

KEVIN L. WARD
COMMISSIONER



BRAD HENRY
GOVERNOR

STATE OF OKLAHOMA
DEPARTMENT OF PUBLIC SAFETY

August 18, 2010

Honorable Drew Edmondson
Attorney General
State of Oklahoma
313 N.E. 21st Street
Oklahoma City, Oklahoma 73105

Re: Response of the Oklahoma Department of Public Safety to the State Auditor and
Inspector's 74 O.S., § 18f Special Audit Report

Dear General Edmondson:

Please accept this letter as the Department of Public Safety's response to the findings of the audit prepared by the State Auditor and Inspector. While the audit addresses several issues, it makes three specific findings and recommendations regarding the general operation of the Oklahoma Highway Patrol (OHP) and its aircraft division (Troop O). The Department (DPS) would like to respond to those specific findings as well as update your office of the agency's actions since the original investigation was provided to you in the summer 2009.

First, in the audit's initial set of findings, the audit finds that the inventory procedures within Troop O were inadequate, if not nonexistent, and that no inventory of parts received through purchase or other programs was maintained. The audit concludes that materials or parts received from the federal government through the Law Enforcement Supply Office (LESO) support program were gifts to the agency and were not received in accordance with the gifting procedures set forth in 60 O.S., § 383. The audit recommends that appropriate inventory procedures be established and followed and that DPS also establish procedures for receiving donated property.

In response to the findings and recommendation concerning donated property, this agency has long-established policies and practices concerning the receipt of donations. This agency has and continues to be very diligent in following the gifting provisions of 60 O.S., § 383 when offers of donated money or items are made to the agency, even when the donation or gift is being offered by another law enforcement agency. No questions were posed to or information sought from this agency regarding its policies or practices for the receipt of donated goods.

The participation in the LESO program by a state agency is administered by the Oklahoma Department of Central Services. There is, and always has been, a cost to this agency for DPS to participate in the LESO program and receive any helicopter and additional parts. Since the beginning of DPS's participation in the LESO helicopter program, this agency has always

understood and been advised by representatives of the military that both the helicopter and any additional parts accompanying the delivery of a helicopter to DPS were part of the same transaction. DPS has always, as DCS has apparently done also, considered all materials delivered with any helicopter to be part of the same purchase transaction for which DPS has paid a specified amount of money. DPS has never, and does not now believe that any additional parts delivered along with the helicopter under the LESO program and which go to help support the operation of the helicopter are separate "gifts" but are part of the purchase of the helicopter. The agency believes the audit's findings that the helicopter parts are gifts and that the agency does not have adequate policies policing how donated items are to be received by DPS are in error.

In response to the issues regarding inventory, this agency has taken several steps, both within Troop O and the agency as a whole, to address any inventory inadequacies. This agency became acutely aware of the inventory deficiencies during our initial investigation. At the conclusion of our investigation, a complete inventory of aircraft parts was ordered. Troop O has also been directed to maintain an ongoing inventory of parts. Under a new Troop Commander the aircraft division has maintained an inventory of parts. While the current inventory remains in paper form, the agency is trying to find an electronic inventory system that would satisfy the division's needs.

In addition to the inventory procedures in place at Troop O, DPS created an Audit and Inspection Unit, headed by a Major with the Oklahoma Highway Patrol. The Unit, created effective December 1, 2009, reports directly to the Commissioner's Office and is charged with conducting audits of all agency inventory, creating appropriate inventory procedures and ensuring compliance with any state or agency rules concerning the acquisition, maintaining or disposing of any agency property. This Unit has been tasked to assist Troop O in the implementation of inventory procedures as well as assuring compliance with other statutorily-mandated reporting requirements.

Second, in the audit's third recommendation, it recommends steps to make sure that certain flight logs and information are maintained in accordance with state law. The audit found that the "Travel Use Logs," which are required to be completed on each flight in which a person is transported on a state-owned plane, were not being properly completed or maintained. DPS became aware of this issue during our initial investigation. The agency has taken steps to ensure that the pilots complete the requisite forms for each applicable flight with the information required by state statute. Those forms are compiled and maintained by Troop O and periodically checked for compliance by the troop's supervisors. In addition, the agency's Audit and Inspection Unit will periodically review the Travel Use Logs and other reports to make certain that the agency and its pilots are in compliance with any record keeping or reporting requirements prescribed by state statutes.

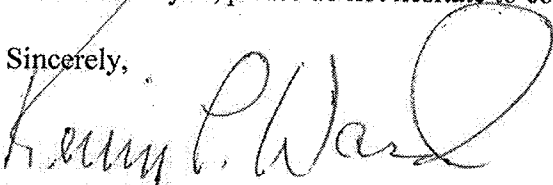
Finally, in its fourth recommendation, the audit addresses the Department's outside employment policies and this agency's consideration of any potential conflict of interests. Each employee of the Oklahoma Highway Patrol must complete an outside employment request in order to hold employment outside the agency. The form is to be completed detailing the requested

employment and the request is submitted through the chain of command with the Chief of the Patrol having the final decision in approving or denying the request. An outside employment request is required even if a person is to be self-employed. The request form requires the name, place and type of employment and, if self-employed, the type of business. In the past year, the Patrol has made it a point of emphasis that any outside employment must be approved and has taken a more aggressive role in determining the actual nature of the business in while reviewing for any potential conflict of interest. Discipline has been imposed where outside employment requests have not been timely submitted or properly approved and the Department has denied a number of requests due to potential conflicts of interest. Troop commanders and supervisors are charged with securing as much information as possible to ensure that an employment request fully discloses any potential issues and can be fully considered by the chain of command. The Department believes this emphasis on compliance and enforcement accomplishes the recommendations of the audit.

The Department of Pubic Safety and the Oklahoma Highway Patrol recognizes the necessity of public trust in this agency in order for us to do our jobs. The agency takes it responsibilities to the public very seriously whether the action is the expenditure of public funds or protecting the public's safety and well-being. The Department will take the findings of this audit and apply them in our continual efforts to further our accountability and efficiency as an agency.

If you have any questions or if this agency can provide any additional information that will be of assistance to you, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kevin L. Ward". The signature is written in dark ink and is positioned above the printed name.

Kevin L. Ward
Commissioner