

District Police

Internal Audit Report
August 21, 2019



Orange County
Public Schools

Internal Audit

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Table of Contents

	Page Number
EXECUTIVE SUMMARY	1
DEFINITIONS	2
BACKGROUND	3
OBJECTIVES, SCOPE, AND METHODOLOGY	3
RESULTS AND RECOMMENDATIONS	5

EXECUTIVE SUMMARY

Why We Did This Audit

This is a planned engagement derived from the annual audit risk assessment process.

The objectives were to evaluate the effectiveness, efficiency, and internal controls of the following police functions:

1. School Public Safety Act
2. Safety Screening Program
3. Vehicles
4. Training
5. Property/Equipment/Evidence
6. Communication Center
7. Criminal Justice Information System (CJIS) and Driver And Vehicle Information Database (DAVID) systems
8. Department Purchasing
9. Access Management

This audit was included in the 2018-2019 Annual Audit Plan.

Results and Recommendations

1. Several recommendations were made to enhance accountability of AMAG badging system access management.
2. Purchasing Card transactions should be allocated each month to the appropriate general ledger account.
3. Prop-4 forms should be used to document all fixed assets issued to Officers.
4. CJIS periodic reviews should be documented.

This report has been discussed with management and they have prepared their response which follows.

Observations and Conclusions

Audit Results at a Glance			
	Risk/ Impact Rating		
Results and Observations	Significant	Moderate	Minor
IA - Internal Audit or M - Management	IA - 1	IA - 1	IA - 2
D - Deficiency or O - Opportunity	D - 1	D - 1	D - 2

Our overall evaluation is that the District Police Department is functioning effectively. However, the following areas require attention and provide an opportunity for improvement:

1. AMAG badging system access
2. Purchasing Card allocation
3. Property Documentation
4. CJIS Review Documentation

DEFINITIONS:

Risk / Impact Ratings

Minor	Low risk with a financial impact of less than one percent and/or an isolated occurrence limited to local processes (low impact and low likelihood)
Moderate	Slight to moderate risk with a financial impact between one and five percent and/or a noticeable issue that may extend beyond local processes (low impact and high likelihood or high impact and low likelihood)
Significant	High risk with a financial impact greater than five percent and/or a significant issue that occurs in multiple processes (high impact and high likelihood)

Observations Categories

Deficiency	A shortcoming in controls or processes that reduces the likelihood of achieving goals related to operations, reporting, and/or compliance
Opportunity	A process that falls short of best practices or does not result in optimal productivity or use of resources

Criteria for Observations Sourced to Management

- Internal audit was informed of the issue prior to starting detailed testing
- Management identified, evaluated, and communicated the issue to appropriate levels of the district
- Management has begun corrective action with clear, actionable plans and targeted completion dates

There are no observations sourced to management in this audit report.

BACKGROUND:

The District Police Department was established in August 2015 with the following functions:

- Providing police services to the district;
- Administering district wide School Resource Officer agreements with 10 local law enforcement agencies;
- Partnering with local, state, and federal law enforcement agencies to ensure school safety;
- Managing specialized school security programming;
- Conducting security related assessments;
- Coordinating security for school activities, district meetings, and special events;
- Maintaining a police and public safety Communication Center.
- Protective uniformed security services.

The Department has 16 sworn officers with over 300 combined years of law enforcement service, a Communication Center unit with a supervisor and eight specialists, an Information Analysis unit with five intelligence analysts and an Enterprise Security Systems unit with a supervisor and two technicians.

The Marjory Stoneman Douglas High School Public Safety Act was passed into law March 9, 2018, and has increased compliance requirements related to school safety.

OBJECTIVES, SCOPE AND METHODOLOGY:

Objectives

The objectives of this audit were to evaluate the effectiveness, efficiency, and internal controls of the following police functions:

- School Public Safety Act
- Safety Screening Program
- Vehicles
- Training
- Property/Equipment/Evidence
- Communication Center
- CJIS and DAVID
- Department Purchasing
- Access Management

The District Police Department was established in 2015.

The Department has 16 sworn officers with over 300 combined years of law enforcement service.

The Marjory Stoneman Douglas Act has increased compliance requirements related to school safety.

Scope

The scope of this audit included police department transactions and activities for the period from July 1, 2018 through June 30, 2019.

Methodology

Our audit methodology included:

- Conducting interviews with management;
- Reviewing department policies and procedures;
- Reviewing Communication Center documentation;
- Reviewing compliance with the School Public Safety Act;
- Reviewing training records;
- Reviewing property inventory/evidence;
- Observing safety screening;
- Comparing invoice amounts with contract amounts;
- Reviewing CJIS and DAVID documentation;
- Reviewing management scorecard data; and,
- Reviewing access management controls.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors and included such procedures as deemed necessary to provide reasonable assurance regarding the audit objective. Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

We are required to note any material deficiencies in accordance with Florida Statutes, School Board Policy and sound business practices. We also offer suggestions to improve controls or operational efficiency and effectiveness.

We looked at operational areas of the Police Department.

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

RESULTS & RECOMMENDATIONS:

1) AMAG Badging System Access *Significant Risk*

Best Practice:

The Police Department's Enterprise Security Systems unit provides oversight for the AMAG badging system which provides physical security access to buildings throughout the District. An employee is granted access to their primary work location upon being hired and access is deactivated when an employee terminates employment.

Audit Results:

Our audit revealed that an employee's access was terminated when they became inactive. But when we tested this inactive employee's badge a week later we found that access had been restored without authorization. We were informed that a District Police Technical Support employee had reactivated access when he noticed the badge access denial on the log. Management addressed this issue as soon as we brought it to their attention.

We selected a sample of 21 inactive employees from School Board Meeting Agendas for additional testing and noted the following results:

- The badge of an employee that was inactive in the SAP HR Master Data system as of October 13, 2018 was still active and in use in the AMAG system as of May 29, 2019. District Police research determined that this was a result of a school using the inactive employee's badge as a spare for active employees that forgot their badge.
- Several generic badges were issued to School Resource Officers (SRO) instead of to specific, named individuals. District Police research concluded that this was a result of having different SROs on some campuses each day so unique badges could not be issued. Although not a policy violation, this practice has the potential to lead to unauthorized use and we recommend it be discontinued.
- The badge number of an inactive employee was linked to a different active employee's account.

An inactive district office employee's badge was reactivated without authorization.

We sampled 21 inactive employees.

An inactive school employee's badge was used by the school as a spare for 8 months.

Generic badges were issued making accountability more difficult.

Personnel in three different divisions (District Police, Human Resources and Facilities) have access control in the AMAG system which presents challenges to access management and strong internal controls. Accountability is difficult with so many persons in different chains of command having administrative privileges.

Recommendations:

- Review current procedures and revise where necessary to ensure inactive employees' access is deactivated in a timely manner and not reactivated without appropriate authorization.
- Implement a policy, directive or procedure to ensure inactive employee badges are not used as spares and are turned in to the badge office when an employee terminates employment.
- Include generic SRO badges in established quarterly audit procedures as already being considered by Police Department management.
- Develop a process to monitor activity logs to detect unusual items.
- Consider realignment of responsibilities for the AMAG system so one part of the organization has primary responsibility.

2) Purchasing Card Transactions Not Allocated Timely *Minor Risk*

Best Practice:

The Purchasing Card Manual and Management Directive A-13 require transactions to be allocated to the appropriate general ledger account in a timely manner each month.

Audit Results:

A review of the Department budget disclosed purchasing card transactions totaling more than \$21,000 that were not allocated to the appropriate general ledger account throughout fiscal year 2018/2019. We were informed that the employee who typically completes the monthly allocation was on extended leave and that job duties were not successfully transitioned to another employee.

Three different departments have administrative rights to AMAG.

We offer several recommendations for better management of AMAG for management's consideration.

Purchasing Card transactions totaling more than \$21,000 were not allocated to the appropriate general ledger account.

Recommendation:

Review current procedures and modify where necessary to ensure purchasing card transactions are allocated within the established time frames each month.

3) Property Documentation *Minor Risk*

Best Practice:

School Board Policy DID and the Property Procedures Manual require a Prop-4 form to document the transfer of fixed assets.

Audit Results:

Although the Department maintains an itemized list of property issued to each officer, the required Prop-4 form documenting assignment of assets to specific persons was not completed for capitalized fixed assets such as radios (cost value - \$7,736); laptops (cost value range - \$1,271 - \$1,419) and vehicles (cost value range - \$23,785 - \$26,729). In addition, no officer was required to sign documentation of their receipt and acceptance of responsibility for the care and safeguarding of non-capitalized property items such as uniforms, weapons and other law enforcement gear. Department management immediately revised their practice to enhance accountability for non-capitalized property items when we brought these observations to their attention.

Recommendation:

The Department should continue to enhance their processes to ensure compliance with School Board Policy DID.

4) CJIS Periodic Audit Documentation *Moderate Risk*

Best Practice:

Documentation should be maintained to show evidence of compliance with department procedure and contract requirements.

Audit Results:

The District has an agreement with Florida Department of Law Enforcement (FDLE) to access and use the restricted criminal justice information system (CJIS). The Department established a procedure in

Assignment of fixed assets to specific persons was not documented in accordance with district procedures.

Without documentary evidence it is not possible to determine what, if any, procedures were performed.

May 2017 that states periodic policy and information system audits shall be conducted by the Communication and Records Unit supervisor to ensure compliance with the CJIS Agreement. This is an excellent procedure and we commend the department for establishing it, and we requested to review evidence that the periodic audits are being conducted and the results from them. However, we were informed that the audits are being performed but no documentation is produced unless there is a violation and no violations have been found.

Recommendation:

Develop a method to document that periodic policy and information system audits are being conducted and the results reported to the Chief of Police.

We want to thank the District Police Department for their excellent cooperation and assistance during the audit.

CJIS periodic policy and information system reviews are not documented.



Department / School Name	District Police
Administrator / Department Head	Chief Bryan D. Holmes
Cabinet Official / Area Superintendent	Roberto Pacheco, Chief Operations Officer

Audit Result / Recommendation	Management Response Acknowledgement/ Agreement of Condition	Responsible Person (Name & Title) And Target Completion Date (MM/YYYY)	Management's Action Plan
<p>Result: AMAG Badging System Access irregularities.</p> <p>Recommendations: Review current procedures and revise where necessary to ensure inactive employees' access is deactivated in a timely manner and not reactivated without appropriate authorization.</p> <p>Implement a policy, directive or procedure to ensure inactive employee badges are not used as spares and are turned in to the badge office when an employee terminates employment.</p> <p>Include generic SRO badges in established quarterly audit procedures as already being</p>	<p>Management concurs and recommendations acknowledged.</p>	<p>Database Analyst (Temporarily assigned duty until Manager of Enterprise Systems Security Unit is hired) 06/30/2020</p>	<p>Review completed. Procedure is currently in place to deactivate all inactive employees' access in a timely manner, and not reactivate without appropriate authorization. Will pursue the possible implementation of a management directive prohibiting unauthorized use of employee badges. A quarterly department audit will take place inclusive of Generic SRO badges. A management compliance memorandum will be provided to the Chief – District Police.</p>



<p>considered by Police Department management.</p> <p>Develop a process to monitor activity logs to detect unusual items.</p> <p>Consider realignment of responsibilities for the AMAG system so one part of the organization has primary responsibility.</p>			
<p>Result: Purchasing Card Transactions Not Allocated Timely</p> <p>Recommendation: Review current procedures and modify where necessary to ensure purchasing card transactions are allocated within the established time frames each month.</p>	<p>Management concurs and recommendations acknowledged.</p>	<p>Program Coordinator (Temporarily assigned duty until Manager of Police and Public Safety is hired) 10/30/2019</p>	<p>Review Completed. Purchasing card transactions are being allocated within the established time frames each month. Management review to be conducted monthly to verify timely allocation.</p>
<p>Result: Property Documentation of Department Issued Equipment</p> <p>Recommendation: The Department should continue to enhance their processes to ensure compliance with established District policies and procedures.</p>	<p>Management concurs and recommendations acknowledged.</p>	<p>Police Commander (Temporarily assigned duty until Manager of Police and Public Safety is hired) 01/30/2020</p>	<p>Department will continue to enhance process to ensure compliance with established District policies and procedures for issued equipment. Police Commander assigned as Department Quartermaster will oversee and provide Chief-District Police a management compliance memorandum.</p>



<p>Result: CJIS Periodic Audit Documentation</p> <p>Recommendation: Develop a method to document that periodic policy and information system audits are being conducted and the results reported to the Chief of Police.</p>	<p>Management concurs and recommendations acknowledged.</p>	<p>Senior Manager of Communications and Records 09/2019</p>	<p>A quarterly CJIS system management audit has been implemented and the results reported in writing to the Chief of the District Police.</p>
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