



NEW ORLEANS POLICE DEPARTMENT OPERATIONS MANUAL

CHAPTER: 11.4.1

TITLE: AUDITS AND REVIEWS

EFFECTIVE: 7/10/16

REVISED:

PURPOSE

This Chapter governs the criteria for internal performance audits and reviews conducted by the New Orleans Police Department's Audit and Review Unit. These audits and reviews provide essential accountability and transparency to the Department and provide management with objective information to inform decision-making and to help improve the Department.

POLICY STATEMENT

1. The New Orleans Police Department (NOPD) is fully committed to the use of performance audits and reviews to determine Department adherence to regulations, Chapters, policies, and procedures. Internal audits and reviews of an individual bureau, district, division, section, or unit may also be conducted.
2. The Audit and Review Unit will conduct audits in accordance with Generally Accepted Government Auditing Standards (also known as the Yellow Book).
3. The Audit and Review Unit is responsible for conducting internal audits and reviews of NOPD unless another agency or unit is specifically assigned to do so by the Superintendent of Police.
4. A performance audit or internal review can be used to demonstrate compliance with the Federal Consent Decree.

DEFINITIONS

Definitions relevant to this Chapter include:

Generally Accepted Government Auditing Standards (also known as GAGAS or the Yellow Book)—The standards produced by the United States Government Accountability Office that apply to financial and performance audits of government agencies.

Internal Review—An informal assessment of a specific function or aspect of the Department to provide management with a better understanding of the Department's performance in lieu of a formal audit. An internal review does not require that all aspects of GAGAS or the Audit and Review Standard Operating Guidelines be followed.

Performance Audit—An objective and reliable assessment of an organization or a function of

that organization conducted in order to enhance transparency, improve public accountability, and facilitate decision-making in accordance with GAGAS.

AUDIT AND REVIEW UNIT

5. The Audit and Review Unit is part of the Compliance Bureau and shall report directly to the Deputy Superintendent of the Compliance Bureau.
6. The Audit and Review Unit should create an annual audit schedule by December 1st of each year that details audit priorities over the course of the following year. The annual audit schedule should include the necessary flexibility to initiate additional audits as needed.
7. The Audit and Review Unit shall have no direct responsibility or authority over the activities or operations that are subject to review.
8. The Audit and Review Unit shall not develop or implement procedures, prepare records, or engage in activities that the Unit would then audit or review.
9. The Audit and Review Unit shall maintain information gathered as part of its audit/review process as confidential within the Compliance Bureau, unless otherwise instructed by the Superintendent. The Audit and Review Unit shall share information gathered in the course of its duties only with Compliance Bureau members unless otherwise approved by Deputy Superintendent of the Compliance Bureau. After all evidence and documentation for a particular audit has been collected by the Audit and Review Unit, the unit may share information gathered in the course of its duties for the audit in question with relevant auditees who need the information to perform their duties as Department employees.
10. The Audit and Review Unit shall handle all confidential information in the same manner as the custodian of such information.
11. All finalized audits/reviews shall remain confidential within the Compliance Bureau until released by the Superintendent.
12. Upon preliminary completion, all audits/reviews shall be assessed or appraised internally by the Audit and Review Unit and the Compliance Bureau. Subsequently, all audits/reviews will be assessed or appraised by the relevant commander, or subjects of the audit/review and other relevant members as determined by the Superintendent of Police or his/her designated representative. These assessments or appraisals allow for a management response through which relevant members may confirm findings and respond to recommendations.
13. After the assessment or appraisal review process, the Audit and Review Unit shall present the audit for approval to the Superintendent of Police. Once approved by the Superintendent of Police, the audit is considered final.
14. The Audit and Review Unit shall maintain all work papers or records necessary to ensure the replicability of the audit findings. The referenced documents need not be in original form and may be maintained electronically.
15. The Audit and Review Unit shall be exempt from the supervisory requirement of the reporting and taking of disciplinary action on any discovered/uncovered violations of Department regulations.

16. Members of the Audit and Review Unit are prohibited from initiating disciplinary action against a member of the Department as a result of any audit findings. Disciplinary action remains the sole purview of command.
17. Audit and Review Unit members shall immediately report any possible violations of law to the Deputy Superintendent of the Compliance Bureau.
18. All audits shall adhere to the internal **Audit and Review Unit Standard Operating Guidelines**.



Audit and Review Unit Standard Operating Guidelines

PURPOSE AND SCOPE

The enclosed guidelines shall serve as the Standard Operating Guidelines for the Audit and Review Unit of the New Orleans Police Department's (NOPD) Compliance Bureau. The Unit guidelines establish the procedures required to conduct thorough performance audits and internal reviews of compliance with Department policy and the federal Consent Decree.

In order to maintain independence and objectivity, the Audit and Review Unit has no direct responsibility or any authority over the activities or operations that are subject to review, nor should Audit and Review develop and implement procedures, prepare records, or engage in activities that would normally be subject to its review.

MISSION STATEMENT

The mission of the Audit and Review Unit is to provide independent, objective, and replicable audits and reviews of the performance and operational functions of the New Orleans Police Department (NOPD).

DEFINITIONS

Auditor—Trained auditing professional who conducts performance audits according to the Generally Accepted Government Auditing Standards (GAGAS).

Auditee—The organization, bureau, district, division, unit, or group (or members thereof) being audited or reviewed.

Performance audit—An objective and reliable assessment of an organization or a function of that organization conducted in order to enhance transparency, improve public accountability, and facilitate decision-making. Performance audits are conducted in accordance with GAGAS.

Generally Accepted Government Auditing Standards (also known as GAGAS or the Yellow Book)—The standards produced by the United States Government Accountability Office that apply to both financial and performance audits of government agencies.

Internal Review—An informal assessment of a specific function or aspect of the Department to provide management with a better understanding of the Department's performance in lieu of a formal audit. An internal review does not require adherence to all aspects of GAGAS or the Audit and Review Standard Operating Guidelines.

Work papers—Any document with information relevant to the findings or processes of a review or audit. Audit and Review will maintain and organize Work papers.

Condition—The current state of an NOPD function.

Criteria—The required state of an NOPD function as specified by Departmental policy or the Consent Decree.

AUDIT SCHEDULE

The Audit and Review Unit, the Compliance Bureau managers, the Commander of Compliance, and the Deputy Superintendent of Compliance are responsible for developing an audit schedule for the following year by December 1. The annual audit schedule documents priority audits based on continual efforts to assess compliance with the goals of the NOPD and the Consent Decree. The annual audit/review schedule shall include the necessary flexibility to initiate additional audits/reviews as needed.

AUDIT PROCESS

1. Preparation
 - The Unit in consultation with the Commander of the Compliance Bureau shall select a manager for the upcoming audit.
 - The Unit shall conduct preliminary research on the audit topic.
2. Notification
 - Auditors shall notify the respective auditee of the upcoming audit.
3. Draft Audit Work Plan
 - The audit work plan shall contain the following elements:
 - a) Brief summary of background research/reference materials;
 - b) Scope, population, and sample selection;
 - c) Audit objectives;
 - d) Methodology; and
 - e) Timeline.
4. Entrance Interview
 - Auditors shall meet with respective auditee supervisor to discuss audit scope and review areas. The entrance interview shall also establish a time frame for the audit.
5. Finalize Audit Work Plan
 - The audit manager shall draft a final audit work plan in consultation with other members of the Unit and submit the draft to the Commander of Compliance for approval.
6. Fieldwork
 - Review policy, procedure, and Consent Decree mandates
 - Conduct interviews with relevant auditees
 - Test for Compliance:
 - a) Test for a 95% rate of compliance with relevant policy,
 - b) Test the entire population or a random sample, and
 - c) Use testing instruments to measure compliance.

- Store work papers obtained through the audit for reference in accordance with the **Work Papers** section of these guidelines.
7. Exit Interview
 - During the exit interview, auditors will relay audit findings to the auditee and allow the auditee to accept and/or rebut the findings.
 8. Final Audit Report
 - A final audit report shall consist of the following items:
 - d) Table of Contents
 - e) Purpose
 - f) Background
 - Historical information on policy changes and issues to be resolved
 - Prior audit findings
 - g) Methodology
 - Population size
 - Sample size
 - Documentation to be reviewed
 - Testing instrument
 - h) Results
 - Table/chart of data
 - Brief descriptions of the results and explanations of the data
 - i) Recommendations (if necessary)
 - How policy and practice can change to get the condition closer to criteria
 - j) Response from the Commander or his/her designee of the audited program to recommendations and findings
 9. Report Publication As Necessary
 - Publish audits on NOPD web site in compliance with Consent Decree

INTERNAL REVIEW

The Audit and Review Unit is responsible for conducting internal reviews. The Audit and Review Unit shall conduct internal reviews of auditees to provide management with a better understanding of the Department's performance. The review process is as follows:

1. Notification
 - Auditors shall notify the respective auditee of the upcoming review.
2. Data Collection
 - Auditors shall collect the relevant information.
3. Data Assessment
 - Auditors shall review data to assess compliance with Department policy and the Consent Decree.
4. Data Findings

- Auditors shall record data findings and store the findings electronically or in paper form.
5. Submission to relevant parties
- Auditors shall submit the findings to the respective Compliance Bureau personnel.

WORK PAPERS

The work papers contain the records of preliminary planning, the audit program, audit testing, and the results of the procedures that were performed. Work papers are prepared from the beginning of the first audit assignment and are added to and altered throughout the course of each subsequent audit. The work papers represent the documentation of audit activity and must be continuously maintained.

The work papers include, but are not limited to:

1. Final report;
2. Draft reports;
3. Notes for follow-up audits;
4. Requests for documentation;
5. Internal control questionnaire;
6. Audit program;
7. Testing documents;
8. Communications relating to audit;
9. Timeline (documentation of when the Unit performed a specific function); and
10. Record of interviews and observations.