



# **CITY OF CLARKSVILLE INTERNAL AUDIT REPORT**



Records Management Audit

All City Departments

As of April 30, 2010

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September 14, 2010

**The Honorable Mayor John E. Piper  
Audit Committee Members  
Ben Griffin, Commissioner of Finance and Revenue  
Department Heads  
1 Public Square  
Clarksville, Tennessee 37040**

**Internal Auditor's Report**

**I have audited the records management process City wide as of April 30, 2010. The audit was conducted as a part of Internal Audit's annual audit plan for FY 2010. The audit focused on the internal controls surrounding the records management process and compliance with existing policies and laws.**

**I conducted the audit in accordance with generally accepted government auditing standards (GAGAS) as set forth in Governmental Auditing Standards issued by the Comptroller General of the United States with the exception of the peer review. Those standards require that I plan and perform the audit to afford a reasonable basis for my judgments and conclusions regarding the organization, program, activity or function under audit. I believe that my audit provides a reasonable basis for my conclusions.**

**In my opinion, there are instances of material noncompliance with existing State requirements and there are internal control weaknesses in the process surrounding records management in many City departments. These are outlined in the section of the report entitled Findings and Recommendations.**

**I would like to thank the management and staff in all departments for their cooperation during the performance of the audit. Their willing assistance facilitated the audit process.**

**Lynn Stokes**



**Director of Internal Audit**

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## **Internal Audit Report**

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### **Origin of the Audit**

**This audit was conducted as a part of the Annual Audit Plan approved by the Audit Committee for the fiscal year 2010.**

### **Audit Objectives**

**The specific audit objective was to determine the extent to which City departments are managing their records in accordance with State guidelines and other regulations.**

### **Scope of the Audit**

**The audit involved inquiries and observations regarding each department's implementation of the State records management guidelines as of April 30, 2010. For the departments that have already implemented the system, the auditor tested the system to verify that all records had been properly identified, that there is a retention policy on file for each type of record, that the retention policy is in accordance with State mandated guidelines, that the destruction of records is properly documented, and that records are properly stored and labeled.**

### **Results of the Audit**

#### **Background**

**The *Internal Control and Compliance Manual for Tennessee Municipalities (ICCMTM)* requires municipalities to have a records management system that ensures records are retained according to legal requirements and are destroyed according to a documented timetable with written approval. A good records management system also ensures that documents are properly stored away from environmental risks and changing technological risks.**

**In May 2008, Tennessee Municipal Technical Advisory Service (MTAS) published a manual entitled *Records Management for Municipal Government...a reference guide for city officials and municipal public records custodians*. The retention schedules outlined in the manual were adopted by the City of Clarksville as its record retention policy. City Code Appendix D outlines the City's policy and related requirements.**

**The City of Clarksville has a de-centralized records management system with each department managing and retaining its own records.**

### **The Good News**

**All City departments are attempting to implement a records management system in accordance with the provisions outlined in the MTAS publication mentioned above. A representative from the Division of Records Management from the State of Tennessee taught a class last summer for City employees. Every department had a representative at the training session.**

### **Findings and Recommendations**

**The following is a summary of the findings by department resulting from the observations, inquiries and tests performed. The Criteria, Cause, Effect and Recommendations are the same for all departments and will only be discussed once for all departments. The Condition, which describes the extent to which a records management system has been implemented, will be indicated on a table highlighting the status of each department.**

#### **1. Records Management System Deficiencies**

**Criteria: An effective records management system has the following attributes:**

- The department has a records management process owner for the department.**
- All records for the department have been identified and an approved Records Disposition Authorization form (RDA) is on file for each type of record in the department.**
- The record retention periods on the RDAs are in accordance with legal requirements.**
- Records are stored away from environmental risks and are clearly labeled with appropriate RDA numbers and destruction dates.**
- Sensitive records are stored in a secure location.**
- An approved Certificate of Destruction is on file for all records which have been destroyed.**

**Condition:** The City has no central process owner for records management for the City as a whole. The following table is a department by department status of the records management process within each department.

**Key for following table:**

- ^ Process is complete or almost complete**
- % Process is partially complete**
- O Process had not been implemented at the time of the audit**
- \* No records have been destroyed to audit date**
- U Unknown – the process was not tested because implementation had not begun**
- NA Department does not have sensitive records**

<u>Department</u>	<u>Process Owner Identified for Department</u>	<u>Records ID'ed and RDAs On File</u>	<u>Retention Periods Correct On RDAs</u>	<u>Records Adequately Stored &amp; Labeled</u>	<u>Sensitive Records Securely Stored</u>	<u>Certificates of Destruction on File</u>
<b>Purchasing</b>	^	^	^	^	NA	*
<b>Finance &amp; Revenue</b>	^	^	^	^	^	^
<b>Municipal Properties</b>	^	0	0	0	NA	*
<b>City Court</b>	^	0	0	0	NA	*
<b>Legal</b>	^	^	^	^	^	*
<b>Legislative</b>	^	%	^	%	^	*
<b>IT</b>	^	0	0	0	^	*
<b>Garage Front</b>	^	^	^	^	^	*
<b>Garage Parts</b>	^	0	0	^	NA	*
<b>Transit</b>	^	%	^	^	^	*
<b>OHCD</b>	^	^	^	^	^	^
<b>CFR Admin</b>	^	%	%	^	^	*
<b>CFR Fire Prev</b>	^	%	%	^	NA	*
<b>CFR Arson</b>	^	^	^	^	^	*
<b>CFR Garage</b>	^	0	0	^	NA	*
<b>CFR Training</b>	^	^	^	^	^	^
<b>CFR Operations</b>	^	0	0	0	U	*
<b>CFR Safety</b>	^	0	0	0	U	*
<b>Parks &amp; Recreation</b>	^	^	^	%	^	*
<b>Internal Audit</b>	^	^	^	^	^	*
<b>CPD Records</b>	^	^	^	%	^	^

<u>Department</u>	<u>Process Owner Identified for Department</u>	<u>Records ID'ed and RDAs On File</u>	<u>Retention Periods Correct On RDAs</u>	<u>Records Adequately Stored &amp; Labeled</u>	<u>Sensitive Records Securely Stored</u>	<u>Certificates of Destruction on File</u>
CPD Training	0	0	0	0	U	*
CPD Dist 3 CI	0	0	0	0	U	*
CPD Dist 3	0	0	0	0	U	*
CPD HQ Admin	0	0	0	0	U	*
CPD Procurement	0	0	0	0	U	*
CPD PIU	0	0	0	0	U	*
CPD Acctng	^	%	%	%	^	*
CPD Major Crimes/Evidence	0	0	0	0	U	*
CPD Intel	0	0	0	0	U	*
CPD Dist 1	0	0	0	0	U	*
HR	0	0	0	%	^	*
Mayor' Office	^	^	^	0	^	*
Buildings & Codes	^	^	^	^	^	*
Golf Courses	^	^	^	^	^	*
CDE Lightband	^	^	^	%	^	^
Street Main Off	^	^	^	^	^	^
Street Cemetery	^	0	0	%	U	*
CGW Acctng	^	%	%	%	U	*
CGW Admin	0	0	0	0	U	*
CGW WWTP	0	0	0	0	U	*
CGW WTP	0	0	0	0	U	*

<u>Department</u>	<u>Process Owner Identified for Department</u>	<u>Records ID'ed and RDAs On File</u>	<u>Retention Periods Correct On RDAs</u>	<u>Records Adequately Stored &amp; Labeled</u>	<u>Sensitive Records Securely Stored</u>	<u>Certificates of Destruction on File</u>
CGW WW Construction	0	0	0	0	U	*
CGW Engineering	0	0	0	0	U	*
CGW IT	0	0	0	0	U	*
CGW Gas	0	0	0	0	U	*
CGW WW Collections	0	0	0	0	U	*
CGW Shared S	0	0	0	0	U	*
CGW Distrib	0	0	0	0	U	*

According to conversations with departments and divisions within the departments there is a willingness to implement the records management process. Some of the larger departments have divisions within the department that have not yet begun to implement the process. Other departments have begun to implement it but have not yet completed it. A few departments have completed the implementation and all documentation is on file.

**Cause:** There was initially a misunderstanding about which records are involved in the records management process. Some departmental divisions were not aware that they were supposed to implement the records management process because management thought the process related only to accounting records.

**Effect:** In departments where the records management process has not been implemented or has been only partially implemented the City is not in compliance with the State mandates set forth in the ICCMTM.

**Recommendation:** The auditor recommends all departments at all levels implement the records management process by October 15, 2010. The auditor will revisit the departments that had incomplete implementation at the time of this audit.

**Management's Comments:**

The following table indicates the departmental agreement with the auditor recommendation that the department will have the records management system implemented by October 15, 2010. If that date cannot be met then the alternative date by which the location will have full implementation is shown.

<b>Department</b>	<b>Agree</b>	<b>Alternative Date</b>	<b>Responsible Individual</b>
<b>Municipal Properties</b>		<b>October 30, 2010</b>	<b>Deborah Johnson</b>
<b>City Court</b>	<b>X</b>		<b>Deborah Johnson, Trish Miller</b>
<b>Legislative</b>	<b>X</b>		<b>Sylvia Skinner</b>
<b>IT</b>	<b>X</b>		<b>Jeannie Hillier</b>
<b>Garage Parts</b>	<b>X</b>		<b>Loretta Beeler</b>
<b>Transit</b>	<b>X</b>		<b>Lori Hart</b>
<b>CFR Admin</b>	<b>X</b>		<b>Susan Harris</b>
<b>CFR Fire Prevention</b>	<b>X</b>		<b>Audrey Warrick</b>
<b>CFR Garage</b>	<b>X</b>		<b>Michael Papke</b>
<b>CFR Operations</b>	<b>X</b>		<b>Clinard (C), Edlin (B), Wall (A)</b>
<b>CFR Safety</b>	<b>X</b>		<b>Robert Forest</b>
<b>Parks and Rec</b>	<b>X</b>		<b>Tonya Vaden, Michelle Mann</b>
<b>CPD Records</b>	<b>X</b>		<b>Myra Henley</b>
<b>CPD Training</b>	<b>X</b>		<b>Sgt Miller</b>
<b>CPD Dist 3 CI</b>	<b>X</b>		<b>Sgt Anderson</b>
<b>CPD Dist 1</b>	<b>X</b>		<b>Capt Knight</b>
<b>CPD HQ Admin</b>	<b>X</b>		<b>Kathy Gray</b>
<b>CPD Procurement</b>	<b>X</b>		<b>Barbara Shelton</b>
<b>CPD PIU</b>	<b>X</b>		<b>Lt Ward</b>
<b>CPD Acctng</b>	<b>X</b>		<b>Paulette Redman</b>
<b>CPD Mjr Crms/Evid</b>	<b>X</b>		<b>Sgt Clinard</b>
<b>CPD Intel</b>	<b>X</b>		<b>Sgt Hunt, Mary Buck</b>
<b>HR</b>		<b>November 30, 2010</b>	<b>Sally Watts</b>
<b>Mayor's Office</b>		<b>November 30, 2010</b>	<b>Valerie Ogle</b>
<b>CDE Lightband</b>		<b>November 30, 2010</b>	<b>Gina Wilbur</b>
<b>Street Cemetery</b>	<b>X</b>		<b>Sharon Mann</b>
<b>CGW Acctng</b>		<b>November 30, 2010</b>	<b>Dawn Thomack</b>
<b>CGW Admin</b>		<b>November 30, 2010</b>	<b>Mandy Phillips</b>
<b>CGW WWTP</b>		<b>November 30, 2010</b>	<b>Sharon Rowell</b>
<b>CGW WTP</b>		<b>November 30, 2010</b>	<b>Deborah Groves</b>
<b>CGW WW Construct</b>		<b>November 30, 2010</b>	<b>Amber Wills</b>
<b>CGW Shared Serv</b>		<b>November 30, 2010</b>	<b>Gayle McClure</b>
<b>CGW Engineering</b>		<b>November 30, 2010</b>	<b>Astrid Bruce</b>
<b>CGW IT</b>		<b>November 30, 2010</b>	<b>Pam Cloud</b>

CGW WW Collect		November 30, 2010	Kathy Nance
CGW Gas		November 30, 2010	Debbie Duncan
CGW Distr		December 15, 2010	Sherry Hayes

**2. Preservation of Historical Documents and Permanent Records and Establishment of a Municipal Public Records Commission**

**Criteria:** The MTAS published manual entitled *Records Management for Municipal Government...a reference guide for city officials and municipal public records custodians* recommends historical documents and permanent records be archived and stored in a location or facility that is designed for records preservation. Microfilm is the State standard for preserving documents since it is not subject to technological changes and has a demonstrated shelf life longer than any other medium.

The MTAS manual also recommends the establishment of a municipal public records commission.

**Condition:** The City has no location or facility that is specifically designed for records preservation. No records are currently being microfilmed. There is no municipal public records commission.

**Cause:** City Code currently assigns responsibility for records maintenance and compliance to the individual departments.

**Effect:** The City's permanent records and historical documents are not being preserved in the recommended manner. Rapid changes in technology can cause electronic information to become inaccessible. Inappropriate storage can lead to the deterioration of historical records. There is no central archival or oversight function.

**Recommendation:** A committee should be appointed by the Mayor to investigate and report back to him on the direction the City should take to fulfill its responsibility to preserve its historical and permanent records. The committee should also include a recommendation regarding the development of a municipal public records commission. The auditor recommends that the committee include the City Clerk, a representative from the City Attorney's office, a representative from the Finance Department, a representative from the IT department and any other person the Mayor deems appropriate.

**Management Comments:**

Agree \_\_\_\_\_X\_\_\_\_\_

Disagree \_\_\_\_\_

**Corrective Action Plan: A committee including the individuals listed above will be convened and a recommendation will be made to the Mayor regarding preservation of municipal historical and permanent records. The committee will also consider and report upon the development of a public records commission for the City.**

**Projected Completion Date: March 31, 2011**

**Responsible Manager: Sylvia Skinner**

**The auditor appreciates the help of numerous employees from all departments during the conduct of this audit.**

**If you have any questions regarding the information in this audit please contact me.**

**Respectfully,**

A handwritten signature in cursive script that reads "Lynn Stokes".

**Lynn Stokes  
Director of Internal Audit**