

Office of Internal Audit

Second Post-Audit Review 23-02: Public Art

February 2025

City Auditor

Stan Sewell, CPA, CGFM, CFE

Senior Auditor

Richard Walls, CPA, CIA, CMFO





OFFICE OF INTERNAL AUDIT

Stan Sewell, City Auditor

February 17, 2025

To: Mayor Tim Kelly
City Council Members

Subject: Second Post-Audit Review of Public Art Audit (Report #23-02)

Dear Mayor Kelly and City Council Members:

Due to concerns of some City Council members, we conducted an additional review on the status of recommendations in our 2024 Public Art audit report. Council Members were concerned that our original Post-Audit Review had no recommendations indicated as implemented.

The purpose of this report is to confirm whether, and to what degree, management has implemented the recommendations made in the original audit. This report is intended to provide a progress update on recommendations that were still outstanding after the initial post-audit review published on October 17, 2024.

The original audit concluded:

1. The Public Art Ordinance, Art Commission Bylaws and Operational Policies and Procedures need updating;
2. Implementation of the art inventory should continue; and,
3. There were purchase card policy violations.

The audit had seven recommendations to address the issues. At the time of this Second Post-Audit Review, one was not implemented, two were partially implemented and four were implemented. Recommendations partially implemented and not implemented are herein reported to the Audit Committee, for follow-up, as appropriate.

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.

Sincerely,

Stan Sewell, CPA, CGFM, CFE
City Auditor

Attachment

cc: Audit Committee Members
 Jermaine Freeman, Chief of Staff
 Mande Green, Chief Operating Officer
 Monica Kinsey, Deputy Administrator Parks & Outdoors
 Carmen Davis, Senior Director of Arts, Culture and Creative Economy
 Jim Arnette, TN Local Government Audit

RECOMMENDATION NOT IMPLEMENTED (1)

Recommendation	Actions Taken
5 We recommended Public Art follow credit card and travel reporting policies.	Our current review found there are still missing detailed meal receipts as required. There were also a few personal charges (that have been reimbursed).

RECOMMENDATIONS PARTIALLY IMPLEMENTED (2)

Recommendation	Actions Taken
1 We recommended Public Art personnel review, comply with and update the public art ordinance, art commission bylaws, and operational policies and procedures.	The bylaws were amended and approved 4/25/2024. The ordinances, policies and procedures are in process with an estimated completion date by the end of FYE 2025.
4 We recommended the collection listing should be reconciled to the fixed asset listing, the sensitive minor equipment listing and the insurance listing, at least on an annual basis.	Public Art has updated the insurance listing with Risk Management. In addition, Public Art is presently working with the Finance Department to reconcile to the fixed asset listing and the sensitive minor equipment listing.

RECOMMENDATIONS FULLY IMPLEMENTED (4)

Recommendation	Actions Taken
2 We recommended Public Art continue implementation of the art inventory system.	The inventory system has been populated with all works in the collection.
3 We recommended the maintenance data collected in the art inventory system should be utilized to develop a maintenance plan.	Public Art now has a document that captures the hierarchy of maintenance projects, works in progress, etc.
6 We recommended the credit card and travel transactions should be adequately monitored.	Approvers are monitoring credit card and travel transactions. (Budget Officer, P&O Deputy Administrator & Finance Manager)
7 We recommended the cardholder and approver should be disciplined and required to take additional training to reinforce purchasing card and travel requirements.	The P&O Finance Manager held discussions with the credit card user to make sure the credit card is processed correctly in the bank's system. The cardholder has a related corrective action form in their personnel file. The approver does not have a related corrective action form, but no longer works for the City.

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