\$501.86

Appendix 1

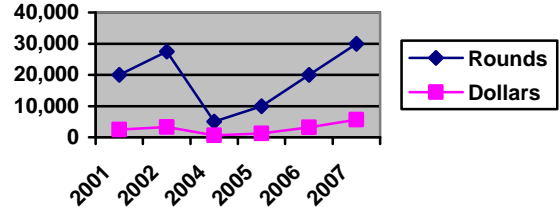
.38 Caliber Ammunition Purchases: 2001 - 2007

.38 Duty



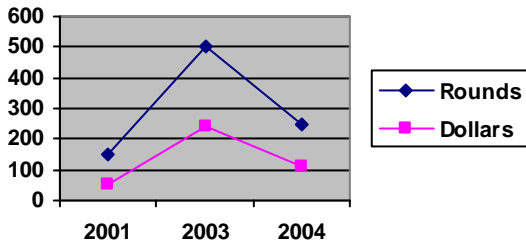
Year	Rounds	Dollars
2002	3,750	\$894.00
2003	1,500	\$307.80
2005	2,500	\$513.00
2006	2,500	\$627.00
2007	7,500	\$2,060.10
Total	17,750	\$4,401.90

.38 Practice



Year	Rounds	Dollars
2001	20,000	\$2,464.60
2002	27,500	\$3,278.00
2004	5,000	\$596.00
2005	10,000	\$1,192.00
2006	20,000	\$3,176.00
2007	30,000	\$5,593.00
Total	112,500	\$16,299.60

.38 Blanks

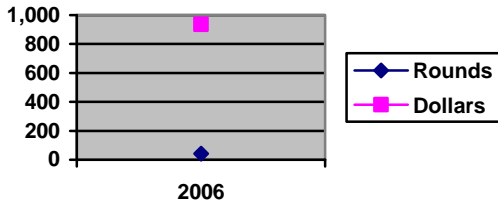


Year	Rounds	Dollars
2001	150	\$50.16
2003	500	\$239.90
2004	250	\$110.49
Total	900	\$400.55

Appendix 1

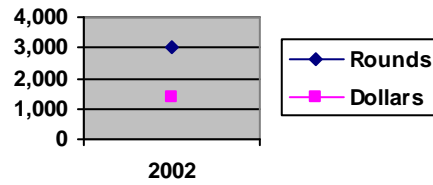
Specialty Purchases: 2001 – 2007

37MM Practice



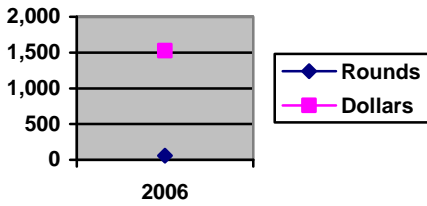
Year	Rounds	Dollars
2006	43	\$935.25

FX9 Marking Cartridges



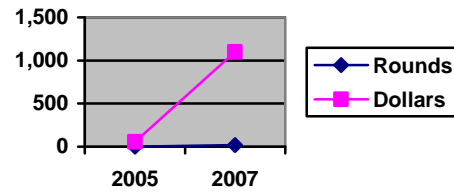
Year	Rounds	Dollars
2002	3,000	\$1,397.52

40MM Sponge



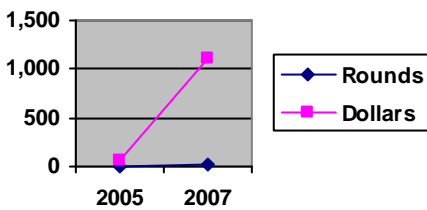
Year	Rounds	Dollars
2006	57	\$1,527.60

Diversion Grenade



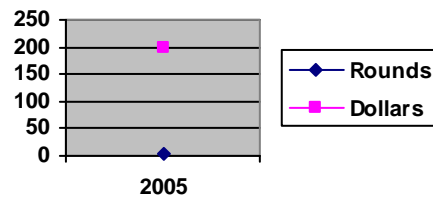
Year	Rounds	Dollars
2005	1	\$57.00
2007	20	\$1,100.00
Total	21	\$1,157.00

Stun Grenade



Year	Rounds	Dollars
2005	1	\$52.00
2007	20	\$1,100.00
Total	21	\$1,152.00

Tactical Blast Strip



Year	Rounds	Dollars
2005	3	\$198.00

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