



UNITED STATES CAPITOL POLICE OFFICE OF INSPECTOR GENERAL

Followup Report on the Department's Resolution of Audit Recommendations

Report Number OIG-2007-03, March 2007

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UNITED STATES CAPITOL POLICE

WASHINGTON, DC 20003



INSPECTOR GENERAL

PREFACE

The Office of Inspector General (OIG) prepared this report pursuant to the Inspector General Act of 1978, as amended. It is one of a series of audit, reviews, and investigative and special reports prepared by OIG periodically as part of its oversight responsibility with the respect to the United States Capitol Police to identify and prevent fraud, waste, abuse, and mismanagement.

This report is the result of an assessment of the strengths and weaknesses of the office or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG, and have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

Signature

A handwritten signature in cursive script, reading "Carl W. Hoecker".

Carl W. Hoecker
Inspector General

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Abbreviations

Chief Administrative Officer	CAO
Fiscal Year	FY
Financial Managers' Financial Integrity Act	FMFLA
Government Accountability Office	GAO
Inspector General	IG
Inspector General Act Amendments of 1988	the Act
Office of Inspector General	OIG
Office of Management and Budget	OMB
United States Capitol Police	Department

EXECUTIVE SUMMARY

In accordance with our FY 2007 annual plan, the Office of Inspector General (OIG) consolidated a list of prior recommendations made by the Government Accountability Office (GAO) and the Office of Inspector General (OIG) to the United States Capitol Police (the Department). This followup report provides the results of activities by the Department in resolving findings and recommendations previously identified by GAO, OIG, and its external auditors during fiscal years 2000 through December 2006. Our purpose was to determine the status of corrective actions on prior recommendations, and provide assistance to the Department in facilitating closure of recommendations.

GAO and OIG recommendations are intended to improve the economy, efficiency, and effectiveness of an agency's operations and to improve the accountability of the federal government. Federal managers' responsibility for acting on recommendations is underscored by the Inspector General (IG) Act (the Act), as amended. The Act requires agency heads to report to the Congress on the extent to which they have acted on audit recommendations and the effectiveness of such action(s). Furthermore, the Act requires IGs to report such statistical data in their semiannual report to Congress.

During FYs 2000 through December 2006, GAO, OIG, and its external auditors have made 88¹ recommendations, which required corrective actions by the Department as shown in Appendix A. OIG found that the Department had fully implemented 10 of 88 recommendations or 11 percent, which GAO and OIG considered resolved and closed as shown in Table 1 below. However, the other 78 recommendations are resolved but open pending further action(s) by the Department.

Table 1 – Number and Status of Recommendations Made to the Department

<i>Originated</i>	<i>Number of Recommendations</i>	<i>Closed²</i>	<i>Resolved but Open³</i>	<i>Unresolved and Open⁴</i>
GAO	60	7	53	0
OIG	28	3	25	0
Total	88	10	78	0

Source: GAO and OIG analysis for the period October 1, 1999 through December 2006.

¹ OIG enumerated each sub-component of prior recommendations to assist the Department in implementation tracking and closure of recommended actions.

² Generally, a recommendation is closed when GAO or OIG acknowledge that the designated action office has provided satisfactory evidence that the recommendations has been fully implemented, or OIG agrees that partial implementation is acceptable and has been completed or that noncompliance is acceptable.

³ For most audits, a recommendation is considered resolved but open pending further action when the designated action office agrees with the recommendation but has not presented satisfactory documentation that it has implemented the recommendation or some other acceptable course of action that satisfies the intent of the recommendation.

⁴ OIG considers a recommendation unresolved and open when the designated action office has not responded to the recommendation, or failed to address the recommendation in a satisfactory manner satisfactory, or indicated its disagreement with the recommendation in whole and an impasse decision has not been issued.

In fact, OIG found that some recommendations made to the Department have remained open for years and were repeat findings in both GAO and OIG reports. For example, in its report (GAO/AIMD-00-153) dated May 15, 2000, GAO recommended that the Department develop and implement policies and procedures covering all matters, which impact its financial performance. This same recommendation was a repeat finding in an OIG report, *Independent Auditors Report on FY 2004 and 2005 Financial Statements* (OIG-2007-01), dated October 2006. According to GAO's February 2007 exit briefing report, the Department continues to face major challenges and has yet to make significant progress to improve financial management operations. OIG also reported financial management and resolution of prior recommendations as major management challenges for the Department. Accordingly, it is critical that the Department take immediate actions to implement and close these recommendations. Fully implementing GAO and OIG recommendations will significantly improve the Department's operations and activities and accountability for federal funds. Incomplete action on prior audit recommendations may result in monetary and efficiency losses in Federal programs and operations.

Furthermore, the Department has not established a formalized process to assure the prompt and proper resolution and implementation of audit recommendations, or issued guidance regarding audit followup, or designated audit followup officials. Audit followup is an integral part of good management and is a shared responsibility of Department management and auditors. Thus, we are recommending that the Department, in coordination with OIG, establish systems to assure the prompt and proper resolution and implementation of audit recommendations. These systems should provide for a complete record of action taken on both monetary and non-monetary findings and recommendations. The Department also should specify formal guidance for the role of the designated audit followup officials.

On March 13, 2007, OIG conducted an exit conference with the Chief of Police and provided a draft report for comment. The Department's comments are incorporated in the body of the report as applicable and attached in its entirety as Appendix C. The status of any further corrective action(s) taken to fully implement previous recommendations was incorporated into this report and also will be considered in preparing OIG's

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Background

The ultimate objectives of audit work are saving tax dollars, improving programs and operations, and providing better service to stakeholders. Auditors' recommendations are vehicles for fulfilling these objectives, but only the effective implementation of recommendations—not the recommendations themselves—will enable the Department to work better and smarter at lower cost.

When an audit recommendation is made, agency management is responsible for taking corrective action. Management's responsibility for resolving and implementing audit recommendations stems from requirements for effective internal control systems contained in the Accounting and Auditing Act of 1950. Increased focus on the need for effective resolution of audit recommendations was provided in the Federal Managers' Financial Integrity Act (FMFIA) of 1982. As required by FMFIA, standards for prompt resolution of audit recommendations also were included in *GAO's Standards for Internal Controls in the Federal Government* (GAO/AIMD-00-21.3.1) dated November 1999.

Furthermore, the Office of Management and Budget (OMB) Circular 50⁵ requires that federal managers establish procedures to ensure that prompt and proper corrective action is taken on auditors' recommendations. The circular states that such actions are essential to improving the effectiveness and efficiency of government operations. The IG Act, as amended, further underscores federal managers' responsibility for acting on auditors' recommendations. The Act requires agency heads to report to the Congress on the extent to which they have acted on audit recommendations and the effectiveness of actions that have been completed. Moreover, the amendments require IGs to report such statistical data in their semiannual report to Congress.

OIG was established July 9, 2006, with the hiring of the first IG for the Department. OIG issued its first [REDACTED]. Prior to the establishment of the OIG, GAO conducted audits and annual reviews at the request of Congress and followed-up on previous recommendations through these efforts.

Purpose, Scope, and Methodology

The objectives of our review were (1) to consolidate prior recommendations made to the Department and (2) to determine the current status (resolved but open, unresolved, closed) and if additional corrective action(s) was still needed for resolution. Our scope included recommendations previously identified by the GAO, OIG, and its external auditors during fiscal years 2000 through December 2006.

To prepare a consolidated list of findings and recommendations, we obtained listings of previous reports issued by GAO, OIG, and its external auditors. At OIG's request, GAO prepared a complete list of previous recommendations and reported the current status based on work conducted during its 2006 annual review of the Department. In addition, we coordinated with the external auditors as to the current status of recommendations

⁵ As a legislative branch agency, the Department is not required to follow OMB Circular No. A-50. However, the circular provides guidance and best practices to all federal executive branch departments and agencies when considering reports issued by the Inspector Generals and the Government Accountability Office, and non-federal auditors where followup is necessary.

based on work conducted during fieldwork of the annual [REDACTED]
[REDACTED]

Our audit effort was limited and we did not verify or obtain information documenting the implementation or resolution of the recommendations. Instead, we relied on the information furnished by GAO and our external auditors. When OIG found duplication of findings and recommendations, we used the most current GAO or OIG report to make a determination as to the current status of resolution of the recommendation(s).

Furthermore, we reviewed the Chief Administrative Officer's (CAO) listing of prior recommendations and interviewed Department officials as to the current audit resolution process.

The IG Act establishes the criteria for items to be reported in the semiannual report to Congress. As shown in Appendix B, OIG used its *Audit Resolution Process and Terminology*, which incorporated applicable guidance and regulation for recommendation tracking terminology.

We conducted fieldwork in Washington, D.C. from February 14, 2007, through March 9, 2007. Our followup review was performed in accordance with *Government Auditing Standards* except for independent referencing⁶ and included such procedures, as we considered necessary in the circumstances. On March 13, 2007, we conducted an exit conference with the Chief of Police and incorporated applicable comments.

Followup Results

GAO and OIG recommendations are intended to improve the economy, efficiency, and effectiveness of an agency's operations and to improve the accountability of the federal government. However, we found that the Department had not implemented about 89 percent of the prior recommendations made by GAO, OIG, and its external auditor. In fact, some recommendations have been repeat findings and recommendations in both GAO and OIG reports for years. Furthermore, the Department has not established a formal audit resolution process to assure timely action on prior recommendations.

Untimely Action on Prior Recommendations

Based on information from prior reports, GAO and OIG have made 88 recommendations to the Department during fiscal years 2000 through December 2006. The Department has

⁶ GAS 8.45 states one way to help ensure that the audit report meets reporting standards is to use a quality control process such as referencing. Referencing is a process in which an experienced auditor who is independent of the audit verifies that statements of facts, figures, and dates are correctly reported, and that the findings are adequately supported by the audit documentation, and that the conclusions and recommendations flow logically from the support. As of March 2007, OIG had only one auditor on staff.

satisfactorily closed 10 of 88 previous recommendations from GAO and OIG reports. With regard to the other 78 remaining recommendations, the Department has taken some actions, but additional efforts are still required for the recommendations to be fully implemented and closed.

Table 2 shows the recommendation status by issue area such as financial management and human capital. GAO and OIG have repeatedly reported some of the same findings and recommendations related to financial management and human capital issues. For example, both GAO and OIG have reported significant deficiencies related to the Department's time and attendance and payroll processing. In fact, 9 of 27 GAO and OIG recommendations issued in the financial management area related to policies and procedures.

For a consolidated list and status of recommendations made to the Department, see Appendix A.

It is critical that the Department makes continuous and timely progress, and follows through on all actions.

The Department

also should ensure that ongoing monitoring occurs to ensure that effective internal controls are fully integrated into its daily operations and operating culture to improve accountability and reduce risks.

The IG Act requires agency heads to report to the Congress on the extent of which they have acted on audit recommendations and the effectiveness of actions that have been completed. If the Department acts promptly on the information provided in this report, it should be able to successfully close some of the open recommendations, for example, the GAO recommendation shown below (GAO Letter Report Dated 2/18/05). According to GAO, training was largely completed but a final training report has not been prepared. This recommendation remains open pending receipt of a final training report.

Human Capital - Chief of Police direct the CAO and the Director of OHR to determine if continuing operational demands require a new approach to delivering and scheduling training on the new performance management systems.

<i>Table 2 – Recommendation Status by Issue Area</i>						
<i>Issue Area</i>	<i>Recommendation Status</i>					
	<i>Closed</i>			<i>Open</i>		
	<i>GAO</i>	<i>OIG</i>	<i>Total</i>	<i>GAO</i>	<i>OIG</i>	<i>Total</i>
Financial Management	0	0	0	24	3	27
Human Capital	2	0	2	14	8	22
Information Management	1	3	4	9	9	18
Management Issues	2	0	2	0	0	0
Performance Management	1	0	1	0	0	0
Strategic Planning Process	1	0	1	0	0	0
Office of General Counsel	0	0	0	3	0	3
Operational Efficiencies	0	0	0	3	5	8
Total	7	3	10	53	25	78
Source: OIG and GAO findings and recommendations. OIG numbers include its external auditor's recommendations.						

Inadequate Audit Resolution Process

The Department did not have a formal audit followup resolution process, which provided adequate and reliable system of controls and procedures for resolving audit findings. The Department also had not formally designated the role of audit followup officials or issued a Department-wide directive with regard to audit followup.

According to Department officials, the current resolution process requires each director or commander to track recommendations related to his or her specific area. The status reports are then routed to the Chief Administrative Officer (CAO) who compiles the information for GAO. The CAO stated that the Department did not have a directive related to audit resolution but would like to discuss streamlining the process with OIG and GAO. A comprehensive resolution process would serve the Department, OIG, and GAO and facilitate closure of open recommendations.

Audit resolution has been a long-standing challenge for the Department for several years as shown by the open audit recommendations. In fact, OIG reported audit resolution as a major management challenge for the Department. Over the years, Department managers have not paid adequate attention to implementing auditors' recommendations. We identified 78 of 88 open audit recommendations. This lack of management commitment has negatively impacted internal controls and may have resulted in monetary and efficiency losses in programs and operations.

Inadequate resolution of recommendations may have occurred because the Department has not held managers accountable for successfully implementing recommendations. To ensure accountability, managers' action or inaction with regard to audit resolution should be linked to their executive performance plans and documented in annual performance appraisals. GAO⁷ has recommended that managers use three basic principles to take corrective action on auditors' recommendations:

- make a commitment to realizing the benefits of audit work by ensuring recommended improvements are implemented;
- ensure the implementation of recommended improvements through an aggressive monitoring and followup system; and
- give special attention to key recommendations.

Another reason the Department may not have yet formalized its resolution process is that the OIG was only recently established in July 2006. OMB Circular A-50 specifies the role of the designated audit followup officials as well as the role of IGs with regard to audit followup and reporting in its semiannual report to Congress. The circular also emphasizes the importance of monitoring the implementation of resolved audit recommendations to ensure that promised corrective action is taken. *Government Auditing Standards* also require auditors to evaluate whether the audited entity has taken

⁷ *How to Get Action on Audit Recommendations* (GAO/OP-9.2.1) dated July 1991.

appropriate corrective action to address findings and recommendations from previous reports. Auditors use this information in assessing risk and determining the nature, timing, and extent of work for current engagement objectives.

Conclusions

Effectively implementing corrective actions on auditors' recommendations is a basic responsibility of Department management. We found that existing guidance is insufficient to achieve consistent implementation of recommended corrective action. The first step in achieving more effective audit resolution is for the Department to provide clear and concise Department-wide guidance and document managers' efforts in annual performance appraisals related to implementing recommendations. Until the Department establishes policies and procedures into its day-to-day management of program operations and designates audit followup officials, there can be no assurance that audit resources are used effectively and Department programs and operations are protected from losses.

Recommendation 1: We recommend that the United States Capitol Police, Chief of Police, in coordination with the Office of Inspector General, establish a formal audit resolution process to include designating audit followup officials, and issuing a Department-wide directive with regard to audit resolution. In addition, the guidance should reflect the reporting requirements and pertinent definitions contained in the Inspector General Act.

Recommendation 2: We recommend that the United States Capitol Police, Chief of Police utilize the information developed herein to take all necessary action(s) to hold managers accountable for adjudicating audit recommendations in a timely manner. Managers' efforts should be documented in their annual performance appraisals.

APPENDICES

**STATUS OF RESOLUTION OF RECOMMENDATIONS
MADE TO UNITED STATES CAPITOL POLICE**

Product Identifier	Page Number	Recommendation	Current Understanding of Corrective Actions	Status of Recommendation
GAO Letter Report, 11/10/2005	17	Financial Management - the Chief of Police direct the CAO and the Director of OFM to evaluate its financial management staffing needs to (1) determine the proper mix of contractor and staff support needed during the current period of high demand and in the future (2) determine whether staffing levels are sufficient to address future workload demands, and (3) meet its long-term financial management goals.	As of December 2006, OFM continues to struggle to fill vacant positions, 5 vacancies in key positions – Budget Officer, Deputy Budget Officer, Procurement Officer, Lead Accountant, and Accounting Officer.	Open-Followup Needed
OIG-2007-01 10/1/2006	18	Financial Management (2.1) - We recommend that the CAO continue to implement policies and procedures covering all matters impacting USCP's financial performance, take steps to ensure that they are implemented consistently throughout USCP and provide training for all employees.	Substantial Progress. USCP developed a Financial Management Improvement Plan (FMIP) in FY 2001 that included policies and procedures for operating OFM and HRM. It has implemented many policies and procedures, but follow-up must occur to ensure that they are consistently followed. Additionally, policies and procedures should be developed for all activities occurring in OFM. USCP needs to create a system to followup on implementation of standard operating procedures (SOPs). As USCP grows, SOPs will require change, and new SOPs will be needed. USCP should prepare and implement SOPs as soon as a weakness is identified. OFM management will need to take a more proactive approach to monitoring all implemented policies to verify that other divisions are properly executing procedures.	Open-Followup Needed

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OIG-2007-01 10/1/2006	19	Financial Management (2.2) - We recommend that the CAO continue to implement policies and procedures covering all matters impacting USCP's financial statement and year-end closing activities and take steps to document and consistently implement new activities throughout USCP.	New Recommendation.	Open-Followup Needed
OIG-2007-01 10/1/2006	20	Financial Management (2.3) - We recommend that the CAO develop and implement policies and procedures to facilitate the flow of information from the General Counsel to OFM and additionally require the General Counsel to respond adequately and timely to auditor request for a letter of legal representation.	New Recommendation.	Open-Followup Needed
GAO Letter Report, 11/10/05	17	Financial Management -The Chief of Police direct the CAO and the Director of OFM to continually evaluate its financial management staffing needs to determine whether staffing levels are sufficient to address current and future operational demands and meet long-term financial management goals.	Open-Followup Needed	Open-Followup Needed
GAO Letter Report, 2/18/05	16	Financial Management -The Chief of Police direct the CAO and the Director of OFM to continually evaluate its financial management staffing needs to determine whether staffing levels are sufficient to address current and future operational demands and meet long-term financial management goals.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, USCP continues to face challenges and difficulties with day-to-day operations because of increased growth and responsibilities and the inefficiencies associated with lack of policies and procedures, staff vacancies, and implementation of new systems. Finding remains a reportable condition	Open-Followup Needed

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GAO Letter Report, 2/18/05	16	Financial Management -The Chief of Police direct the CAO and the Director of OFM to continue efforts to finalize detailed policies, procedures, and internal controls covering USCP's procurement and purchasing activities, and adequately train staff to reduce risk in the procurement area.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has developed and implemented policies and procedures for managing financial management operations. However, many of the new policies and procedures are not consistently used. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 2/18/05	16	Financial Management -The Chief of Police direct the CAO and the Director of OFM to continue to develop and implement all necessary policies and procedures covering financial management operations, and adequately train all staff involved in financial management activities to ensure consistent application of the applicable policies and procedures, and to reduce risk in financial management operations.	In a report dated July 2006, the financial statement auditor noted the following deficiencies: Misclassified transactions (budget object codes, division, and funds); Insufficient implementation of policy for receiving of goods; Insufficient documentation to support receipt of goods; Vendors not promptly paid; Missing payment documentation; No policy or procedure requiring the monitoring of fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 2/18/05	16	Financial Management -The Chief of Police direct the CAO and the Director of OFM to continue to implement proper internal control, such as monitoring, over all credit card programs to minimize the risks of fraudulent, improper, and abusive credit card transactions.	In a report dated July 2006, the financial statement auditor noted the following deficiencies: Misclassified transactions (budget object codes, division, and funds); Insufficient implementation of policy for receiving of goods; Insufficient documentation to support receipt of goods; Vendors not promptly paid; Missing payment documentation; No policy or procedure requiring the monitoring of fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed

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GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to establish electronic approval paths that are properly designed and implemented in the new financial management system to help ensure that adequate segregation of duties are in place and that only approved reprogramming transactions are processed in the system.	Ensure adequate segregation of duties by establishing electronic approval paths in the new financial management systems – Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to establish, document, and formalize specific policies and procedures for year-end reprogramming transactions	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has inadequate quality assurance procedures regarding year-end closing and financial statement preparation. New Deficiency.	Open-Followup Needed
GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to evaluate alternatives for contract administration over large-dollar contracts to determine which would be cost beneficial and effective to help ensure that contract requirements are met and deliverables are received	Alternatives for contract administration over large-dollar contracts – Finding remains a reportable condition. Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 2/18/05	16	Financial Management - The Chief of Police direct the CAO and the Director of OFM to evaluate the process for procurements that require multiple actions, approvals from higher levels, and additional followup, to determine what additional resources are needed to efficiently complete the procurement request and to reduce the procurement workload.	In a report dated July 2006, the financial statement auditor noted the following deficiencies: Misclassified transactions (budget object codes, division, and funds); Insufficient implementation of policy for receiving of goods; Insufficient documentation to support receipt of goods; Vendors not promptly paid; Missing payment documentation; No policy or procedure requiring the monitoring of fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed

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GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to finalize detailed policies, procedures, and internal controls covering USCP's procurement and purchase activities, and adequately train staff to reduce risk in the procurement area.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has developed and implemented policies and procedures for managing financial management operations. However, many of the new policies and procedures are not consistently used. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to immediately address high-priority staffing and contractor needs and fill vacancies to reduce risk associated with any workload and staffing imbalance.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, several key positions are vacant or soon will be because of recent resignations and retirements. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 11/10/2005	17	Financial Management - The Chief of Police direct the CAO and the Director of OFM to increase efforts to develop and implement all necessary policies and procedures covering financial management operations, and adequately train staff involved in financial management activities to help ensure consistent application of the applicable policies and procedures, and to reduce risk in financial management operations.	The auditors' noted the following deficiencies: Misclassified transactions (budget object codes, division, and funds); Insufficient implementation of policy for receiving of goods; Insufficient documentation to support receipt of goods; Vendors not promptly paid; Missing payment documentation; No policy or procedure requiring the monitoring of fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 2/18/06	16	Financial Management - The Chief of Police direct the CAO and the Director of OFM to monitor the effectiveness of recently implemented reporting requirements and procedures established to improve accountability over large-dollar contracts.	The financial statement auditor noted the following deficiencies: Misclassified transactions (budget object codes, division, and funds); Insufficient implementation of policy for receiving of goods; Insufficient documentation to support receipt of goods; Vendors not promptly paid; Missing payment documentation; No policy or procedure requiring the monitoring of fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed

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GAO/AIMD-00-153, 5/15/00	16	Financial Management - The USCP needs to develop and implement policies and procedures covering all matters which impact the financial performance of the USCP. Steps should be taken to ensure that the developed policies and procedures are implemented consistently throughout the USCP, and that training is provided to all employees to ensure that they are aware of the stated policies.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has developed and implemented policies and procedures for managing financial management operations. However, unless new and current policies and procedures are clearly presented by management and understood and followed by all employees, USCP will continue to have deficiencies. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM continue to assess the risks associated with the management of all credit card programs including fleet and travel, and take appropriate action where necessary to strengthen controls and to minimize the risks of fraudulent, improper, and abusive credit card transactions.	Assess Risk of managing of Credit Card Programs - Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM systematically monitor the purchase card program to identify potential fraudulent, improper, and abusive uses of the purchase cards, as well as any patterns of improper cardholder transactions.	Monitor Purchase Card Program - Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM to assess the procurement workload to identify the current backlog of procurement transactions and identify any additional staffing needed to address the backlog and projected future procurement activity.	Procurement Workload – Recommendation remains open.	Open-Followup Needed

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GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM to assess whether adequate segregation of duties exists over financial management activities to ensure that proper control procedures are in place over USCP resources to reduce the risk of erroneous or fraudulent transactions.	Ensure adequate segregation of duties – Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM to finalize detailed policies, procedures, and internal controls covering USCP's procurement and purchasing activities and provide training to the appropriate staff.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has developed and implemented policies and procedures for managing financial management operations. However, many of the new policies and procedures are not consistently used. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM to hire additional staff to fill vacant positions and maintain authorized staffing levels to meet USCP financial management goals.	As of December 2006, OFM continues to struggle to fill vacant positions, 5 vacancies in key positions -- Budget Officer, Deputy Budget Officer, Procurement Officer, Lead Accountant, and Accounting Officer.	Open-Followup Needed
GAO Letter Report, 8/6/04	13	Financial Management - We recommend that the Chief of Police direct the CAO and the Director of OFM to provide training and other guidance to USCP operations staff who procure goods and services or oversee contracts to help ensure consistent application of the applicable policies and procedures relating to financial management operations.	Training on policies and procedures – Recommendation remains open.	Open-Followup Needed

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GAO Letter Report, 1/30/04	21	Financial Management - Chief of Police direct the Director of OFM to consult with congressional stakeholders to determine the format of audited financial statements that would be useful to those stakeholders and explore interim steps, such as preparing a statement of budgetary resources, to be completed prior to developing a full set of financial statements in accordance with GAAP for federal entities, so that congressional and other stakeholders are provided with audited information that meets their needs.	OFM prepared the first-ever USCP Statement of Budgetary Resources as an initial step towards developing a full set of entity wide financial statements in accordance with GAAP for federal entities (2/18/05 Semiannual Report). Recommendation resolved and will be closed upon completion of full set of financial statements.	Open-Followup Needed
GAO Letter Report, 1/30/04	21	Financial Management - Chief of Police direct the Director of OFM to develop and implement detailed policies and procedures covering USCP's procurement activities and provide training to the appropriate staff; provide training and other guidance to OFM staff to ensure consistent application of the applicable policies and procedures relating to financial management operations.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, OFM has developed and implemented policies and procedures for managing financial management operations. However, many of the new policies and procedures are not consistently used. Deficiencies noted included misclassified transactions, insufficient implementation of policy receiving of goods, vendor not promptly paid, missing payment documentation, no policy for fuel purchase transactions. Finding remains a reportable condition.	Open-Followup Needed
GAO Letter Report, 2/18/05	7	Human Capital - Chief of Police direct the CAO and the Director of OHR to determine if continuing operational demands require a new approach to delivering and scheduling training on the new performance management systems.	Training was largely completed, but a final training report has not been prepared.	Open. Pending receipt of the final training report.

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GAO Letter Report, 2/18/05	7	Human Capital - Chief of Police direct the CAO and the Director of OHR to implement a workforce planning process that clearly establishes and assigns roles and responsibilities to link planning of resource requirements to the USCP strategic plan and achieve operating efficiencies.	Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Building capabilities to address administrative, education, and other requirements important to support workforce strategies.	Status unknown.	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Defines organizational roles for establishing a more integrated approach to civilian training.	Status unknown.	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Determining critical skills and competencies that are needed to achieve future programmatic results.	Status Unknown	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Devising strategies (e.g., hiring, outsourcing, or training) to address gaps in the number, deployment, and alignment of human capital approaches to enable and sustain the contributions of critical skills and competencies.	Status unknown.	Open-Followup Needed

Appendix A

GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Involving top management and employees in developing, communicating, and implementing a strategic workforce plan.	Status Unknown	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to develop and implement a USCP strategic workforce planning process that includes: Monitoring and evaluating progress toward the organization's human capital goals and the contribution that human capital results have made toward achieving programmatic goals.	Status unknown.	Open-Followup Needed
GAO Letter Report, 1/30/04	14	Human Capital - Chief of Police direct the Director of Human Resources to Report at least quarterly to the Chief during fiscal year 2004 on the Office of Human Resources' progress in filling civilian vacancies and on any additional improvements needed in its civilian hiring process to totally fill authorized fiscal year 2004 positions.	Closed. USCP generally met their hiring challenge as noted in February 2005 report.	Closed

Open-Followup
Needed

Recommendation remains open.

Human Capital Management - That USCP's
Chief make completing the strategic workforce plan a priority for USCP and be involved in developing, communicating, and implementing the workforce plan. In this regard, the workforce analyses assigned to the OHR workforce planner should be evaluated to help ensure that progress on the strategic workforce plan can also go forward. As we recommended in our previous report, the Chief should direct the CAO and the Director of OHR to implement a workforce planning process that clearly establishes and assigns roles and responsibilities to link planning of resource requirements to the USCP strategic plan.

GAO Letter Report,
11/10/2005

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Open-Followup
Needed

Status Unknown

Human Capital, Civilian Hiring - In addition, to provide increased assurance that USCP is consistently implementing clear, up-to-date policies and procedures for civilian hiring and a strategic approach for training civilian employees, we recommend that the Chief monitor the development and implementation of USCP's civilian handbook and its analysis of the competencies that employees will need to meet is performance goals.

GAO Letter Report,
8/6/04

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Closed

Closed

Human Capital, Civilian Hiring -To help manage the risk and in the event that USCP officials have not selected candidates by OHR's July 31, 2004 date, we recommend that the Chief of Police establish priorities for filling the remaining unfilled vacancies.

GAO Letter Report,
8/6/04

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OIG-2007-01 10/1/2006	13	Human Capital, Payroll Processing (1.2) - We recommend that the CAO develop and implement policies and procedures requiring all employees to positively attest to the accuracy of pay period information transmitted to NFC.	Limited progress. USCP has developed procedures to acknowledge their review of the bi-weekly Certification Report to the extent practical. Employees are required to sign and date reports and to promptly disclose discrepancies to supervisors. Implementation of the procedure has, however, been inconsistent. USCP has implemented a new time collection system that will render the acknowledgement of the Certification Report obsolete; the control function has not however, been activated. The primary policy directing this issue currently is the requirement for each employee to sign the Certification Report. USCP needs to implement and enforce policies and procedures. If USCP intends to use the controls built into the new time collection system to correct this condition, its policies must be updated to reflect which policy is in effect and required.	Open-Followup Needed
OIG-2007-01 10/1/2006	13	Human Capital, Payroll Processing (1.1) - We recommend that the CAO develop and implement policies and procedures to ensure that employee personnel files are current and clearly document grade, step, and benefit information for each employee, and that disbursements is readily available.	Limited progress. USCP has developed procedures to ensure that current salary information is appropriately reflected in the personnel records and that individual payroll data are properly controlled, supported, and maintained. Specifically needed are personnel to perform the developed procedures. USCP needs to implement these procedures and hire and provide training to personnel in the proper maintenance of personnel records.	Open-Followup Needed

Appendix A

OIG-2007-01 10/1/2006	16	Human Capital, Payroll Processing (1.6) - We recommend that the CAO develop policies and procedures to prevent non-compliance with Title 5, Part III of Section 3110, Employment of Relatives restrictions. Multiple levels of control may be needed to guarantee that the law will not be violated.	New Recommendation. Status unknown.	Open-Followup Needed
OIG-2007-01 10/1/2006	15	Human Capital, Payroll Processing (1.6) - We recommend that the CAO develop policies and procedures to properly safeguard sensitive information related to personnel to prevent unauthorized access and loss and implement them.	New Recommendation.	Open-Followup Needed
OIG-2007-01 10/1/2006	15	Human Capital, Payroll Processing (1.7) - We recommend that the CAO develop policies and procedures to regularly perform a robust reconciliation of and received from NFC to verify its integrity. Additionally, we recommend that the CAO develop policies and procedures to regularly obtain the SAS 70 report from NFC and comment an evaluation of the potential impact that NVC weaknesses can have on USCP.	New Recommendation.	Open-Followup Needed

Appendix A

OIG-2007-01 10/1/2006	14	Human Capital, Payroll Processing (1.3) - We recommend that the CAO enforce existing policies and procedures to require supervisors to approve the accuracy of pay period information before it is transmitted to NFC.	Limited Progress. USCP has developed procedures requiring supervisors or other equivalent officials most knowledgeable to time worked by employees to approve bi-weekly Certification Reports to the extent practical. They are required to sign and date reports; however, inconsistent application has been noted. USCP has implemented a new time collection system that will render the acknowledgement of the Certification Report obsolete. This control function has not, however, been activated. USCP needs to consistently implement policies and procedures. If USCP intends to use the controls built into the new time collection system to correct this condition, it must update current policies and notify all personnel of the change.	Open-Followup Needed
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OIG-2007-01 10/1/2008	15	Human Capital, Payroll Processing (1.5) - We recommend that the CAO enforce policies and procedures regarding supervisory approval of time records in [REDACTED] and reinforce policies and procedures regarding leave approval.	New Recommendation.	Open-Followup Needed
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Appendix A

OIG-2007-01 10/1/2006	14	Human Capital, Payroll Processing (1.4) - We recommend that the CAO develop and implement policies and procedures to permit USCP to efficiently track and certify all hours incurred by all employees.	Some Progress. As long as the Certification Report is intended to be the primary control for time attestation, these documents must be retained. Any changes or adjustments must be documented. The new system required the T&A Clerk to enter an explanation into the system to document changes. Supervisory attestation did not, however, always occur. USCP needs to ensure that all time is attested to before this deficiency can be considered closed. Additionally, changes to timekeeping records made directly to the time collection system should require re-certification of Certification Reports. Completed Certification Reports should be kept in a central location and controls put in place to ensure that all reports are maintained.	Open-Followup Needed
GAO/AIMD-00-153, 5/15/00	19	Human Capital, Personnel Practices -The USCP needs to ensure that personnel files are up-to-date and clearly document the grade, step and benefit information for each employee. Furthermore, the USCP should establish procedures to ensure that supporting documentation for all payroll disbursements is readily available should questions arise related to a payroll disbursement.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, USCP needs to implement procedures to ensure that current salary information is appropriately reflected in the personnel records and that individual payroll data are properly controlled, supported, and maintained. USCP also needs to implement these procedures and hire and provide training to personnel in the proper maintenance of records. Finding remains a material weakness.	Open-Followup Needed

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GAO/AIMD-00-153, 5/15/00	19	Human Capital, Time and Attendance Practices -The USCP should enforce existing procedures that require the corresponding supervisors to approve the accuracy of pay period hours prior to transmitting pay period information to NFC.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, the policy requiring supervisors to approve the accuracy of pay period information submitted to NFC is not applied consistently. Also, all controls in the new time collection system are not activated. Finding remains a material weakness.	Open-Followup Needed
GAO/AIMD-00-153, 5/15/00	19	Human Capital, Time and Attendance Practices -The USCP should develop and implement policies requiring all employees to positively attest to the accuracy of pay period information, prior to transmitting pay period information to NFC.	According to USCP's FY 04 and 05 audit report dated July 25, 2006, USCP has developed procedures requiring employees to acknowledge their review of the bi-weekly Certification Report. However, implementation of the procedure has been inconsistent. USCP needs to implement and enforce policies and procedures. Finding remains a material weakness.	Open-Followup Needed
GAO/AIMD-00-153, 5/15/00	19	Human Capital, Time and Attendance Practices -The USCP should develop and implement procedures which would allow the USCP to efficiently track all hours incurred by an officer who has been temporarily detailed during a pay period.	This issue was not addressed in the USCP's FY 04 and 05 audit report dated July 25, 2006.	Open-Followup Needed
OIG-2007-01 10/1/2006	24	Information Systems (3.10) - We recommend that management develop standard procedures for sanitizing and disposing of media that may contain sensitive data.		Open-Followup Needed
OIG-2007-01 10/1/2006	22	Information Systems (3.6b) - We recommend that management ensure access rights for all terminated employees are removed in timely manner, and that reviews of account listings and inactive accounts are performed in a timely manner.	Limited Progress. As part of the overall security policies, general rules of behavior have been created for information systems. Employees are, however, responsible for reviewing these guidelines. Thus, this condition remains open.	Open-Followup Needed

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OIG-2007-01 10/1/2006	22	Information Systems (3.5) - USCP should develop and implement security awareness training policies and procedures. All employees with computer access should be required to attend security awareness training both upon hire and annually for refresher training.	Limited Progress. USCP's computer security policies are available to employees, but training is not provided, and employees are not required to review these policies or sign documents verifying their understanding. OIS has plans and a budget to purchase a computer-based training program that will deliver security training to all employees in FY 2006.	Open-Followup Needed
OIG-2007-01 10/1/2006	21	Information Systems (3.3) - We recommend review of computer room environmental controls as part of a certification and accreditation process for the general support system. During that process, management should assess risk associated with the computer room's environmental controls and make improvements as appropriate. That the policies and procedures for separating incompatible duties be approved by management and implemented.	Limited Progress. During the renovation period, little progress has been made in improving computer room controls. Management has added a temporary monitor that can provide alert capabilities for both water and temperature. "Netbotz" was scheduled to be installed in November 2006.	Open-Followup Needed
OIG-2007-01 10/1/2006	22	Information Systems (3.4) - We recommend that formal system software change policies and procedures be created. These should be properly reviewed and tested, and responsible personnel should be trained to carry out such procedures. Specifically, a change management policy should be created and implemented. The SDLC methodology should also be approved and implemented.	A System Development Life Cycle policy and a Configuration Management Policy have been documented and implemented, and appear to be adequately controlling the change process.	Closed
OIG-2007-01 10/1/2006	23	Information Systems (3.8) - We recommend that management certify and accredit all of its major applications and general support systems and maintain and update documentation supporting each system as necessary to reflect the current environment.		Open-Followup Needed

Appendix A

OIG-2007-01 10/1/2006	23	Information Systems (3.6c) - We recommend that management ensure that a standard security benchmark for all systems is developed and implemented. Organizations such as the National Institute of Standards and Technology (NIST) AND Center for Internet Security (CIS) provide guidance on security benchmarking for federal government systems.	Limited Progress. As part of the overall security policies, general rules of behavior have been created for information systems. Employees are, however, responsible for reviewing these guidelines. Thus, this condition remains open.	Open-Followup Needed
OIG-2007-01 10/1/2006	21	Information Systems (3.1) - We recommend that the CAO develop and implement standard operating procedures for information systems.	USCP now has a documented information security plan, Continuity of Operations Plan (COOP), Systems Development Life Cycle document (SDLC), and a Configuration Management Plan.	Closed
OIG-2007-01 10/1/2006	21	Information Systems (3.2) - We recommend that the policies and procedures for separating incompatible duties be approved by management and implemented.	Substantial Progress. A security officer has been hired, and policies and procedures for segregating duties have been developed, although not yet implemented.	Open-Followup Needed
OIG-2007-01 10/1/2006	23	Information Systems (3.7) - We recommend that USCP develop a security program plan that includes all major components of OMB Circular A-130, including performing risk assessments, documenting system security plans, and completing certification and accreditation for all major applications and the general support system.	USCP documented a security program plan.	Closed

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OIG-2007-01 10/1/2006	22	Information Systems (3.6a) - We recommend that USCP develop policies and procedures for adding new users to the system to include a standard user access authorization or. This form should be signed by a new user's manager and retained on file. also, new users should be required to sign a Rules of Behavior document that outlines acceptable uses of the information system before access is granted. All accounts should be assigned to an individual and not to a group of users to ensure accountability.	Limited Progress. As part of the overall security policies, general rules of behavior have been created for information systems. Employees are, however, responsible for reviewing these guidelines. Thus, this condition remains open.	Open-Followup Needed
OIG-2007-01 10/1/2006	24	Information Systems (3.9) - We recommend that management perform a certification and accreditation of the new financial system and include internal control procedures to ensure that outsourced system operators provide appropriate levels of security assurance for USCP.		Open-Followup Needed
GAO Letter Report, 2/18/05	19	Information Technology -The Chief of Police make the development of an agency wide COOP plan an agency priority; and direct the Director, OEM, to report progress in developing an agency wide COOP plan, including reasons for any delays, to the Chief on a quarterly basis.	USCP developed its agency wide COOP plan in April 2006. - (Auditor's note: This recommendation has been addressed and will likely be closed upon internal review).	Closed
GAO Letter Report, 8/6/04	20	Information Technology -The Chief of Police or his designee assess USCP's near-term exposure to the risk posed by not having a COOP plan for all essential administrative functions, and take appropriate steps to mitigate this risk.	As of July 2006, USCP officials stated that its agency wide COOP plan has been complete and found FEMA compliant by an independent auditor. They also noted that adequate funding, resources, and guidance have been provided for information security. (GAO Auditor's note: We are currently reviewing the COOP plan to determine whether it is compliant with best practices and related guidance).	Open-Followup Needed

Appendix A

GAO Letter Report, 8/6/04	20	Information Technology - The Chief of Police or his designee ensure that adequate resources to implement planned and ongoing information security activities and COOP planning efforts are provided.	As of July 2006, USCP officials stated that its agency wide COOP plan has been complete and found FEMA compliant by an independent auditor. They also noted that adequate funding, resources, and guidance have been provided for information security. (GAO Auditor's note: We are currently reviewing the COOP plan to determine whether it is compliant with best practices and related guidance).	Open-Followup Needed
GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Develop and implement an appropriate set of system acquisition policies and procedures, based on relevant SEI guidance, that at a minimum: (1) address relevant key processes and practices identified in SEI guidance, including acquisition planning, solicitation, and transition to support; (2) ensures that reliable project cost estimates are prepared; and (3) addresses how to handle questions from potential bidders.	According to officials, the IRB has been selecting and monitoring project implementations on a regular basis. (GAO Auditor's note: We are currently reviewing the documents provided by USCP to determine whether the actions taken are sufficient to address our recommendation). Systems Acquisition: As of July 2006, USCP OIS officials stated that they have developed and are currently implementing SA-CMMI guidance through policies and procedures and adding linkages to the investment management process with IRB and BSMO's enterprise architecture governance. According to officials, these activities consist of, but are not limited to, software acquisition planning, requirements development and management, evaluation, and transition and support. Through the utilization of the IRB and IT Capital Planning and Investment Control guide, USCP officials stated that they can prepare reliable project cost estimates. They also noted that the OIS has established a policy, which mandates those personnel serving as a COTR or Project Manager, to take a formalized course of instruction on program/project management. (Auditor's note: We are currently reviewing the documents provided by USCP to determine whether the actions taken are sufficient to address our recommendation).	Open-Followup Needed

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GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Ensure that EA products are sufficiently complete to include having (1) The business operation description to address the business strategy and business rules governing how agency strategic goals and objectives will be achieved, include a description of key business processes and how they are to support the agency's mission, and identify opportunities to reengineer, unify, and simplify systems and processes across the agency; (2) the technology architecture description identify the physical components of the IT infrastructure and the policies, procedures, and processes for, among other things, system development, acquisition, and integration activities, (3) all descriptions address how security will be achieved.	According to officials, USCP has maintained and evolved the business architecture, technology architecture and included security within all architecture views, based on the Federal Information Systems Management Act and the Office of Information Security (OIS) security program plan. In addition, according to officials, all architecture views are aligned with the USCP strategic plan. Further, OIS officials stated that they continue to incorporate IT governance policy and procedures into the EA as well as its IT Capital Planning Investment Control program, which includes a change management plan with a Change Control Board.	Open-Followup Needed
GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Ensure that the members of USCP's IRB are adequately trained on how to carry out the IRB's IT investment responsibilities.	Additionally, officials noted that the IRB has received several training sessions related to strategic planning and goal alignment of user needs and budget formulation, capital planning and investment control, enterprise architecture, and the investment management process.	Open-Followup Needed
GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Ensure that the modernization program management plan (or transition plan) includes a governance and control structure for aligning the organization's business transformation with systems modernization, including a schedule that shows legacy system replacement and resource needs for accomplishing this replacement.	Moreover, officials also noted that their legacy replacement is nearly complete and that the current version of the EA, 4.01, and the completed version update are expected to be finished in October 2006. (GAO Auditor's note: We are currently reviewing the documents provided by USCP to determine whether the actions taken are sufficient to address our recommendation).	Open-Followup Needed

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GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Limit future IT investments to small, low-risk projects until the appropriate controls have been implemented.	Further, officials stated that they continue to update their catalog of IT systems; implemented appropriate controls; and made risk management a major part of their IT investment process.	Open-Followup Needed
GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Manage development, maintenance, and implementation of USCP's EA in accordance with relevant guidance;	As of July 2006, USCP officials stated that it continues to maintain the enterprise architecture (EA) in accordance with the guidance provided by GAO.	Open-Followup Needed
GAO Letter Report, 1/30/04	33	Information Technology - Chief of Police or his designee do the following: Manage IT investments in accordance with relevant guidance, to include defining and implementing (1) policies and procedures for measuring IT project progress, (2) a process for IRB oversight of implemented IT projects, and (3) a process for collecting and maintaining information in its catalog of IT systems and using that information to make investment decisions.	As of July 2006, USCP officials stated that they continue to follow the GAO Information Technology Investment Management framework and implement it as a driver for the department's Business Systems Modernization Office's Investment Review Board (IRB) to approve system acquisitions based on SA-CMMI as well as to monitor progress. Further, officials stated that they continue to update their catalog of IT systems; implemented appropriate controls; and made risk management a major part of their IT investment process.	Open-Followup Needed
GAO Letter Report, 1/30/04	34	Management Issues - Chief of Police take the following actions: Direct the new CAO, when one is appointed, to update the CAO action plan, with attention to establishing an operational plan with a dual track approach of identified goals for improving the management controls of current workload processes and the goals for strategic initiatives that consider the resources available to achieve them. These goals should be supported by a timetable and an identified accountability for their attainment. The action plan should be the basis of evaluating the success of the new CAO.	Closed as a major issue, but should be reviewed on a continuing basis to ensure that plan is up-to-date and effective.	Closed

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GAO Letter Report, 1/30/04	34	Management Issues - Chief of Police take the following actions: Ensure that the goals, priorities, and initiatives in the CAO's updated action plan are consistent with and fully integrated in USCP's strategic and annual performance plans	Closed as a major issue, but should be reviewed on a continuing basis to ensure that plan is up-to-date and effective.	Closed
GAO B-306811, 3/31/06	n/a	Office of General Counsel - that the Chief of Police develop appropriate policies, procedures, or regulations for the ones we identified as needing improvement. In adopting and updating its written policies, procedures, and regulations, the USCP should prioritize its efforts to focus on those areas which would have the greatest impact on its limited resources. For example, since the USCP's largest category of expenditures is for employee salaries, it may want to initially examine its policies, procedures, and regulations relating to payroll and employee pay and leave.	Status Unknown.	Open-Followup Needed
GAO B-306811, 3/31/06	n/a	Office of General Counsel - That the Chief of Police, through the Office of General Counsel, review the USCP's governing statutes and provide the Capitol Police Board and its oversight committees with those outdated, superseded, or unclear provisions that should be repeated or amended.	Status Unknown.	Open-Followup Needed
GAO B-306811, 3/31/06	n/a	Office of General Counsel -That the Chief of Police take necessary actions to establish and document policies or procedures for the provisions where written policies or procedures are currently absent, but would, in our judgment, be beneficial. In some cases, these could be added to existing policies, procedures, or regulations.	Status Unknown.	Open-Followup Needed

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OIG-2007-02 12/30/2006	20	Operational Efficiencies (4) - We recommend that the USCP conduct fixed, cyclic, formalized, and encompassing risk assessments of the CVC site to ensure consistent, timely, and appropriate physical security, and compliance with security measures because the construction site is in a state of continual flux. Ideally, and independent departmental bureau or division commander or officer should conduct this assessment.	Open-Followup Needed
OIG-2007-02 12/30/2006	15	Operational Efficiencies (1) - We recommend that the USCP consistently link resource allocation to security risks as well as establish adequate managerial communication thereby ensuring an integrated team approach to achieve the Department's overall mission.	Open-Followup Needed
OIG-2007-02 12/30/2006	15	Operational Efficiencies (2) - We recommend that the USCP finalize and submit its organizational chart to the appropriate Congressional committees for review and approval.	Open-Followup Needed
OIG-2007-02 12/30/2006	15	Operational Efficiencies (3) - We recommend that the USCP review the feasibility of a common radio frequency thereby ensuring the effective flow of communication during an emergency situation.	Open-Followup Needed
OIG-2007-02 12/30/2006	23	Operational Efficiencies (5) - We recommend that the USCP update or establish policies and procedures to include the use of blocking vehicles in relationship to the use of deadly force policy, proper utilization of blocking vehicles, perimeter security, and update standard operating procedures for all posts. Additionally, USCP should adhere to its risk deployment strategies and current policies and procedures and train officers, accordingly.	Open-Followup Needed

Appendix A

GAO Letter Report, 11/10/2005	20	Operational Efficiencies [HSJ] -That the Chief of Police direct the Chief of Operations apply the risk matrix to all 19 congressional buildings.	No action to date. Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 11/10/2005	20	Operational Efficiencies [HSJ] -That the Chief of Police direct the Chief of Operations to conduct periodic testing and evaluation of the risk matrix to help ensure its continued effectiveness as a risk assessment/ resource allocation tool.	No action to date. Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 11/10/2005	20	Operational Efficiencies [HSJ] -That the Chief of Police direct the Chief of Operations to conduct an external peer review of the risk matrix and make revisions as appropriate.	No action to date. Recommendation remains open.	Open-Followup Needed
GAO Letter Report, 8/6/04	6	Performance Management -The Chief of Police and CAO should ensure, to the extent feasible, that its fiscal year 2004 performance report includes the kind of information that characterizes more useful annual performance reports that we have seen from executive agencies.	Closed	Closed
GAO Letter Report, 1/30/04	7	Strategic Planning Process - Chief of Police take appropriate actions to (1) more fully develop the performance measures and data necessary for USCP and others to assess its performance and pinpoint improvement opportunities, (2) link the annual plan to its budget request, and (3) ensure that the decisions reached as part of the planning process are used to drive daily operations.	Important steps taken in institutionalizing the planning process were made as noted in February 2005 report. Area of continuing improvements but no longer cited as a key issue in the November 2005 report.	Closed

Source: GAO and OIG

OIG enumerated sub-components of each recommendation to assist the Department in implementation tracking and closure of recommended actions.

OIG AUDIT RESOLUTION PROCESS AND TERMINOLOGY

Management Decision occurs when:

- the office assigned action for a recommendation informs OIG that it concurs with the recommendation;
- the office assigned action for a recommendation informs OIG that it disagrees with the recommendation in whole or in part, and OIG accepts the support or basis for disagreement and informs the office that implementation in whole or in part is not required; or
- disagreement between the designated action office and OIG on compliance with the recommendation has been resolved by the impasse official (Chief of Police or designee).

Final Action occurs as follows:

- The designated action office has concurred in a recommendation and has presented satisfactory evidence that it has implemented the recommendation or has completed an alternative measure that meets the intent of the recommendation.
- The designated action office disagrees with the recommendation and OIG accepts the basis for disagreement and informs the action office that further action on the recommendation is not required (closed, acceptable noncompliance).
- The designated action office disagrees with part of the recommendation, OIG accepts the basis for disagreement, and the action office presents satisfactory evidence that the remainder of the recommendation has been implemented.
- The impasse official has instructed: the action office to comply, and the office presents satisfactory evidence of compliance; or has informed OIG that the Department disagrees with the recommendation and that compliance will not occur.

Recommendation Tracking Terminology:

Recommendations are considered unresolved, resolved, or closed. Each of these categories is defined below.

Unresolved - A recommendation is considered unresolved when the designated action office has:

- not responded to the recommendation or failed to obtain clearance of its response by the offices identified by OIG as participants in the compliance process;
- failed to address the recommendation in a manner satisfactory to OIG; or
- indicated its disagreement with the recommendation in whole or, in part, and an impasse decision has not been issued.

Resolved, pending further action - A recommendation is considered resolved when the:

- designated action office agrees with the recommendation but has not presented satisfactory documentation that it has implemented the recommendation or some other acceptable course of action that satisfies the intent of the recommendation;
- action office informs OIG that it disagrees with all or part of the recommendation and OIG agrees to accept partial compliance or noncompliance; or
- impasse process has led to a positive or negative final management decision.

Closed - A recommendation is closed when:

- OIG acknowledges that the designated action office has provided satisfactory evidence that the recommendation has been implemented;
- OIG acknowledges to the action office that an alternative course of action to that proposed in the recommendation will satisfy the intent of the recommendation, and satisfactory evidence showing the alternative action has been completed is provided to OIG;
- OIG agrees that partial implementation is acceptable and has been completed or that noncompliance is acceptable;

The IG Act defines the term “questioned cost” as a cost that is questioned by OIG because of:

- an alleged violation of a provision of law, regulation, contract, or other agreement or document governing the expenditure of funds;
- a finding that, at the time of the audit, such cost is not supported by adequate documentation; or
- a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

The IG Act defines the term “recommendation that funds be put to better use” as funds that could be used more efficiently if management took actions to implement and complete the recommendations, including:

- reductions in outlays;
- deobligation of funds from programs or operations;
- withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds;
- costs not incurred by implementing recommended improvements related to Department operations or a contract or grant;
- avoidance of unnecessary expenditures noted in preaward reviews of contracts or agreements; or
- any other savings that are specifically identified.

Department Comments



Phone 202-224-3806

UNITED STATES CAPITOL POLICE

OFFICE OF THE CHIEF
119 D STREET NE
WASHINGTON, DC 20510-7218

March 22, 2007

MEMORANDUM

COP 070509

TO: Mr. Carl W. Hoecker
Inspector General

FROM: Phillip D. Morse, Sr.
Chief of Police

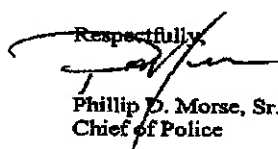
SUBJECT: Draft Followup Report on the Department's Resolution of Audit
Recommendations (OIG-2007-03)

Per our conversation March 21, 2007, I concur with recommendations outlined in your draft Followup Report on Resolution of Audit Recommendations dated March 20, 2007, (OIG-2007-03). In regards to recommendation one, the Chief Administrative Officer (CAO) and the Assistant Chief of Police (ACOP) will be the designated follow-up officials for issues related to administrative services in support of the Department's operational mission and operations, respectively.

Also, the CAO will have personal responsibility for ensuring (1) systems of audit followup, resolution, and corrective action are documented and in place, (2) timely responses are made to all audit reports, (3) disagreements are resolved, (4) corrective actions are actually taken, and (5) semi-annual reports are provided to me on the status of all unresolved audit reports over six months old, the reasons therefore, and a timetable for their resolution; and the number of reports or recommendations resolved during the period. These reports will include an update on the status of previously reported unresolved audits. Furthermore, the CAO will work, in coordination with the Office of Inspector General and DAD to issue a Department wide directive.

In regards to recommendation two, the ACOP and CAO will schedule an Executive Management Team meeting and brief all executive managers of their responsibility to be held accountable for adjudicating audit recommendations in a timely manner.

Respectfully,


Phillip D. Morse, Sr.
Chief of Police

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