

## INTRADEPARTMENTAL CORRESPONDENCE

July 21, 2016  
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**TO:** The Honorable Board of Police Commissioners

**FROM:** Chief of Police

**SUBJECT:** AMENDED DEPARTMENT ANNUAL AUDIT PLAN FOR CALENDAR YEARS 2016-2018 AND AUDIT DIVISION CHARTER (AD NO. 16-037)

### RECOMMENDED ACTIONS

1. That the Board of Police Commissioners (Board) REVIEW and APPROVE the attached Los Angeles Police Department's (Department) Annual Audit Plan (Plan) for Calendar Years 2016-2018 and Audit Division Charter, prepared by Audit Division (AD).

### DISCUSSION

The Department's Annual Audit Plan (AAP) is intended to be used as a guide by AD personnel to audit various areas within the Department. The AAP was based on a Department Risk Assessment, which included an analysis of previous audit results, new Department policy, a review of external audits, analysis of a Department command staff survey, and interviews with key Department command staff personnel.

There have been strategic changes made to this new AAP that differ from all previous AAPs. This new approach was based on factors that were taken into consideration, such as AD deployment, additional audits, and special projects. The AAP has changed from a fiscal year to a calendar year plan. As such, in addition to covering calendar years 2017 and 2018, the current proposed AAP includes audits to be conducted for the remaining months of 2016 (July through December). The other change is the inclusion of a tier based AAP, which delineates audits scheduled for the year that AD will be able to complete (barring exigent circumstances), as indicated under Tier No. 1. Tier No. 2 includes audits that may be conducted once all the audits in Tier No. 1 have been completed.

Audit Division strives to complete the audits in a timely manner and will typically utilize a three month time frame as a benchmark for such; however, adjustments are often necessary because there are some audits that inevitably require additional time to complete depending on the audit objectives and complexities of methodologies, and/or the temporary re-assignment of AD staff to high-priority audit or non-audit services at the request of the Director, Office of Constitutional Policing and Policy, Chief of Police, or Board of Police Commissioners.

Honorable Board of Police Commissioners

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The Audit Division Charter is reviewed and updated on a biennial basis with the Annual Audit Plan. The charter reiterates Audit Division's overall mission, authorization and responsibilities, and reporting accountabilities.

If you have any questions or would like more detailed information, please contact Arif Alikhan, Director, Office of Constitutional Policing and Policy, at (213) 486-8730.

Respectfully,

A handwritten signature in black ink, appearing to be 'C. Beck', written over a faint, illegible background.

CHARLIE BECK  
Chief of Police

Attachment

**AUDIT DIVISION  
CALENDAR YEARS 2016, 2017, AND 2018  
ANNUAL AUDIT PLAN**

<b>Reference Audit No.</b>	<b>DEPARTMENT-MANDATED AUDITS<sup>1</sup></b>	<b>Last Completed</b>	<b>2016 (July – Dec)</b>	<b>2017</b>	<b>2018</b>
1	Arrest, Booking, and Charging Audit	2015			X
2	Complaint Process Audit	2015	X		
3	Categorical Use of Force Process Audit	2015			X
4	Non-Categorical Use of Force Investigations Audit	2014	X		
5	Complaint Investigation Audit	2013		X	
6	Confidential Informant Audit	2015			X
7	Search Warrant Audit	2015			X
8	Gang Enforcement Detail Selection Criteria Audit	2015			X
<b>RISK-BASED AUDITS – TIER 1</b>					
9	Bias Policing Complaint Investigation Audit	NEW	X		
10	Crime Classification Audit	2015	X	X	X
11	Digital In Car Video System Audit – Operations-Central Bureau	NEW	X		
12	Digital In Car Video System Audit – Operations-West Bureau	NEW		X	
13	Digital In Car Video System Audit – Operations-South Bureau	2015			X
14	Body Worn Video Audit	NEW		X	X
15	Gang Enforcement Detail Audit	2015			X
16	Narcotics Enforcement Detail Audit	2016		X	
17	Vice Unit Audit	2016		X	
18	Handling Mentally Ill Audit	2015	X	X	X
19	Detective Command Accountability Audit – Operations-West Bureau	2015		X	
20	Detective Command Accountability Audit – Operations-South Bureau	2015			X
21	Domestic Violence Audit	NEW		X	

<sup>1</sup>These audits were previously completed under the mandate of the Consent Decree, and were subsequently codified within the Department Manual to be completed on a regular and periodic basis.

<b>Reference Audit No.</b>	<b>RISK-BASED AUDITS – TIER 1</b>	<b>Last Completed</b>	<b>2016 (July – Dec)</b>	<b>2017</b>	<b>2018</b>
22	Juvenile Procedures Audit	2015			X
23	Metropolitan Division Firearms Audit	NEW		X	
24	Limited Tour Audit	NEW	X		
25	Custody Services Division Audit	2014		X	
26	Restraining and Protective Order Audit	2016		X	
27	Missing/Found Persons Investigation Report Audit	2016			X
28	Supervisor Training Requirements Audit	NEW	X		
29	Firearms with Medical Exemptions Audit	2015		X	
30	Secret Service Funds Audit	2013			X
31	Inmate Welfare Fund Audit	2015		X	
32	Emergency Readiness Audit	NEW		X	
33	Hazardous Material Audit	NEW		X	
34	Unclaimed Money Audit	2009	X		
35	Contracts/Grants Audit	NEW		X	
36	Information Technology Bureau Inventory Audit	NEW		X	
37	Risk Management Information Systems Audit	NEW		X	
38	Complaint and Use of Force Management System Audit	NEW			X
39	Information Technology Vendor Management Audit	NEW			X
40	Workers' Compensation Audit	NEW			X
41	Latent Prints Audit	2012			X
42	Facilities Management Audit	NEW			X
43	Property Division Audit	2015			X
44	Employee-Involved Traffic Collisions Audit	2015		X	

<b>Reference Audit No.</b>	<b>RISK-BASED AUDITS – TIER 2</b>	<b>Last Completed</b>	<b>2016 (July – Dec)</b>	<b>2017</b>	<b>2018</b>
45	Traffic Collision Cost Recovery Audit	NEW			X
46	Asset Forfeiture Audit	2014		X	
47	Vehicle Pursuit Audit	2015			X
48	Work Permit Audit	2015		X	
49	Incentive/Bonus Pay Audit	2015		X	
50	Purchasing Card Audit	NEW		X	
51	Witness Protection Program Audit	2014		X	
52	Gas Card Audit	NEW			X
53	Tracking of Equipment Audit	NEW		X	
54	Employee Special Accommodation Audit	2016			X
55	Timekeeping Audit	2016			X

**AUDIT DIVISION ONGOING PROJECT**

1. Basic Law Enforcement Performance Auditing Course, April and November of each year.

**AUDIT DIVISION SPECIAL PROJECTS**

Completed Upon Request



# **AUDIT DIVISION CHARTER**

**LOS ANGELES POLICE DEPARTMENT**

**CITY OF LOS ANGELES**

AUDIT DIVISION CHARTER

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## **Introduction**

Audit Division was established as a result of a Federal Consent Decree in 2001, and its charter was approved by the Director, Office of Constitutional Policing and Policy, Chief of Police, and the Board of Police Commissioners. Audit Division operates under the purview of the Office of Constitutional Policing and Policy, and its responsibilities are defined within the Los Angeles Police Department (Department) Manual and within this charter.

## **Mission of Audit Division**

The mission of Audit Division is to provide quality, independent and comprehensive audits and reviews of police operations, internal controls and systems, by trained and experienced sworn and civilian auditors. When areas for improvement are identified, recommendations are made to enhance Department operations. Audit Division promotes accountability through auditing assurance and consulting services, to proactively work with Department officials to identify risks, evaluate controls, and make recommendations which promote constitutional policing and effective delivery of police services.

## **Organizational Independence**

The Commanding Officer, Audit Division, acts as the Chief Audit Executive and reports administratively to the Director, Office of Constitutional Policing and Policy, who reports directly to the Chief of Police. In Audit Division's continued efforts to preserve organizational independence, Audit Division shall not report to, other than the Chief of Police, any commanding officer who is responsible for operational management of any entities that would normally fall under the scope of Departmental audits.

Audit Division generates an Annual Audit Plan which is submitted to and approved by the Board of Police Commissioners, through the Office of the Chief of Police. The Annual Audit Plan is available for review on the Department's intranet. The audits on the Annual Audit Plan will culminate in reports and then be submitted for approval to the Board of Police Commissioners through the Office of the Chief of Police.

Audit Division conducts non-audit services and special projects by request of the Director, Office of Constitutional Policing and Policy, Chief of Police, or Board of Police Commissioners when such services can be accommodated without impeding the independence of Audit Division. If or when requested to conduct non-audit services, Audit Division will refer to requirements described by the Generally Accepted Government Auditing Standards (GAGAS), specifically considering threats to independence.<sup>1</sup>

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<sup>1</sup>U.S. Government Accountability Office, Generally Accepted Government Auditing Standards, December 2011 Revision.

The Commanding Officer, Audit Division, shall schedule a meeting with the Board of Police Commissioners' Audit Subcommittee annually, to provide insight on the status of the Annual Audit Plan each December. Additional meetings may be requested by the Commanding Officer, Audit Division, and/or the Board of Police Commissioners.

### **Compliance with Generally Accepted Government Auditing Standards**

Audit Division recognizes the standards and guidance contained in GAGAS. Although not required to follow these standards, Audit Division subscribes to them in order to maintain the highest caliber of professionalism in conducting audits and other services.

### **Authorization and Responsibilities**

Unless specifically authorized by the Chief of Police for matters pertaining to homeland security, authorization is granted for full and complete access to all Department records (manual and electronic), properties, and personnel relevant to audits, including but not limited to all search warrants, confidential informant packages, arrest reports, complaint investigations, categorical and non-categorical use of force investigations, and any other document deemed necessary. As indicated by GAGAS, documents and information given to internal auditors will be handled with confidentiality and due consideration.

Barring any tactical or Citywide emergency, in order to maintain the objectivity and independence of its staff, Audit Division personnel shall not have direct responsibility or authority over any of the activities or operations they review. Audit Division is prohibited from developing and/or installing Department policies, procedures, or from generally engaging in activities which they would normally review.

Audit Division personnel may assist the Department in an advisory capacity to evaluate existing or planned systems, controls, and related procedures and make recommendations for modification and improvements thereto in order to improve controls and/or enhance operational effectiveness. Audit Division however, may not directly implement systems or controls which are in the scope of its audit responsibilities.

### **Definition of Audit Scope**

The scope of Audit Division's work encompasses the following activities:

- Develop a flexible Annual Audit Plan using appropriate risk-based methodologies and submit it to the Board of Police Commissioners' Audit Subcommittee for review and approval through the Office of the Chief of Police;
- Implement the Annual Audit Plan as appropriate;
- Carry out any special tasks or projects as directed by the Director, Office of Constitutional Policing and Policy, Chief of Police, or the Board of Police Commissioners;
- Serve as a resource to Department units in conducting audits and consulting services;
- Review the adequacy and effectiveness of internal control systems;
- Review established systems, policies and procedures for compliance with laws and regulations;
- Evaluate plans and actions taken to correct reported conditions;



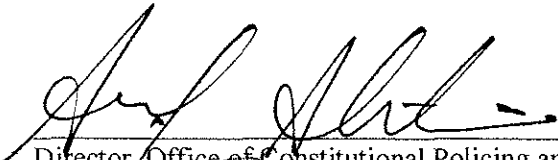
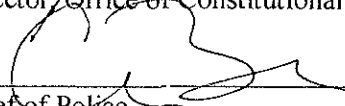
- Provide adequate follow-up to ensure corrective action is taken, and evaluate its effectiveness;
- Report audit findings and the status of corrective actions through the Office of the Chief of Police to the Board of Police Commissioners; and,
- Maintain a professional audit staff with sufficient knowledge, skills, experience, continuing professional education, and professional certifications to meet the requirements of this charter.

**Reporting Accountabilities**

A report will be prepared and issued by the Commanding Officer, Audit Division, following the conclusion of each audit scheduled on the Annual Audit Plan, and will be distributed as appropriate to affected commands. The report will be forwarded to the Board of Police Commissioners through the Office of the Chief of Police.

Audit findings will be verified with affected commands, and audit draft reports will be submitted to the commanding officer(s) responsible for the audited activities. The responses should be submitted in a timely manner and include actions taken or planned, pertaining to specific findings and recommendations in the audit report.

This Audit Charter shall be reviewed and updated on a biennial basis, along with the Annual Audit Plan, to be approved by the Director, Office of Constitutional Policing and Policy, Chief of Police, and the President of the Board of Police Commissioners.

	Date	7/20/2016
Director, Office of Constitutional Policing and Policy		
	Date	7/27/2016
Chief of Police		
	Date	
President, Board of Police Commissioners		