

SPECIAL AUDIT REPORT
OF
ANIMAL WELFARE DEPARTMENT
REPORT NO. 08-104



City of Albuquerque
Office of Internal Audit and Investigations

Animal Welfare Department – Special Audit
Report No. 08-104
Executive Summary

Background

The Office of Internal Audit and Investigations (OIAI) conducted a special audit of the Animal Welfare Department (AWD). In September 2007 the Animal Control Division of the Environment Health Department became the AWD as a result of a reorganization. The audit was the result of a request by City Council on September 4, 2007. AWD had an approved budget of approximately \$10 million for fiscal year (FY) 08.

Objective:

Does the AWD computer system, Chameleon, have controls in place to ensure data integrity?

- 12 of 17 (71%) Super1 active User IDs, which have the ability to delete records, were assigned to individuals who were either no longer employed by AWD, or were not classified as supervisors, management or information technology (IT) personnel.
- 11 of the 114 (10%) active User IDs were assigned to individuals who no longer worked for AWD.
- 9 of 114 (8%) User IDs were generic and shared by multiple users.
- 18 employees who have been granted access to the Chameleon System have not been added to the User ID listing.
- Chameleon System record additions, changes and deletions were not monitored.

Recommendations:

AWD should ensure that Chameleon System data integrity factors are strengthened as follows:

- Evaluate and update user access levels and the User ID listing.
- Monitor additions, changes and deletions of Chameleon system records.

OIAI provided information for the following objectives:

Objectives:

- Does creating non-budgeted positions affect AWD's ability to fill budgeted positions?
- How is AWD managing the contract with Good Dog Training?

During our fieldwork we noted no exceptions for the following objective:

Objective:

Does AWD have supporting documentation for its performance measures?

Management responses are included in the audit report.



City of Albuquerque
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Accountability in Government Oversight Committee
City of Albuquerque
Albuquerque, New Mexico

Audit: Special Audit
Animal Welfare Department
08-104

FINAL

INTRODUCTION

The Office of Internal Audit and Investigations (OIAI) conducted a special audit of the Animal Welfare Department (AWD). In September 2007, the Animal Control Division of the Environment Health Department became the AWD as a result of a reorganization. The audit was requested by City Council on September 4, 2007.

AWD manages, cares, and encourages humane living conditions for animals. Its goal is to increase the number of live exits of adoptable animals. AWD is also responsible for enforcing City Ordinance 9-2-1 ROA 1994: Humane and Ethical Animal Rules and Treatment. AWD operates three shelters: Eastside Animal Services, Westside Animal Services, and Lucky Paws. AWD had an approved budget of approximately \$10 million for fiscal year (FY) 08.

AUDIT OBJECTIVES

The objectives of the audit were to determine:

- Does creating non-budgeted positions affect AWD's ability to fill budgeted positions?
- How is AWD managing the contract with Good Dog Training?
- Does the AWD computer system, Chameleon, have controls in place to ensure data integrity?
- Does AWD have supporting documentation for its performance measures?

SCOPE

Our audit did not include an examination of all functions and activities related to AWD. Our scope included non-budgeted positions (FY08-FY09), the Good Dog Training contract (FY07-FY08), the Chameleon computer system (FY08) and performance measures (mid year FY08).

This report and its conclusions are based on information taken from a sample of transactions and do not intend to represent an examination of all related transactions and activities. The audit report is based on our examination of activities through the completion of fieldwork, August 22, 2008 and does not reflect events or accounting entries after that date.

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

METHODOLOGY

OIAI interviewed AWD management and staff, Office of Management and Budget (OMB) personnel, Department of Finance and Administrative Services - Purchasing Division personnel and other City employees deemed necessary. Documentation and processes reviewed included the following:

- AWD personnel reports
- Payments made to Good Dog Training
- Employment status, security level and access rights for Chameleon System users
- Chameleon System animal inventory data
- Performance measures

INFORMATION PROVIDED ON AUDIT OBJECTIVES

Objective: Does creating non-budgeted positions affect AWD's ability to fill budgeted positions?

OIAI reviewed City of Albuquerque (City) Ordinance 3-1-2 ROA 1994: Responsibilities Of The Chief Administrative Officer (CAO) For Personnel Functions, City Ordinance 3-1-6 ROA 1994: The Classified and Unclassified Service, Reportnet Budget Information, Position Control Detail Reports (PCDR) and Empath Payroll information.

The AWD received an FY08 program appropriation of \$10,090,000 and had total expenditures of \$6,271,251 (62 %) as of the 3rd quarter ending March 31, 2008. This budget included \$7,002,017 for personnel costs. As of March 31, 2008, \$3,943,331 (56%) had been spent on personnel. The City budgets at the program level. Programs are contained within the City's different funds and are managed by departments. The AWD program is in the City's General Fund.

Authorized and Budgeted Positions

OIAI reviewed PCDRs showing position activity of AWD and noted the following:

Time period	Positions				
	Authorized	Budgeted	Unbudgeted	Vacant	Percentage Vacant
September 2007	139	137	2 a	23	17%
December 2007	136	136	0 b	28	21%
March 2008	143	143	0 c	36	25%
August 2008	144	142	2 d	28	20%

a – An authorized position is one that has been approved by the CAO. A budgeted position is one that has received funding in an appropriation. The two unbudgeted positions were the ACC Program Manager (APM) and the Animal Program Analyst (APA). These positions were both reviewed by OMB and approved by the CAO. As both positions were unfunded at the beginning of FY08, AWD had to either absorb the cost or generate cost savings in other areas of the program.

b – During October 2007, a budgeted Animal Adoption Center Counselor position was changed to the APA position, making the APA position funded. This change was reviewed by OMB and approved by AWD management and the CAO. Also during October 2007, the APM position was changed on the PCDR to show as budgeted. This was done in error by OMB. The APM position was never funded during FY08.

c – The individual in the APM position terminated employment with the City in January 2008.

d – Two positions, a Senior Office Assistant and an Office Assistant, were authorized and budgeted in FY08. At the request of AWD management, funding was removed in FY09 from these two positions to create a new Administrative Management Coordinator position. As a result, these positions were authorized, but not budgeted in FY09.

City Council Resolution Bill R-08-65 (FY09 Budget Appropriation) removed \$100,000 of funding for the APA position from the AWD appropriation. A PCDR dated August 6, 2008 indicated that the APA position had not been removed. OMB told OIAI that R-08-65 was not clear in stating if both the APA position and its funding should be removed. OMB removed the funding, but left the APA position in place. AWD must generate cost savings to fund the APA position in FY09.

Vacancy Rates

The Five Year Forecast prepared in December 2007 by OMB, estimated there would be a negative unreserved General Fund balance of \$54.3 million by the close of FY09 if steps were not taken to reduce spending or increase revenue. City administration immediately placed restrictions on filling vacant positions. As a result, many General Fund programs had increased vacancy rates, which may have impacted AWD's ability to fill budgeted positions.

Objective: How is AWD managing the contract with Good Dog Training?

AWD contracted with Good Dog Training to provide services that would decrease animal return rates at the Westside Animal Services shelter. The Good Dog Training contract was already in place when the current AWD management accepted their positions.

OIAI reviewed the contract between AWD and Good Dog Training, payments made by AWD to Good Dog Training, invoices and supporting documentation provided by Good Dog Training to AWD, and interviewed AWD management.

AWD management evaluated the services of Good Dog Training and decided not to renew the contract when it expired on June 30, 2008. Instead the staff at the shelter would be trained to provide the same services. OIAI verified the last payment made to Good Dog Training and determined that it was for services provided at the shelter during the period June 23rd through 30th, 2008.

FINDINGS

The following findings concern areas that we believe could be improved by the implementation of the related recommendations.

1. AWD SHOULD EVALUATE AND UPDATE CHAMELEON SYSTEM USER ACCESS LEVELS AND THE USER ID LISTING.

AWD IT personnel provided OIAI with a user ID listing showing 114 active Chameleon System user IDs.

A. User Access Levels

All Chameleon System users had *Public* access which means they had the ability to change records. Seventeen (15%) of these users had additional access levels (Super1 access) which gave them the ability to delete records. Super1 access is for AWD employees who are classified as one of the following: supervisor, manager, and IT personnel.

AWD IT personnel told OIAI that Chameleon System user access levels have never been evaluated or updated. OIAI determined that 12 of the 17 (71%) Super1 active user IDs were assigned to individuals who were either no longer employed by AWD, or were not classified in one of the three categories.

If user access levels are not evaluated and updated on a regular basis, system information might be updated and/or deleted by unauthorized individuals.

Control Objectives for Information and Related Technology (COBIT) is an authoritative, international set of generally accepted information technology control objectives for use by business managers and auditors. Managers, auditors, and users benefit from the development of COBIT because it helps them understand their IT systems and decide the level of security and control that is necessary to protect their assets. COBIT recommends that access control procedures include a timely and regular review of User IDs and access rights.

B. User ID Listing

According to AWD IT personnel, the User ID listing was incomplete and had not been recently updated. OIAI reviewed the listing and identified the following:

- 11 of 114 (10%) individuals no longer worked for AWD and had not been removed from the listing.
- 9 of 114 (8%) User IDs were generic and shared by multiple users.
- 94 of 114 (82%) User IDs were in compliance with City IT policy.

OIAI compared a *Position Control by Employee* report dated May 30, 2008 to the User ID listing. Eighteen employees were identified, who had been granted access to the Chameleon system, but did not appear on the user ID listing.

The City IT Policy titled *User ID Security* states, any transaction performed upon a City information technology asset which alters data (e.g., adds, changes, deletes) or displays data which is not subject to public disclosure shall be performed using a City-issued User ID which uniquely identifies the individual performing the transaction. The policy also states User IDs and passwords shall not be shared among users.

AWD IT personnel stated that updating/revising the listing is a difficult process since the Chameleon System does not provide the ability to link User IDs with the actual names of the individuals.

If the listing is not reviewed and updated regularly, unauthorized users might gain access and be able to manipulate data on the Chameleon System.

RECOMMENDATION

AWD should:

- Evaluate and update Chameleon System user access levels for each user.
- Review and update the Chameleon System User ID listing regularly.

RESPONSE FROM AWD

“We agree with the recommendations and had already identified the issues and implemented the suggested changes. The process to systematically evaluate and update user access levels has already been finalized and implemented. The process entailed:

- ***“The creation of a Chameleon User Access Request form that all current employees have filled out and submitted. The new form captures the user’s signature, signature approval of their supervisor and signature approval of the System Owner for the Chameleon kennel tracking application. Chameleon User Access Request Forms are being maintained in a binder in the IT Office at AWD. The Binder***

divides the forms into Employee, Temporary, Disabled, and Pending. It also includes hardcopies of “Privileges by User and Group”, which includes which windows and functions each Group has been granted or denied, and “Users Assigned to Groups”, which includes the User IDs that are assigned to each Group.

- *“An evaluation of the Groups has been performed. A new Group, User1, has been created for all general users. The ability to delete records has been removed from the existing Super1 Group. A new Group, Super2, has been created that has the ability to delete records. Another new Group was added, Disabled that prevents a user assigned to the Group from accessing all functions and windows in the Chameleon system.*
- *“All accounts that have a valid Chameleon User Access Request Form have been assigned to some combination of User, Super1 and/or Super2 as their User Access Request Form.*
- *“All accounts that did not have a valid Chameleon User Access Request Form were assigned to the Disabled group. All the accounts in the Disabled group were deactivated by ISD-DBA downtown. This has cleaned up the system so that only Current, Valid users are in the system.*
- *“All new users requesting access or existing users requesting a change in access will not be granted access or a change in access until a valid Chameleon User Access Request Form is created and approved.*

“The following items still require action on the part of AWD:

- *“Procedures for granting or changing access to the Chameleon system need to be drafted, reviewed and approved. These procedures will address the responsibilities of the users, their supervisor, the System Owner, the System Administrators, and ISD-DBAs in dealing with access to the Chameleon system.*
- *“Procedures for review of access to the Chameleon system on a regular basis need to be drafted, reviewed and approved. These procedures will define the duties of the System Administrators in*

reviewing and maintaining User Access on the Chameleon system. Reviews will be conducted, at least, on a quarterly basis of the fiscal year.

“Expected date of completion for these items by AWD is October 31st, 2008.”

2. AWD SHOULD MONITOR ADDITIONS, CHANGES, AND DELETIONS OF CHAMELEON SYSTEM RECORDS.

The Chameleon System can generate three system logs. Only one of these logs, *Kennel Log*, was activated. AWD IT personnel told OIAI that the *Kennel Log* had never been reviewed. AWD IT personnel did not know of any reports for reviewing/monitoring additions, changes, and deletions of Chameleon System records.

COBIT Control Practices recommends that an audit trail of transactions processed is maintained and reviewed periodically, as appropriate, for unusual activity by a supervisor who does not perform data entry. Adjustments, overrides and high-value transactions should also be promptly reviewed in detail for appropriateness by a supervisor who does not perform data entry.

If system records are not regularly monitored for additions, changes, and deletions; sensitive data might be manipulated.

RECOMMENDATION

AWD should monitor additions, changes, and deletions of Chameleon System records.

AWD should consider activating the other system logs.

RESPONSE FROM AWD

“We agree the recommended changes would be a definite improvement. However, when the new administration at AWD came on board and hired the new IT and Management Analyst personnel it was discovered the current software program is lacking in system access controls by AWD staff as well as system reports on specific adds, deletes and changes by AWD staff.

“We are currently researching new software programs that will better meet the administrative reporting and recording requirements that will allow AWD to monitor processes being performed and data that is entered into the software system. A new system must allow for consistent definitions of service types and ensure data capture is within these parameters. System security is a must in any new program as well as documentation of each user accessing the system. We hope to make the conversion during the current fiscal year.

“AWD IT and Management Analyst personnel will explore the possibilities of using records reconciliation and error reports to help assess the overall accuracy of AWD’s data using the existing Chameleon system. Based on these results policies and procedures will be put into place defining who will perform what duties and what frequency they will be performed. The analysis and development of a plan will be completed by October 31, 2008. Deployment of the plan will be completed by December 31, 2008.

“Deletion of Chameleon system records has been addressed by limiting the number of users that have the ability to delete records (User Group Super2, as described in our response for Finding 1). Procedures for requesting, documenting and monitoring deletions to the Chameleon system records will be drafted, reviewed and approved by October 31, 2008.”

CONCLUSION

Chameleon System data integrity factors should be strengthened. Improvements need to be made in security level access, user identification documentation, and system management report generation and review. OIAI believes that the overall recommendations will strengthen AWD’s Chameleon System controls.

We appreciate the assistance and cooperation of AWD’s personnel during the audit.

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