



**Zoo Controlled Substances
Internal Controls
Follow-Up Audit Report
A2019-12**

Issued by the
Internal Audit Office
September 3, 2019

**City of El Paso
Internal Audit Office
Zoo Controlled Substances Internal Controls Follow-Up Audit A2019-12**

EXECUTIVE SUMMARY

The Internal Audit Office conducted a Follow-Up Audit of the Zoo Controlled Substances Internal Controls Audit Report dated April 18, 2017. The original Audit Report contained two (2) findings. Upon completion of the audit fieldwork, we have determined the status of the recommendation for each audit finding as outlined in the table below:

Finding No.	Description of Original Findings	Status
1	The Zoo Department did not report a theft of the narcotic Tramadol to the local police department as required by their Policies and Procedures. Once the narcotic theft was discovered, the Zoo Department revised their Policies and Procedures. In addition, the Zoo Department submitted Form 106 to the DEA on June 27, 2016.	Implemented
2	The Zoo Department's Animal Medical Center (AMC) hardcopy and electronic records for issued controlled substances do not reconcile.	Implemented

For a detailed explanation of the current observations, please refer to the appropriate finding contained in the body of this Audit Report.

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BACKGROUND

The *Generally Accepted Government Auditing Standards* (Standard 8.30) states that auditors should evaluate whether the audited entity has taken appropriate corrective action to address findings and recommendations from previous engagements. The *International Standards for the Professional Practice of Internal Auditing* (Performance Standard 2500.A1) require that the Chief Audit Executive establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

AUDIT OBJECTIVES

The audit objective was to ensure that corrective action was taken by management to address the recommendations detailed in the original Audit Report dated April 18, 2017.

AUDIT SCOPE

The control activities designed and implemented for controlled substances issued from May 2017 to July 2019.

AUDIT METHODOLOGY

To achieve our audit objectives, we:

- Conducted interviews with the Zoo Department's Animal Medical Center (AMC) staff.
- Verified that the Zoo Department followed law enforcement notification procedures when handling controlled substance thefts.
- Tested a sample of Controlled Drug Log entries, Anesthesia Sheets, and Zoological Information Management System (ZIMS) entries to determine if they match.
- Verified if a process was created to ensure controlled substances are properly recorded when issued.

We conducted this audit in accordance with *Generally Accepted Government Auditing Standards* and the *International Standards for the Professional Practice of Internal Auditing*. 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.

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CURRENT OBSERVATION AND STATUS

Based on the follow-up audit results, each original finding recommendation will be designated with one of the following four status categories:

<i>Implemented</i>	The finding has been addressed by implementing the original corrective action or an alternative corrective action.
<i>In Progress</i>	The corrective action has been initiated but is not complete.
<i>Not Applicable</i>	The recommendation is no longer applicable due to changes in procedures or changes in technology.
<i>Not Implemented</i>	The recommendation was ignored, there were changes in staffing levels, or management has decided to assume the risk.

Finding 1

Current Observation

The Zoo Department filed a report for the 2016 Tramadol theft with the El Paso Police Department on July 11, 2017, Case #17192107. The Zoo Department has not had other controlled substance thefts since the original Audit Report dated April 18, 2017.

Status

Implemented

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Finding 2

Current Observation

A judgmental sample of six (6) controlled substances were reviewed to determine if the Zoo Department's Animal Medical Center (AMC) staff is properly recording dispensed amounts when issuing controlled substances. Dispensed controlled substances are recorded in three (3) logs: 1) Controlled Drug Logs, 2) Anesthesia Sheets/Prescription Forms, and 3) Zoological Information Management System (ZIMS). The following was identified during our review:

Controlled Drug Logs

- Six (6) out of 6 (100%) controlled substances reviewed were properly recorded when dispensed on the Controlled Drug Logs.
- The official record for the Drug Enforcement Administration (DEA) is the hardcopy record.

Anesthesia Sheets/Prescription Forms

- Six (6) out of 6 (100%) controlled substances reviewed were properly recorded when dispensed on the Anesthesia Sheets/Prescription Forms.

ZIMS

- One (1) out of 6 (16.7%) controlled substances reviewed were not recorded in ZIMS. AMC staff are overdue on updating entries into ZIMS from 43 to 81 calendar days.

The Zoo Department's AMC staff created a process to ensure that all controlled substances are properly recorded.

- On a monthly basis, the AMC secretary reviews ZIMS entries against the Controlled Drug Log hardcopy records for accuracy. Discrepancies are reviewed and corrected by the Zoo Veterinarians. The AMC Secretary resigned in May 2019. This is the reason why entries of the Anesthesia Sheets into ZIMS fell behind. Interviews to fill this vacancy began 8/28/19 and the hiring of the replacement is pending.

Status

Implemented – The discrepancy noted above is considered immaterial in nature. The overall results indicated an improvement on properly recording issued controlled substances.

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INHERENT LIMITATIONS

Because of the inherent limitations of internal controls, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods beyond the Audit Report date are subject to the risk that procedures may become inadequate due to changes in conditions, management override of internal controls, or that the degree of compliance with the procedures may deteriorate. This was a limited scope audit which only reviewed the areas stated in the Audit Objectives during the Audit Scope period. No representations of assurance are made to other areas or periods not covered by this audit.

CONCLUSION

We have concluded our audit work on the objectives of the Zoo Controlled Substances Internal Controls Follow-Up Audit. The audit evidence used in the analysis is sufficient and appropriate for addressing the objectives and supporting the observations and conclusion. In accordance with *Generally Accepted Government Auditing Standards*, we are required to conclude on whether the Zoo Department met the objectives of this Follow-Up Audit. Based on our audit work, we have determined that:

1. The Zoo Department met the audit objectives in the following areas:
 - Ensuring that law enforcement notification procedures were followed for the 2016 Tramadol theft.
 - Ensuring the hardcopy and electronic records for issued controlled substances match each other.
 - Creating a process to ensure that all issued controlled substances are properly recorded.

We wish to thank the Zoo Department management and staff for their assistance and courtesies extended during the completion of this Follow-Up Audit.

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