

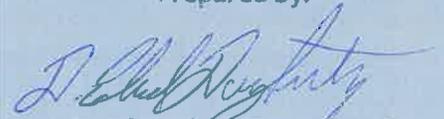
Audit # EX 14-01:

Citywide Continuity of Operations Plan (COOP)

Executive Summary Report

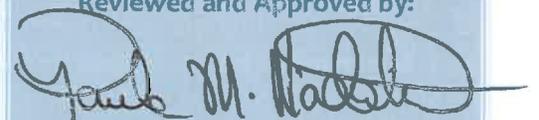
Office of the City Auditor and Clerk
Internal Audit

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EXECUTIVE SUMMARY

AUDIT EX 14-01 CONTINUITY OF OPERATIONS PLAN (COOP)

AUDIT PURPOSE/ SCOPE

The purpose of this audit is to provide reasonable assurance that adequate controls exist, and are functioning as intended, over the Comprehensive City of Sarasota's Continuity of Operations Plan (COOP) and ensure the City is prepared to adequately react, continue operations and recover in the event of an emergency. This audit was not included as part of Internal Audit's 2014-2016 audit schedule but added due to the possible risk to the City. The scope of this audit included the Comprehensive Citywide COOP and supporting departmental COOPs in the review. The audit period under review was expected to be January 1, 2011 to December 31, 2013 but was expanded to include Citywide and Department COOPs outside of this period.

REPORT CONTENT AND LIMITATION OF USE

This executive summary report is limited in detail. In order to obtain the full background on a particular item, please contact Internal Audit prior to drawing conclusions based on the limited information contained in the report. Objective ratings indicate the levels at which the objectives were met; rating definitions are included in the appendix.

AUDIT CONCLUSIONS

The results of our review indicate that internal controls were generally in place and functioning effectively to prevent non-compliance with purchasing card rules and regulations; exceptions are noted in the detailed audit report.

Internal controls over the administration and monitoring of the purchasing card program were also found to be adequate, with some opportunity for enhancement, specifically with regards to regular review of credit limit reasonableness and timely card deactivation.

This audit focused on the following objectives:

Audit Objective	Objective Rating		
1) Determine whether an adequate COOP is in place, documented, regularly updated, and has been approved by the appropriate officials;		X	
2) Determine whether the COOP reflects the current business operation and environment; and		X	
3) Determine whether the plan is adequately tested, participants are appropriately trained and necessary corrections are incorporated into the plan.			X

The results of our review indicate:

- The City has developed COOP's for all departments, except the City Attorney and Parking Operations. However, there is not a Comprehensive Citywide COOP in place, at this time. The Charter Officials have met to discuss how to achieve this.
- During the audit, all departments with COOP's developed a process to update and approve their COOP documents.
- We were unable to obtain evidence of the existence of Disaster Recovery Plans for the Information Technology and Management Information (SPD) divisions.

- We were unable to obtain evidence of a current “all hazards” risk assessment for City Facilities.
- During the audit, a number of departments reviewed their assigned alternate facilities and identified other sites that met their needs more appropriately.
- We noted instances where former employees still had access to the Emergency Operations Command (EOC), located in the SPD building and current employees who were assigned to the EOC in the event of an emergency, but did not have access assigned.
- We noted that almost all City employees had completed various emergency training courses, but we were unable to identify testing or exercises (with a few exceptions at the department level) that would validate the completed training. The only exercises we noted that involved multiple departments were two Tactical First In Team (TFIT) exercises involving Public Works and Utilities and an EOC exercise in May 2013 (these were not COOP exercises).

A complete list of the audit recommendations begins on page 4 of this report.

AUDIT OBSERVATIONS AND RECOMMENDATIONS

#	Subject	Priority	Observation	Recommendation	Concur Do not concur	Management Response	Committed Resolution Date
1	Comprehensive Citywide COOP	High	<p>Internal Audit noted the existence of a Comprehensive Citywide Continuity of Operations Plan (COOP) (dated 2006), however, this was not updated after 2006.</p> <p>While a current comprehensive Citywide COOP was not provided to Internal Audit during the audit, the Deputy City Manager developed and submitted a "General Procedures for Executing the City Departments' Continuity of Operations Plans (COOP)" ("General Procedures") document February 21, 2014 which was updated, approved by the City Manager and submitted to Internal Audit March 25, 2014. This document has not been provided to the other Charter Officials for their review and approval.</p> <p>The "General Procedures" document includes coordination between: City Commissioners, Charter Officials (City Manager, City Auditor and Clerk and City Attorney), and City Departments in activation of their respective COOP.</p>	<p>To ensure that there is a comprehensive response to City emergencies which may require either an individual or group activation of Charter Officials' or City Departments' COOPs, Internal Audit recommends the City Manager incorporate existing Charter Officials' and City Departments' COOPs into a Comprehensive Citywide COOP. This should include the City Attorney and Parking Operations' COOPs once these are completed.</p> <p>This includes modifying the "General Procedures" document by providing the "General Procedures" document to the other Charter Officials (City Auditor and Clerk and City Attorney) for their input as to how the Charter Officials will coordinate with each other and interact in the case of their COOP activation.</p>	X	<p>City Manager: The City Emergency Manager recommends the creation of a Continuity of Government (COG) plan that is approved by the City Commission. This new plan will work in conjunction with the City's Comprehensive Emergency Management Plan (CEMP) that will also be approved by the City Commission. I concur with both recommendations.</p> <p>City Auditor and Clerk: Management concurs and will provide a copy of the COOP which includes the Office of the City Auditor and Clerk and Information Technology to the City Attorney and the City Manager. The three Charter Officials should meet to develop a comprehensive, city-wide COOP. In addition, the Charter Officials should assure the integration of individual departmental plans into a cohesive plan to address the City-wide COOP to include all Charter Officials and reporting departments. The General Procedures should be reviewed to incorporate the Office of the City Auditor and Clerk and the City Attorney's Office and address interactions between the Charter Officials in the event of activation of the COOP. To have a cohesive plan, eliminate redundancies and duplication, the three Charter Officials should designate a top-tier team to incorporate the individual COOPs into one integrated City-wide COOP with the goal of developing one overall plan to provide clear and unambiguous direction in the event of a large scale or City-wide emergency.</p> <p>City Attorney: City Attorney's Office will cooperate in effort to formulate a comprehensive City-wide response to emergencies.</p> <p>Auditor's Note – The Charter Officials met on June 24, 2014 to discuss the process for developing a Comprehensive COOP. The City Manager suggested allowing the City Emergency Manager to develop a Continuity of Governance (COG) document. After discussion it was agreed that a COG would be provided in draft form to the Charter Officials for their review and discussion by July 15, 2014. Upon approval it will be presented to the City Commission for approval.</p>	<p>5/31/2015</p> <p>8/30/2014</p> <p>N/A</p>

AUDIT OBSERVATIONS AND RECOMMENDATIONS

2	Proper approval of COOPs and Updates	Low	Initially there was no evidence of administrative approvals from Charter Officials or Department Heads for their COOPs (except for the City Auditor and Clerk and IT).	We recommend an area be defined in each COOP document to provide evidence of administrative approval each time a COOP is updated (at least annually).	X	<p>City Manager: All departments have been instructed to comply with this recommendation.</p> <p>City Attorney: After the City Attorney has prepared a COOP, it will be updated annually. However, City Attorney does not desire to review updates of COOPs for other City Departments if no legal issues are presented.</p> <p>Finance: The Financial Administrative Department has modified it's Table of Contents to include a "revised by" and a "date revised" and an "approved by" and "date approved" for each section and subsection to provide evidence of administrative approval each time the COOP is updated. Additionally, a section on the title page has been added for the City Manager's approval.</p> <p>Human Resources: Human Resources has already put this sign off in place at a minimum of once a year with the City Manager or designee. HR's update/revised department COOP will be provided to the City Manager's department along with the certification form to sign for verification.</p> <p>Neighborhood Development Services: We have added the requested statement to the COOP and are utilizing it with each update.</p> <p>Parking Operations: Will be incorporated into the plan.</p> <p>Sarasota Police Department: Signature page with date and description of change to be added.</p> <p>Public Works: Signature page added to document noting review date and administrative approval.</p> <p>Utilities: Approval of the Director and Assistant City Manager through signing and dating the cover page of Utilities COOP, annually.</p> <p>Van Wezel: We created an approval form for Mary Bensel, Executive Director of the Van Wezel to sign off on whenever a change has occurred in the COOP document.</p>	<p>7/31/2014</p> <p>One Year after COOP adopted</p> <p>Completed</p> <p>7/1/2014</p> <p>Completed</p> <p>7/31/2014</p> <p>Completed 3/27/2014</p> <p>4/2/2014</p> <p>Completed on 3/28/2014</p> <p>6/30/2014</p>
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AUDIT OBSERVATIONS AND RECOMMENDATIONS

3	COOP Development	High	<p>Internal Audit was unable to obtain evidence that a Continuity of Operations Plan (COOP) was initially developed by the City Manager, City Attorney and Parking Operations.</p> <p>During the audit, the Deputy City Manager developed a City Manager's and City Commission's Offices document, approved by the City Manager and submitted to Internal Audit on 2/13/2014. These documents were then updated and resubmitted on 3/25/2014.</p> <p>During the audit, Parking Operations began but did not complete and submit a COOP document.</p>	<p>In order to ensure the City Attorney and Parking Operations can function in an emergency, Internal Audit recommends both departments develop a Continuity of Operations Plan (COOP).</p>	X	<p>City Attorney: Development of a COOP for the City Attorney's Office is underway.</p> <p>Parking Operations: Currently (sic) in the process of developing a plan.</p>	<p>90 Days</p> <p>7/31/2014</p>
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AUDIT OBSERVATIONS AND RECOMMENDATIONS

<p>4 IT and SPD MIS Disaster Recovery Plan Development IT Service Catalog and Vital Records Recovery Times</p>	<p>High</p>	<p>Internal Audit was unable to obtain evidence that an Information Technology Disaster Recovery Plan or a Sarasota Police Department Management Information Systems Disaster Recovery Plan was available at the time of this audit.</p> <p>Lack of an IT Disaster Recovery Plan was previously noted as an issue in the IT General Controls Audit (Audit # 09-08, issued on July 31, 2009).</p> <p>The IT Service Catalog, created and maintained by IT (Last updated (1/28/2014), lists Applications, Functions or Services including some Charter Official and City Department Vital Records with Real Time Objectives (RTOs) for recovery. Internal Audit was unable to obtain evidence that the RTOs were reflective of the current IT environment and had recovery timeframes that could be met (lack of testing).</p> <p>Real Time Objectives, listed below, as defined in the IT Service Catalog and listed in the City Manager's and City Departments' COOPs, may not be met for recovery during or after an emergency event for some critical City applications, functions or services.</p> <table border="1" data-bbox="382 990 772 1177"> <thead> <tr> <th>Priority</th> <th>Time Frame</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Immediately</td> </tr> <tr> <td>2</td> <td>Within 6 hours</td> </tr> <tr> <td>3</td> <td>Within 12 hours</td> </tr> <tr> <td>4</td> <td>Within 24 hours</td> </tr> <tr> <td>5</td> <td>After All Others</td> </tr> </tbody> </table> <p>Additionally, Internal Audit noted Charter Officials and City Department COOPs listed recovery priorities that differed from IT's determination of priority for recovery.</p>	Priority	Time Frame	1	Immediately	2	Within 6 hours	3	Within 12 hours	4	Within 24 hours	5	After All Others	<p>In order to ensure the City's Vital Records, applications, networks, services and functions can be recovered after an emergency when and if it is declared, Internal Audit recommends Information Technology and Management Information Systems develop Disaster Recovery Plans for each of their areas. These should include but not be limited to:</p> <ul style="list-style-type: none"> • Recovery options for facilities, technology, networks and network infrastructure, • Testing, identification of actual recovery time and real time objectives (RTOs) to recover data and Vital Records, • After action plans (designed to identify opportunities for enhancement), • Correction of issues, and retesting to confirm issues identified were corrected. <p>In order to ensure the City's Vital Records, applications, networks, services and functions can be recovered from an emergency and Charter Officials and City Departments understand possible response and recovery times, Internal Audit recommends the IT Service Catalog be updated to Real Time Objectives (RTOs) that reflect the current IT environment and attainable recovery timeframes.</p> <p>We recommend Information Technology coordinate with Charter Officials and City Departments to ensure all parties understand and agree upon priorities in the recovery of critical applications, functions, services and Vital Records and potential delays depending on the type and severity of the emergency.</p>	<p>X</p>	<p>Information Technology: IT is evaluating the current capabilities for disaster recovery and putting realistic numbers to recovery time objectives. IT has met with all departments to set preliminary levels of expectation. Once the current capabilities are documented and realistic recovery timeframes identified, Information Technology will present options to better our DR posture, along with cost scenarios. Scenarios to be explored include loss of network connectivity at various points in the network, loss of phone connectivity at various points in the network, facility relocation, and loss of specific applications up to a loss of the complete data center. Part of this exercise will involve coordination with all department heads and Charter Officials to ensure that the priorities identified are accurate and based on the critical needs of the City. As part of the COOP, on June 13, the IT Department completed a COOP exercise involving a complete relocation to IT's alternate facility and response to various incidents.</p> <p>SPD MIS: We are in the process of re-evaluating our current disaster recovery strategy to ensure that the Sarasota Police Departments vital records, applications, networks, services and functions can be recovered after an emergency. We will be meeting with all SPD departments to identify their vital records. Once identified we will create a list of realistic recovery times and a testing strategy to ensure that recoveries can be performed both quickly and reliably.</p>	<p>8/31/2014</p> <p>12/31/2014</p>
Priority	Time Frame																	
1	Immediately																	
2	Within 6 hours																	
3	Within 12 hours																	
4	Within 24 hours																	
5	After All Others																	

AUDIT OBSERVATIONS AND RECOMMENDATIONS

5	All Hazards Risk Assessment	High	<p>Internal Audit was unable to obtain evidence that a current “all hazards” risk assessment was prepared for alternate facilities within the City of Sarasota.</p> <p>The “alternate facility selection process” contained in Annex B (and Annex E-2 for Public Works and Utilities) states “The alternate facilities must be capable of supporting emergency operations in a safe environment, as determined by the geographical location of the facility, an assessment of the local threat, and the collective protection characteristics of the facility.”</p>	<p>In order to assist in securing proper facilities in the event of an emergency, Internal Audit recommends development of an annual review process and “all hazards” risk assessment for City facilities (for those that have changed). Without a current evaluation of Citywide facilities for hazards, alternate facilities may be incapable of supporting COOP relocations.</p> <p>The assessment should include but not be limited to:</p> <ul style="list-style-type: none"> • Identification of all hazards that may affect the facility; • A vulnerability assessment that determines the effects of identified hazards on the facility; • A cost-benefit analysis of implementing risk mitigation, prevention, or control measures; and • A formal management analysis of acceptable risk. 	X	<p>City Manager: The City Emergency Manager has initiated the process of creating a database of city owned/leased property.</p> <p>City Auditor and Clerk: Management concurs an annual review process should be implemented and the three Charter Officials should meet and mutually agree to designate and assign authority to a single, unified body, group or individual to perform an "all hazards" risk assessment and subsequently conduct annual reviews. Led by the Emergency Manager, a comprehensive "all hazards" risk assessment should be completed which takes into account the mobilization of all departments and their facility requirements. The "all hazards" risk assessment should be updated annually incorporating any requirements which may have changed since the last annual review. The "all hazards" risk assessment should include the identification of all hazards, a vulnerability assessment, a cost-benefit analysis, and a management assessment of acceptable risk.</p> <p>City Attorney: Will defer to Emergency Manager regarding conduct of all risks assessments for City facilities. The City Attorney's Office is not located in a City facility.</p>	<p>12/31/2014</p> <p>10/31/2014</p> <p>N/A</p>
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AUDIT OBSERVATIONS AND RECOMMENDATIONS

6	Physical Access to SPD Building	Med.	<p>Physical access to the Sarasota Police Department building was not updated timely in instances tested by Internal Audit.</p> <p>Access to the SPD building is granted by MIS by issuing devices which allow access to specific areas of the SPD building.</p> <p>1. Two former employees (City employees) identified on a report by MIS (3/10/14) had active entry access to the SPD building and the EOC located on the 4th floor and access was not terminated upon their departure from City employment.</p> <p>During the audit, this access was removed after Internal Audit notified MIS.</p>	<p>In order to assist in securing facilities before and during an emergency, Internal Audit recommends Human Resources coordinate with MIS to ensure City employees who leave or terminate City employment surrender any MIS issued access devices and notify MIS so access rights to the SPD building can be terminated.</p> <p>1. We recommend Human Resources modify the existing "Termination Checklist" to include a requirement for all City employees to surrender all MIS issued devices to Human Resources.</p> <p>Internal Audit also recommends the City Manager and City Auditor and Clerk secure devices from MIS for their CRT members to be able to access alternate facility locations within the SPD Building.</p>	X	<p>Sarasota Police Department: 1. Work with City HR to determine if other City Departments have "Separation of Employment" checklists. If so, require all Departments to create a check off box to surrender MIS issued access devices. The SPD Terminal Coordinator should then be contacted to de-activate the access cards. 2. Have Terminal Agency Coordinator work with the City Manager's Office and City Auditor and Clerk to assign their CRT members access cards and/or codes to gain access to alternate facility locations within the SPD Building.</p> <p>Human Resources: Human Resources has a termination process in place for notifying the City's IT to terminate access to systems and eliminate email address and others technology rights, including door fob access rights. The termination checklist is a Citywide checklist but does not appear to have a notification to the Police departments MIS unit regarding access rights for City employees that are not located within the Police department. The Coordinator, Terminal Agency position within the Police department has responsibility for assigning access rights and door fobs for City employees that are not located within the Police building. This position along with the Emergency Coordinator within the HR department worked together to assign access rights for the EOC located on the 4th floor of the Police building and to distribute door fobs to all EOC assigned personnel beginning in 2012. The process of notification to the Coordinator, Terminal Agency of employees that are no longer with the City was not documented on the Termination Checklist. Currently a monthly report is being generated by the Coordinator and sent to HR to review for terminated employees. The termination checklist/process is currently being modified to include HR receiving all fobs, ID's and other access items in order to notify the involved departments. For departments that have COOP alternative sight (sic) relocation to the EOC, door fobs can be distributed and access rights limited to that area through the Coordinator, Terminal Agency.</p>	<p>9/1/2014</p> <p>8/1/2014</p>
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AUDIT OBSERVATIONS AND RECOMMENDATIONS

7	COOP testing and exercises	High	<p>Internal Audit was unable to obtain evidence of COOP specific testing or exercises conducted during the audit period.</p> <p>While there was no COOP specific training or exercises conducted, the City Manager's Office and various City Departments did participate in an Emergency Operations Center (EOC) Activation Plan exercise (which included TFIT exercises) from May 20-22, 2013.</p> <p>Additionally, Public Works and Utilities staff participated in a separate Tactical First In Team (TFIT) exercise on Oct 26, 2012.</p> <p>Some departments have held planned or unplanned evacuations (Human Resources, Van Wezel, Public Works) and the Financial Administration department simulated their COOP during EOC exercises.</p>	<p>Internal Audit recommends an action plan be developed to hold a comprehensive city-wide COOP drill covering key functions. We further recommend developing a series of tests and exercises to test components of the COOPs, such as evacuation drills, training, notification processes, etc.</p> <p>We also recommend any training include drills that verify the training levels of individual participants.</p>	X	X	X	<p>City Manager: The City Manager will coordinate with the City Emergency Manager on the type of exercise that is most appropriate and cost effective to implement.</p> <p>City Auditor and Clerk: Management concurs and the three Charter Officials should meet and agree to plan and conduct comprehensive, citywide training and drill exercises. A series of tests and exercises to test components of the COOP to include evacuation, notification processes, exercises involving real-life simulation of COOP core components, table top exercises, and other situations in which the COOP may be activated. Drills and exercises should be conducted facility-wide and Citywide on a periodic basis. In addition, the Office of the City Auditor and Clerk conducted training on the Office's COOP for all CAC Staff and exercises for both IT AND CAC were held on June 13 and June 19 respectively. Staff completed a COOP exercise involving a complete relocation to the CAC's alternate location and responses to various simulated incidents which may develop during an emergency.</p> <p>City Attorney: Do not know exactly what would be entailed in the recommendation (left column only allows yes or no responses.) Would defer to Emergency City Manager as to extent of any training required for City employees.</p>	<p>10/1/2014</p> <p>7/15/2014</p> <p>N/A</p>
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APPENDIX A

AUDIT RATING SYSTEM

The audit ratings listed below are based on the auditor's assessment of whether the audit objectives were met.

Red – A red control rating denotes significant business risk or exposure to the City that requires immediate attention and remediation efforts. The controls reviewed do not appear to provide reasonable assurance that the control objectives are being met. The City is being exposed to a high level of business risk and exposure. Management is advised to immediately review the design and effectiveness of existing controls or consider implementing new or additional controls.

Yellow – A yellow control rating denotes opportunities for improvement exist relating to the controls reviewed. If this state of control is not improved, it could lead to higher than acceptable level of business risk or exposure to the City. The controls reviewed provide some, but not sufficient, assurance that control objectives are being met. Management is advised to review the design and effectiveness of existing controls or consider implementing new or additional controls on a priority basis.

Green – A green control rating indicated that the controls reviewed at the time of the audit indicated a satisfactory or acceptable state of control, where risk appears to be minimized and appropriately managed. Controls reviewed appear to provide a high degree of assurance that control objectives are being met. To maintain this rating management is advised to continue to assess the control systems and monitor existing controls for efficiency and effectiveness as business and organizational changes occur.