



Office of the City Auditor

Results of the Agreed-Upon Procedures for the Police Property and Evidence Unit

Report Date: October 2, 2020

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"Promoting Accountability and Integrity in City Operations"



Office of the City Auditor

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Office of the City Auditor Transmittal Letter



DATE: October 2, 2020

TO: Patrick A. Duhaney, City Manager

SUBJECT: Results of the Agreed-Upon Procedures for the Police Property and Evidence Unit

We have performed the procedures detailed herein, which were agreed to by the management of the Virginia Beach Police Department with respect to the inventory of the Police Property and Evidence Unit, solely for providing an independent assessment of how said inventory is handled. The period covered was from May 17, 2018 to May 4, 2020.

This agreed-upon procedures engagement was conducted in accordance with Government Auditing Standards. Government Auditing Standards incorporate financial and attestation standards established by the American Institute of Certified Public Accountants. These standards also provide guidance for performing and reporting the results of agreed-upon procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described herein either for the purpose for which this report has been requested or for any other purpose.

We were not engaged to perform and did not perform an audit, the objective of which would have been the expression of an opinion or limited assurance on the compliance of the Police Property and Evidence Unit with department, City, and State policies and procedures as well as accreditation standards. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you. Findings considered to be of insignificant risk have been discussed with management. We completed the agreed-upon procedures on August 19, 2020.

This report is intended solely for the information and use of the Audit Committee, City Council, City Manager, and appropriate management including the Police Department 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 commend the Police Property and Evidence Unit for the courtesy and cooperation extended to us during the engagement. If you have any questions about this report or any engagement-related issue, I can be reached at 385-5872 or via email at lremias@vb.gov.

Respectfully submitted,

Lyndon S. Remias, CPA, CIA
City Auditor

c: Steven R. Cover, Deputy City Manager
Anthony F. Zucaro, Jr., Interim Chief of Police
City Council Members
Audit Committee Members



Office of the City Auditor
Results of the Agreed-Upon Procedures for the
Police Property and Evidence Unit

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Background

The Virginia Beach Police Department's mission is to provide a safe community and improve the quality of life for all people. It accomplishes this by delivering quality police services and enforcing laws with equity and impartiality. This includes maintaining strict controls over all property and evidence that comes into the possession of department personnel, including cash seized and other evidence obtained from crime scenes and lost property turned-in by citizens.



The Police Property and Evidence (PPE) Unit is responsible for ensuring that the integrity of evidence and property is maintained. It operates according to VBPD policies and procedures, as well as federal, state, and local laws. It is subject to several audits and inspections throughout the year that are performed by the VBPD management, Internal Affairs, City Auditor's Office, Virginia Beach Sheriff's Office, and the Commission on Accreditation for Law Enforcement Agencies (CALEA).

Property and Evidence Unit - Building 11

Organizationally, PPE falls under the Support Division. The unit has eight employees: the Unit Sergeant, two full-time police officers, four civilian employees, and one part-time contracted employee. They manage over 81,000 items of property and evidence. Among their numerous duties are data entry, receipts, storage, inventory, releases to other parties, disposals, currency deposits and check issuance, and assistance during audits and inspections.

The PPE Unit office and one of the storage facilities is located in the Police Headquarters (Building 11). This location contains recently received property and evidence items (up to three years) and evidence from active court cases. Items received in earlier years are kept at a second facility located on Leroy Drive. Access to the office and both storage facilities is restricted to PPE Unit staff by means of electronic controls and manual locks. Authorized guests are required to sign in/out of the guest log and be escorted by authorized staff at all times. The office and both storage facilities are monitored by a closed circuit camera system.



Property and Evidence storage facility at Leroy Drive



Results

Physical Inventory

We randomly selected 355 items and performed a physical inventory of property and evidence stored by the Police Property and Evidence Unit on Tuesday, May 19, 2020. Follow up was completed on Thursday, May 21, 2020.

There were no exceptions; however, during our follow up we identified one possible duplicate item.

Bank Reconciliations

The Police Evidence Collection and Handling Field Guide requires that all cash not currently needed as court evidence be deposited to the PPE Unit's bank account. A check is issued to the assigned agency in case of forfeiture or to the owner and is supported by a court order, forfeiture, or authorization of the responsible officer.

The Police Support Division's accountant performs bank reconciliations on a monthly basis to ensure that there are no mistakes, omissions, or mishandling of funds held by the PPE Unit. Reconciliations are reviewed by the accountant's supervisor upon completion.

We randomly selected a sample of eight (8) monthly bank reconciliations to ensure proper and timely completion and review.

There were no exceptions.

Disbursements

We reviewed checks issued and/or cleared during the month of April 2020 to ensure disbursements were properly authorized and appropriately supported.

There were no exceptions.

Required Audits and Inspections

We reviewed the results of the most recent audits and required inspections of the PPE Unit to determine whether they were performed and associated findings were addressed in a timely manner.

There were no exceptions.



Data Completeness, Accuracy and Analysis

We performed analysis and tests of data designed to determine the completeness and accuracy of the property and evidence data maintained within the BEAST system.

The VBPD's automated property and evidence system, BEAST, allows the department to track the status and location of property and evidence discovered, gathered, or received in connection with departmental responsibilities. The following information is maintained within the system:

- Item description, identifying numbers, owner
- Date and time property or evidence was received and/or released
- Current property or evidence location
- Chain of custody from the time the property or evidence was recovered until final disposition

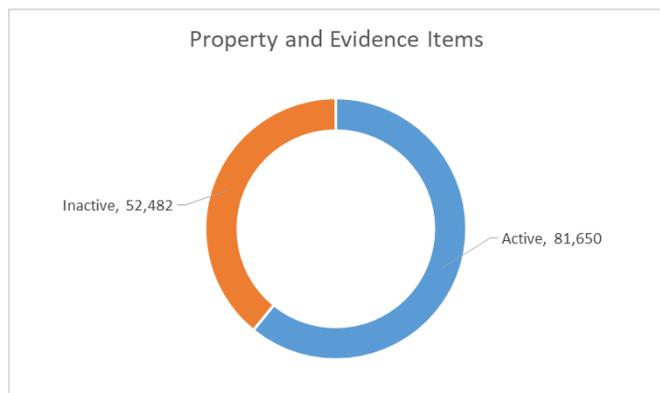
It is the responsibility of the officer collecting the property or evidence to ensure the accuracy and completeness of the information required on the Property and Evidence Voucher (Form PD 478). The Property and Evidence Voucher remains the document of record.

Once received, staff members of the PPE Unit enter the information provided on the Property and Evidence Voucher and assign a storage location. The voucher is scanned and stored in BEAST.

The PPE Unit is staffed with civilian employees, sworn officers, and one sergeant. Routinely, officers and recruits on limited duty are assigned to the unit on a temporary basis. Regardless of rank or status, all employees assigned to the unit are responsible for maintaining the integrity and safekeeping of all property and evidence held.

All new and/or temporary employees, including officers and recruits on limited duty, are required to complete a detailed training program specific to the PPE Unit. New and/or temporary employees are mentored by experienced staff for a period of time sufficient to ensure the new or temporary employees become proficient with their role and responsibilities. It is the responsibility of the PPE Unit to ensure the accuracy of all entries into the BEAST system.

We analyzed data related to the 134,132 records representing 81,650 active items and 52,482 items released or disposed of between April 2018 and May 2020. The PPE Unit has made substantial progress in identifying and correcting past data entry errors. Complete and accurate data is key to ensuring that the integrity of property and evidence records. Exceptions and anomalies identified during our analysis have been addressed.





Office of the City Auditor Results of the Agreed-Upon Procedures for the Police Property and Evidence Unit

Based on our analysis and the results of our physical confirmation of the information stored in BEAST, we determined the data to be substantially complete and accurate.

Recommendation

- 1.0 Management should continue to incorporate quality assurance steps within its normal processes, such as:
- Explore system and field configuration options within BEAST to require data input and/or tests of data validity.
 - Design and develop exception-based reports and/or queries to identify potential data omissions and/or entry errors.
 - Periodically, select a sample to compare data entered in BEAST system to information submitted on the Property and Evidence Vouchers to ensure accurate data entry.

User Access

There are currently 543 users with access to BEAST. Current users are members of the Police and Sheriff's Departments (or provide support i.e., IT, Audit and the vendor) and need the access level assigned to perform their responsibilities within current access permissions/constraints in BEAST based on Security Group design and limitations. Of the 543 users, 535 have View Only access. PPE employees are assigned Admin (or full) rights within the system.

The number of access levels are limited (Admin, General User and View Only). Limitations within the current design require admin rights to perform many of the job roles and responsibilities necessary for PPE staff. In the past, PPE has worked with the vendor and IT to redesign the security groups so they can assign access rights based on least privilege. Efforts to implement changes have not passed pre-implementation testing.

Recommendation

- 2.0 To ensure compliance with best practices associated with granting access rights based on least privilege, management should:
- Continue working with the vendor and the Police Technology Services Manager to create role-based access levels limited by role and responsibility.
- 2.1 Implement a formal process to ensure system access is terminated when an employee changes roles or leaves the City.



Acknowledgements

We would like to thank the Police Property and Evidence Unit's management and staff for their responsiveness to our requests during the engagement and their receptiveness to questions and comments. We thank all those involved in the process for their help and offer our assistance should future concerns regarding this or other engagement-related issues arise.



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INTER-OFFICE MEMORANDUM

DATE: September 23, 2020
TO: Lyndon Remias, City Auditor
FROM: Tony Zucaro, Interim Chief of Police 
SUBJECT: Police Property and Evidence Unit Audit Report

I again appreciate the efforts of the Office of the City Auditor in conducting, the annual audit of the Police Property and Evidence Unit.

We agree with your findings and recommendations and offer the following responses:

Recommendation 1 –

Management should continue to incorporate quality assurance steps within its normal processes, such as:

- Explore system and field configuration options within BEAST to require data input and/or tests of data validity.
- Design and develop exception-based reports and/or queries to identify potential data omissions and/or entry errors.
- Periodically, select a sample to compare data entered in BEAST system to information submitted on the Property and Evidence Vouchers to ensure accurate data entry.

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Response:

Property and Evidence management will work with the Police Technology Services Manager to incorporate the following:

- System and field configurations incorporating data entry requirements and tests of data validity. to include exception reports of data input errors and tests of data validity.
- Design exception-based reports and/or queries to identify data input errors and omissions.

Property and Evidence currently utilizes several quality controls measures, including random sampling for quality control, scheduled reports for inventory items retained in other areas (Court, SI, Medical Examiner's Office, etc.). These quality control measure have resulted from previous audits. We will continue to select random sampling to compare the information on Property and Evidence Vouchers with the system information to ensure accuracy

We are sensitive to the Auditor's observations about the number of employees granted View Only rights in the BEAST system. We are reviewing our processes and evaluating our operational needs in an effort to identify those employees whose job duties require this access and to eliminate access for those with less need. It is useful to note that BEAST software has the capability of "locking" sensitive cases and this option will be utilized when appropriate.

Recommendation 2.0

To ensure compliance with best practices associated with granting access rights based on least privilege, management should:

- Continue working with the vendor and the Police Technology Services Manager to create role-based access levels limited by role and responsibility.

Response: We are coordinating with the Police Technology Services Manager to create new access levels to be tested. The goal is to limit full Admin access, while also allowing employees to complete their required tasks.

Recommendation 2.1

Implement a formal process to ensure system access is terminated when an employee changes role or leaves the City.

Response: Moving forward, the Property & Evidence Sergeant will immediately begin removing system access, when appropriate, upon the review of transfer orders and notification of an employee no longer being employed with the Department.

Let me know if any additional details, data or clarification is warranted on this response. We are a learning organization and plan to embrace these suggestions as best possible. On behalf of all the men and women of the Virginia Beach Police Department, please accept my personal appreciation and professional gratitude for your team's effort on this audit.