



Office of the City Auditor

Audit of the Virginia Beach Juvenile Detention Center

Report Date: September 16, 2020

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"Promoting Accountability and Integrity in City Operations"



**Office of the City Auditor
Audit of the Virginia Beach Juvenile Detention Center**

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"Promoting Accountability and Integrity in City Operations"

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Office of the City Auditor Transmittal Letter

Date: September 16, 2020
To: Patrick A. Duhaney, City Manager
Subject: Audit of the Virginia Beach Juvenile Detention Center



I am pleased to present the report of our Audit of the Virginia Beach Juvenile Detention Center. The purpose of this audit was to determine whether the Juvenile Detention Center is operating effectively and in accordance with City policies and select areas deemed critical by the Virginia Department of Juvenile Justice (DJJ). We completed our fieldwork on July 31, 2020.

The Office of the City Auditor reports to City Council through the Audit Committee and is organizationally independent of all other City Departments. This report is intended solely for the information and use of the Audit Committee, City Council, and appropriate City management. It is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

We would like to thank the management and staff of the Department of Human Services, Controller's Office, Finance Accounts Payable, and Budget and Management Services for their cooperation and responsiveness to our requests and questions during our audit.

If you have any questions about this report, or any audit-related issue, I can be reached at 385-5872 or via email at lremias@vbgov.com.

Respectfully submitted,

Lyndon S. Remias, CPA, CIA
City Auditor

lsr/rc

c:

Audit Committee Members
Kenneth L. Chandler, Deputy City Manager
Aileen L. Smith, Director, Human Services
Kevin M. Chatellier, Budget and Management Services Acting Co-Director
Aaron Knight, Juvenile Detention Center Superintendent



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Purpose

The purpose of this audit was to determine whether the Virginia Beach Juvenile Detention Center is operating effectively and in accordance with City policies and select areas deemed critical by the Virginia Department of Juvenile Justice.

Scope and Objectives

The scope of the audit was for the period July 2016 – June 2020.

The objectives of the audit were to:

- Determine whether revenues and reimbursements were completely received and accurately recorded.
- Determine whether expenditures were appropriate and accurately recorded.
- Determine the adequacy of internal controls in ensuring that the petty cash fund is protected from theft or waste.
- Assess compliance in select areas deemed critical by the Virginia Department of Juvenile Justice in ensuring the safety, security, health, and welfare of residents.
- Determine whether personal funds of residents turned over to Virginia Beach Juvenile Detention Center are properly accounted for and kept safe.
- Determine whether staff access to the Juvenile Tracking System SoftTec was appropriate and consistent with job responsibilities.
- Assess established COVID-19 preventive measures.

Methodology

To accomplish our objectives, we performed the following:

- Interviewed management and staff of the Virginia Beach Juvenile Detention Center.
- Reviewed financial data, policies, reports, spreadsheets, correspondence, and other relevant documents.
- Performed analysis and tests of data designed to identify trends and high-risk criteria.
- Selected revenue and expenditure samples and traced them to supporting documents.
- Selected from Virginia Department of Juvenile Justice's Critical Regulatory Requirements for Residential Regulations and tested for compliance.
- Conducted a multiple virtual visits to observe operations and test processes.
- Made recommendations, as appropriate, to ensure compliance, improve processes, increase efficiency, and reduce the risk of loss to the City.



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Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require 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 during this audit provides a reasonable basis for our findings and conclusions based on our audit objectives.

The Office of the City Auditor reports to City Council through the Audit Committee and is organizationally independent of all City Departments. This report will be distributed to the City's Audit Committee, City Council, and appropriate management within the City of Virginia Beach. This report will also be made available to the public through the Office of the City Auditor's webpage.



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Background¹



VBJDC Facility

The mission of the Virginia Beach Juvenile Detention Center (VBJDC) is to provide temporary detention and care for court-ordered juveniles, ages 10 to 21, who have criminal charges and are awaiting court disposition or placement. Its goal is to provide a safe, secure, and healthy environment. VBJDC is part of the Department of Human Services portfolio. It is headed by the Superintendent of VBJDC, who reports to the Director of Human Services.

VBJDC is part of Virginia's juvenile justice services, which includes a network of various state and local governmental organizations, such as law enforcement, district courts, and juvenile detention and/or correctional facilities.

Juvenile detention centers are residential facilities that provide temporary care for court-ordered juveniles that require secure custody, pending their court disposition or placement in a facility by the court as a sanction once found guilty of an offense. These facilities are operated by local jurisdictions, but is regulated by the Virginia Department of Juvenile Justice (DJJ).

VBJDC is one of among 24 juvenile detention centers across Virginia. The dispersed nature of locations allows youths to be placed in facilities that are closer to home; thus, making it easier for family and friends to visit and provide mental, physical, and psychological support to the detained youth.

The DJJ has primary responsibility for Virginia's system of juvenile justice services. Within each Virginia community, DJJ works with law enforcement officers, mental health services providers, schools, social services, and other agencies to meet the needs of juvenile offenders, their families, and communities. DJJ is a regulatory agency that ensures the facilities are being operated within state guidelines.

Opened in 2004, the VBJDC facility is 54,871 square feet. It has a 90-bed capacity that is divided into six units, each having 15 single-occupancy rooms. Additionally, each unit has a classroom and a day room for relaxation and entertainment. The facility provides a medical clinic, gymnasium, library, two dining halls, kitchen, and an outside recreational area.

¹ Unless otherwise specified, information was taken from internal sources, such as policies, reports, and City of Virginia Beach and City of Virginia Beach Public Schools websites.



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The admission process for residents takes place in the Intake area, where five single-occupancy rooms are also located. The facility also has a control Room, a lobby, administrative offices, and a training room. Currently, staffing comprises 82 positions – 72 full-time and 10 part-time – and three vacancies.

The Control Room is staffed 24 hours a day and is the center for monitoring and controlling the traffic flow of every person in the facility. It is equipped with



Control Room

an automated security and video surveillance monitoring system and surrounded by secure observation windows. Access to the Control room is limited to authorized staff only.

Programs and Services

While at VBJDC, residents are provided with a wide range of quality, supportive programs and services that develop and enrich the residents' physical, emotional, and social development.

➤ **Community Placement Program**

The Community Placement Program (CPP) is a structured residential program for juvenile offenders as part of DJJ's community reintegration efforts. DJJ enters into a Memorandum of Agreement (MOA) with detention centers to provide a structured residential program based on evidence informed interventions that address specific criminogenic needs and risk factors and include community reentry planning. The program focuses on positive youth development, and increasing competency in the areas of education, vocational preparation, life and social skills, thinking skills, employability skills, and anger management.²

The Memorandum of Agreement establishes payment conditions for the detention center, based on specific requirements set forth in the Statement of Needs. Payments are prepaid quarterly.

The intent for CPP is to have alternatives to a Juvenile Correctional Center (JCC) placement in otherwise vacant beds in juvenile detention facilities located regionally so that youth committed to DJJ can be closer to their home communities and reside in smaller, rehabilitative setting.

Below are certain aspects to the CPP program that are noteworthy:

² <http://www.djj.virginia.gov/pages/residential/cpp.htm>



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- Three Social Services Family Services Specialists on staff.
- Referrals for this program are made by the DJJ by a central admissions placement counselor.
- The CPP provides an opportunity for the residents' to transition back into their home community prior to their official release from the DJJ.
- A common goal is to provide an environment where residents can practice and master skills necessary to increase their chances of success after release.
- Program components include:
 - Cognitive Behavioral Interventions for Substance Abuse (CBI-SA) youth version, an evidence-based curriculum
 - Aggression Replacement Training (ART)
 - Multi-family group sessions
 - Therapeutic skill building
 - Job readiness
 - Independent living skills
 - Mental health support
 - Case management services

➤ Educational Program

The Virginia Beach City Public School District (VBCPSD) provides a formal educational program for all residents in the Juvenile Detention Center. The VBJDC Education Program is funded by the Virginia Department of Education, and managed by the Virginia Beach City Public Schools. Teachers instruct on all core classes, special education classes, and life and vocational skills, as well as General Educational Development (GED) Test preparation.



Classroom

The VBJDC Education Program follows VBCPSD's standard school year calendar. The school day begins at 8:15 a.m. and ends at 2:30 p.m. Residents are enrolled in a Summer Enrichment Program from the last day of school until June 30 and from August 1 through the third week in August. Virginia SOL tests are administered during the Fall and Spring of each school year.

Grades earned are transferred to the resident's home school once the resident is released from the detention facility. On the third day of enrollment, the resident's home school is notified of the resident's official enrollment at the VBJDC.

All residents are expected to participate and attend classes regularly and, their work is graded. Once the resident is discharged from the VBJDC, they are withdrawn from the VBJDC Education Program, and their grades are transferred back to their home school. One of the educational goals is to provide a seamless instructional transition for students.



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➤ Medical Services

Residents at VBJDC have access to 24-hour medical care. Medical and screening services are provided to residents upon admission to the facility.

- Two licensed professional nurses provide routine, non-emergency health care and services to residents during the day and evening hours, Monday through Friday. They are also responsible for managing medication, administering first aid, maintaining medical records, providing certain medical-related training to staff, and coordinating doctors' appointments and health insurance.



Day Room

- A contracted nurse practitioner regularly visits to administer health screenings, physical exams, order x-rays, and provide consultation or other needed medical services.
- Some of the staff are trained as medication aides; their responsibility is to administer medication when a nurse is not present.
- Staff are trained in administering first aid.
- Residents' other medical needs are the responsibility of the parent or legal guardian.

➤ Pre-Dispositional Program

Residents awaiting to go to court for their final adjudicatory hearing is considered to be in a pre-dispositional status. VBJDC provides pre-dispositional residents support and program services that include:

- Cognitive Behavioral Interventions (CBI)
- Crisis counseling
- Case management
- Mental health services
- Referral services as needed
- Psycho-educational group
- Therapeutic skill building

➤ Post-Dispositional Program

Residents who already have been adjudicated and ordered by a judge to be placed in a treatment program or to serve a period of confinement is considered to be in a post-



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dispositional status. VBJDC provides post-dispositional residents support and program services that include:

- Cognitive Behavioral Interventions for Substance Abuse (CBI-SA) youth version, an evidence-based curriculum
- Individual and family therapy with a licensed clinician
- Parent and multi-family group sessions
- Continued education with Virginia Beach City Public Schools and/or GED testing
- Anger management
- Empathy enhancement
- Therapeutic skill building
- Drug and alcohol screenings
- 24- hour support and supervision

➤ Prison Rape Elimination Act Monitoring Program

The Prison Rape Elimination Act (PREA) of 2003 (Public Law No.108-79) was signed into law in 2003 to "provide for the analysis of the incidence and effects of prison rape in federal, state, and local institutions and to provide information, resource recommendations, and funding to protect individuals from prison rape."³

The purpose of this program is to ensure residents are protected from sexual assault and sexual harassment, as well as to outline the agency's approach to preventing, detecting, and responding to such conduct. Each resident receives PREA education during the admissions process, in-depth education within seven days of admission, and ongoing refresher education throughout the resident's stay.



Resident's Room

The resident, family members, staff members, or a third party may report incidents of a sexual assault or sexual harassment through the following:

- Informing a staff member or the PREA Coordinator
- Completing a grievance form
- Writing a letter of complaint
- Calling one of the agencies below:
 - YWCA 24 Hour Crisis Hotline
 - Child Abuse & Neglect Hotline

³ <https://www.govinfo.gov/content/pkg/PLAW-108publ79/pdf/PLAW-108publ79.pdf>



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- Local Social Services Division
- Virginia Beach Police Department
- VBJDC Administration Offices

➤ Re-entry Program

The program is designed to assist residents transitioning from state commitment to their home community. The program offers a combination of services and resources to remove hurdles and barriers to assist residents in becoming successful, productive, and contributing members of their community and society.



Section of Unit A

The VBJDC collaborates with various local organizations and business to assist residents who will prepare to reenter their community. Examples of these are providing educational programs at Tidewater Community College (TCC) and a barber skills-training program.

Financial Information

➤ Revenues

The City is primarily responsible for funding the operations of VBJDC. VBJDC also receives funding from the State of Virginia and the federal government as follows (see Charts 1 and 2 below):

- DJJ State Ward Reimbursements – These are revenues for the Community Placement Program from the MOA between VBJDC and the DJJ. Revenues are received quarterly.
- Juvenile Justice Grant – These are revenues from the federal government’s Juvenile Accountability Block Grants Program (JABG), which is managed and distributed through the state governments. Revenues are received quarterly from DJJ, the agency designated by the State to manage and administer the program.

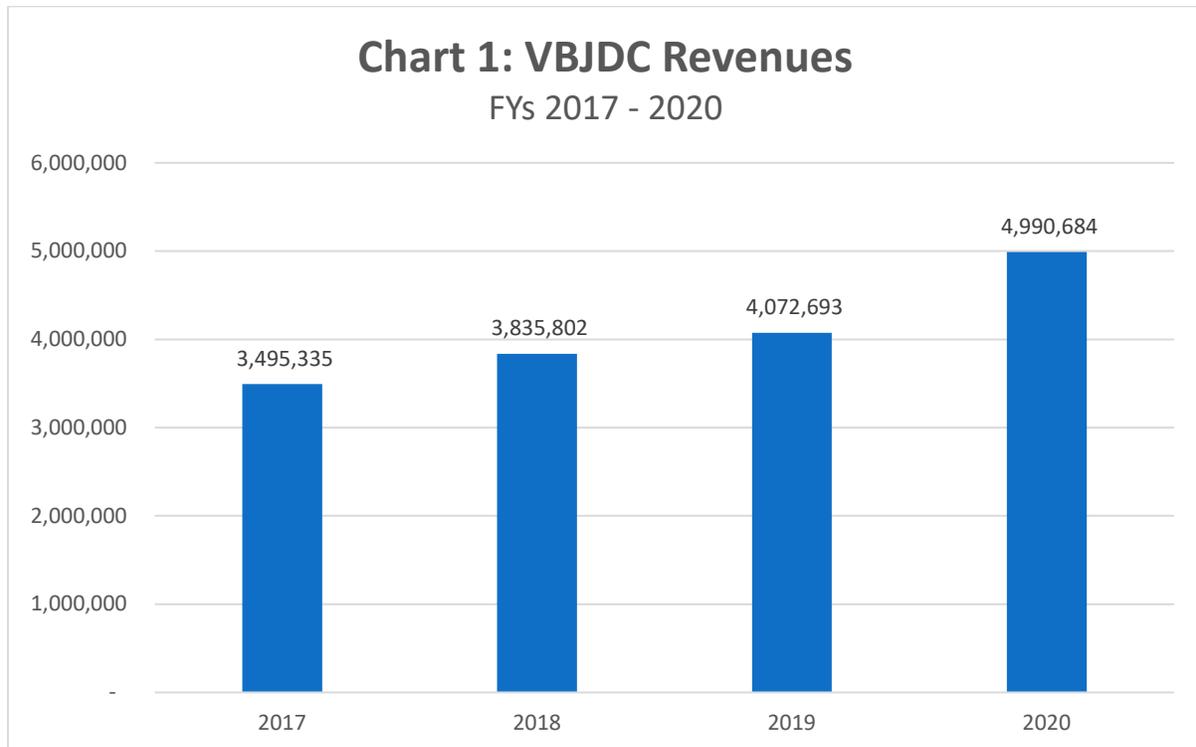
The House of Representatives passed the Juvenile Accountability Incentive Block Grants (JAIBG) Act in 1997 under Title III of H.R. 3, the Juvenile Crime Control Act of 1997. The goal of the JABG program is to reduce juvenile offending through accountability-based programs that are targeted to both offenders and the juvenile justice system. JABG provides funding, training, and technical assistance that enhance the ability of state and local juvenile justice systems to establish and maintain



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intervention and treatment programs, track offenders in the juvenile justice system, and process cases in a timely manner.⁴

- United States Department of Agriculture (USDA) Funding – These are revenues through the USDA’s Food and Nutrition Service (FNS), in which Residential Child Care Institutions (RCCI) (such as VBJDC) are allowed to serve the National School Lunch Program (NSLP) meal pattern in effect for the highest age/grade group served to all residential students.⁵ In addition to the NSLP, VBJDC also participates in the federal government’s USDA School Breakfast Program. VBJDC submits a monthly report of the daily meals provided and is reimbursed according to established rates.



Source: InSITE

⁴ <https://www.ncjrs.gov/pdffiles1/ojjdp/226357.pdf>

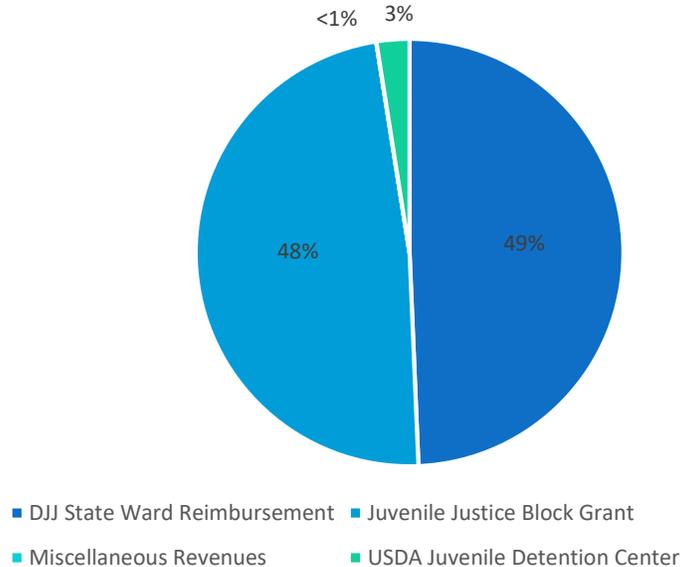
⁵ <https://www.fns.usda.gov/cn/extending-flexibility-rccis-nslp>



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Chart 2: VBJDC Revenue Composition

FYs 2017 - 2020



Source: InSITE

➤ Expenditures

The City is primarily responsible for funding the operations of VBJDC. However, VBJDC also receives funding from the state and the federal government as part of various programs. Revenues from such sources help fund the expenditures of VBJDC (see Chart 3 and 4).

The Superintendent is responsible for approving day-to-day expenditures. As with other City functions, expenditures are processed through Accounts Payable (AP). However, VBJDC has one City-issued Bank of America Purchase Card for smaller, immediate necessities. The purchase card is in the custody of the Administrative Specialist, but the Superintendent is the cardholder.



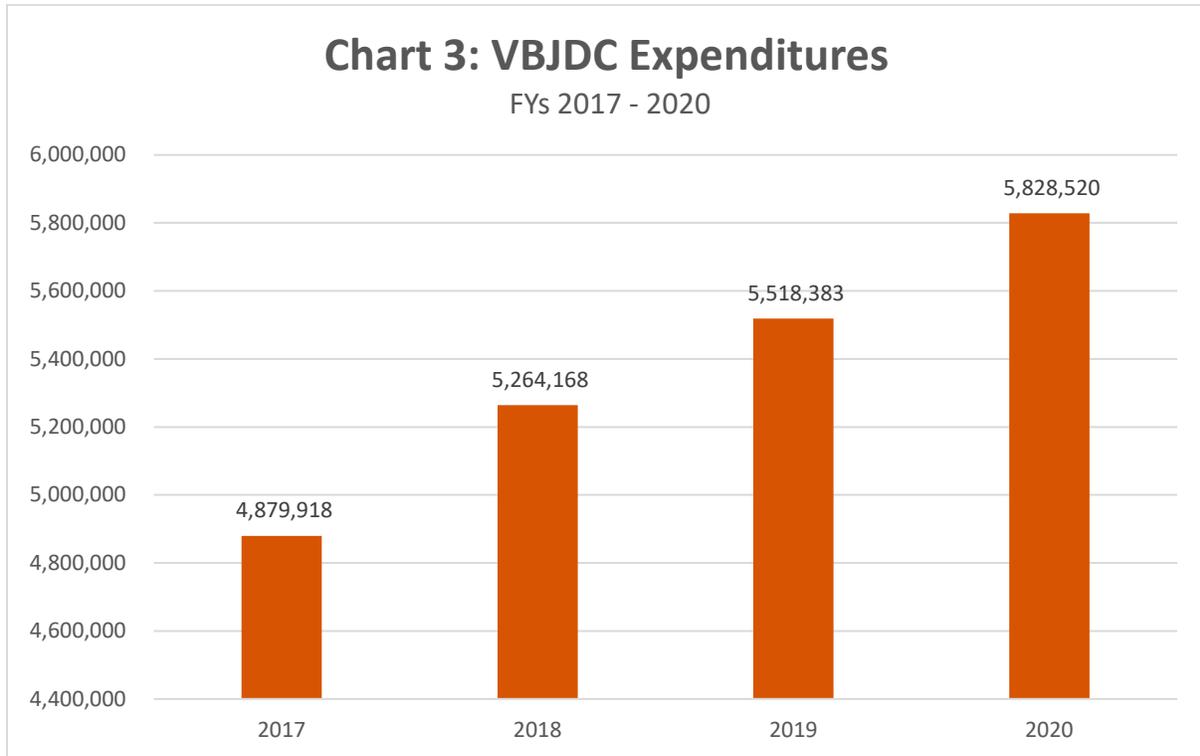
Gymnasium

VBJDC has been authorized a petty cash fund amounting to \$500. Petty cash is used mostly for residents' haircuts and snack incentives for those who have met behavioral standards or have accomplished personal goals, such as passing the GED Test. The Superintendent and

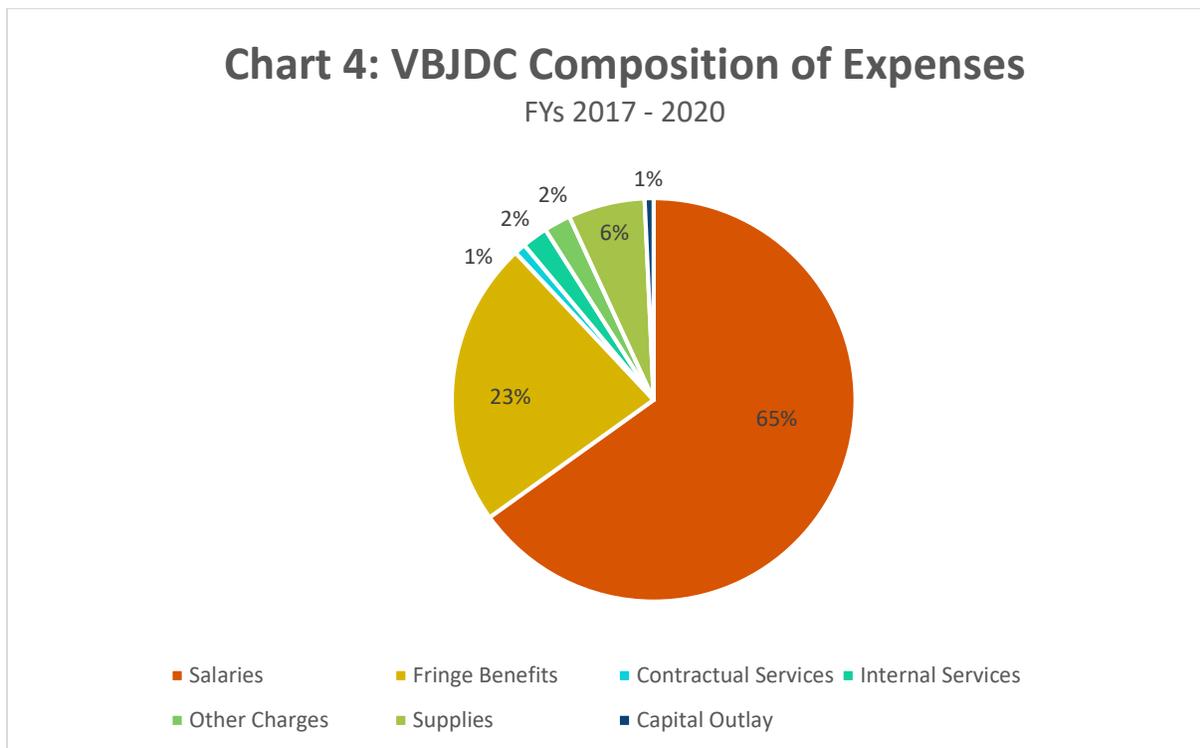


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Assistant Superintendent serve the roles of the Petty Cash Fund Custodian and the Assistant Petty Cash Fund Custodian, respectively.



Source: InSITE



Source: InSITE



Results

1. Inadequate Internal Controls over Database Containing Sensitive Resident Data

The system of internal controls that protect the privacy of VBJDC residents' Protected Health Information (PHI) stored in the SoftTec Juvenile Tracking System database is not adequate. PHI collected during a resident's stay in VBJDC and stored in SoftTec include medical test results, prescription information, demographic information, and contact information. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) mandates that adequate safeguards be implemented to ensure confidentiality, integrity, and availability of PHI. A breach in SoftTec due to inadequate internal controls could result in exposure of PHI, which could lead to heavy penalties, up to thousands of dollars per violation (or per record).

Our testing showed the following exceptions:

- There is no established process to ensure the appropriateness of access to SoftTec database. An adequate process involves a periodic review of each user to determine: 1) whether the user needs access; 2) the type of information which the user is allowed to access; and 3) the type of permission the user is given, based on the user's need to perform his or her tasks, i.e. read, write, and/or delete data.
- When we performed a user access review, we found the following:
 - Seventy-seven of the 158 (49%) active users were neither part of the VBJDC staff nor City employees that provide support to VBJDC operations. Most of them were former VBJDC staff, but management could not identify the remainder.
 - Among the active users who are current VBJDC staff, there are three (2%) that do not need access to SoftTec by virtue of their responsibilities.
- Rather than having users create their own unique passwords, management is the one creating and providing passwords to users. The current practice undermines password secrecy and compromises the audit trail of users.
- There is no requirement for users to change passwords on a regular basis. Passwords need to be changed periodically to help protect unauthorized access to SoftTec.

Recommendations:

Management should enhance protection of PHI in the SoftTec database by establishing stronger internal controls that include the following:



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- 1.0 Ensuring that formal processes are followed when:
 - Granting access to new users. This includes giving only the least privilege access to perform their required tasks.
 - Modifying access of users that have changed position or responsibilities.
 - Terminating access of users that no longer need to access SoftTec.
- 1.1 Performing a user access review periodically to identify unauthorized users, modify users' access, or remove users who no longer need it or have departed VBJDC.
- 1.2 Training users on the criticality of protecting PHI.
- 1.3 Instructing all users to change the current passwords assigned by management, and have them create their own.
- 1.4 Requiring users to change their passwords periodically (e.g., quarterly).

2. Staff Survey Shows Generally Positive Results

In general, responses to the confidential staff survey that we conducted were positive. Quantitative responses garnered an overall score of 3.2 in a 4.0 scale, and qualitative responses were somewhat consistent with their scores. However, improvement opportunities do exist, particularly in the management of staff. Of the 79 staff that we invited to take the survey, 55 (70%) responded.

Our goal for the survey was to obtain staffs' insights regarding the management of residents and staff, the protection of City assets, and where VBJDC excels or needs improvement, for the purpose of identifying areas in which to:

- Focus our audit
- Provide the new Superintendent and the new Assistant Superintendent with useful information that may help improve VBJDC operations (without compromising the survey's confidentiality). Although each has years of experience with VBJDC, they are both new to their present positions.

The following are summarized results of the survey:

- Staff had a high level of confidence that VBJDC adheres to policies and procedures pertaining to managing and treating residents.
 - o Average score = 3.6
 - o Comments given were consistently positive, but there were a few regarding holding residents more accountable for their actions.



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- Staff had a slightly high level of confidence that VBJDC has adequate internal controls in place to ensure that City assets are protected from theft or waste.
 - o Average score = 3.0
 - o Comments given were consistently positive, but there were a few regarding improving building maintenance efforts.
- Staff had a slightly low level of confidence that VBJDC adheres to policies and procedures pertaining to managing staff.
 - o Average score = 2.9
 - o Comments regarding improvement opportunities in which management can take action fall under the following topics:
 - Preferential treatment, which adversely affects career progression, performance, working relationships, and morale.
 - Ineffective, inadequate, or inconsistent communication with staff, which affects individual, team, and overall organizational performance and morale.
 - Insufficient staff safety equipment and supplies, such as radio communication equipment and COVID-related protective personal equipment (PPE). Note: comments on PPE pertained to the initial stages of the pandemic.

Recommendation:

- 2.0 Management should take actions to improve VBJDC operations, particularly addressing the concerns around managing staff.

3. Visitors Are Not Always Signing Out When Departing

In our review of the VBJDC visitor log, we found that 13 of 47 visitors of residents from March 27, 2020 to June 1, 2020 did not sign out upon departure from the facility. The visitor log is an essential part of the VBJDC's internal control system that ensures the safety and security of its residents and staff, as well as the protection of City assets from theft and/or destruction.

The visitor log is an official record maintained by the duty control room staff and shows the date and time period a visitor has been granted access to the secured facility. Visitors must sign in and sign out to help ensure that proper control and accountability over the visitation process is maintained at all times. It is the responsibility of the duty control room staff that these required procedures are followed.



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As an official government record, the visitor log can be used as evidence in official investigations. Inadequate maintenance of the visitor log increases the risk of inappropriate access to the facility that may cause security and safety concerns, thereby potentially exposing the City to financial and legal liabilities.

Recommendations:

Management should:

- 3.0 Ensure that staff understand the importance of the proper maintenance of the visitor log.
- 3.1 Monitor the maintenance of the visitor log and correct deficiencies immediately.

4. Role of Petty Cash Fund Custodian Needs to be Reassigned

The VBJDC Superintendent's role as the petty cash fund custodian creates a segregation of duties issue in that all functions are concentrated under one individual: authorization of expenditures and also custody, disbursement, and reconciliation of funds.

Additionally, the present arrangement precludes proper oversight because the Superintendent is the highest authority within VBJDC. While the Finance Department performs petty cash fund audits, they only occur a few times per year. Proper oversight within VBJDC itself that includes regular conduct of its own cash audits is important to maintaining the integrity of the process.

As cash is inherently susceptible to theft and misappropriation, more effective internal controls should be implemented to deter those risks.

Recommendations:

- 4.0 VBJDC should delegate another VBJDC employee to the role of Petty Cash Fund Custodian to correct the segregation of duties issue and enable the Superintendent to exercise proper, regular oversight that includes internal cash audits.

Conclusion

Overall, we determined that the Virginia Beach Juvenile Detention Center is operating effectively and that areas of critical importance, except where noted, are in accordance with standards set forth by the City and the DJJ.



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Acknowledgements

We would like to thank the management and staff of the Department of Human Services, Controller's Office, Finance Accounts Payable, and Budget and Management Services for their cooperation and responsiveness to our requests, questions, recommendations, and suggestions.