



City of Chattanooga

Stan Sewell
Director

INTERNAL AUDIT
City Hall
Chattanooga, Tennessee 37402

Ron Littlefield
Mayor

March 25, 2009

Mayor and City Council
City of Chattanooga
Chattanooga, TN 37402

RE: Post Audit Review of Treasurer's Office Online Payments, Audit 08-10

Dear Mayor and Council Members:

On July 18, 2008, the Internal Audit Division released an audit on Treasurer's Office Online Payments. We performed certain procedures, as enumerated below, with respect to Treasurer's Office Online Payments in order to render a conclusion on the status of the recommendations made as a result of that audit.

This Post Audit Review consisted principally of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards.

The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

The conclusions of Audit 08-10 were:

1. There are no written policies/procedures in place for the online payment process.
2. Proper internal controls are in place surrounding the collection process for online payments and online payments are properly accounted for.

The audit contained one (1) recommendation that addressed the audit's findings. Based on the review performed, we concluded that recommendation 1 was implemented.

Recommendations Implemented [1]

We recommended (**recommendation 1**) that the Treasurer's Office document internal policies and procedures/business practices/goals and objectives and that employees should have ready access to departmental policies and procedures (hard copy, computer-based, or web-based). We also recommended that these procedures ensure that proper internal controls are in place.

At the time of the issuance of the report for Audit 08-10, the Treasurer's Office had developed written policies/procedures for their online payment process, and had made these procedures available to all staff via the internal share drive.

During our review, we learned that these written policies/procedures are still in place, and they are still available to all staff via the internal share drive.

We thank the management and staff at the Finance Department for their assistance in conducting this review. We will consider this report to be final unless directed to continue our review.

Sincerely,



Stan Sewell, CPA, CGFM
Director of Internal Audit

cc: Dan Johnson, Chief of Staff
Daisy Madison, City Finance Officer
Gayle Keown, City Treasurer