

STATE OF MINNESOTA

Office of the State Auditor



Rebecca Otto
State Auditor

**RAMSEY COUNTY VIOLENT CRIME
ENFORCEMENT TEAM
ST. PAUL, MINNESOTA**

AGREED-UPON PROCEDURES

FEBRUARY 13, 2014

Description of the Office of the State Auditor

The mission of the Office of the State Auditor is to oversee local government finances for Minnesota taxpayers by helping to ensure financial integrity and accountability in local governmental financial activities.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 160 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office currently maintains five divisions:

Audit Practice - conducts financial and legal compliance audits of local governments;

Government Information - collects and analyzes financial information for cities, towns, counties, and special districts;

Legal/Special Investigations - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

Pension - monitors investment, financial, and actuarial reporting for approximately 730 public pension funds; and

Tax Increment Financing - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

Office of the State Auditor
525 Park Street, Suite 500
Saint Paul, Minnesota 55103
(651) 296-2551
state.auditor@osa.state.mn.us
www.auditor.state.mn.us

This document can be made available in alternative formats upon request. Call 651-296-2551 [voice] or 1-800-627-3529 [relay service] for assistance; or visit the Office of the State Auditor's web site: www.auditor.state.mn.us.

**RAMSEY COUNTY VIOLENT CRIME
ENFORCEMENT TEAM
ST. PAUL, MINNESOTA**

February 13, 2014



Agreed-Upon Procedures

**Audit Practice Division
Office of the State Auditor
State of Minnesota**

This page was left blank intentionally.



REBECCA OTTO
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

INDEPENDENT AUDITOR'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Ms. Kristin Lail, Program Administrator
Minnesota Department of Public Safety

Ramsey County Violent Crime Enforcement Team
Oversight Committee

We have performed the procedures enumerated below, which were agreed to by the Minnesota Department of Public Safety and the Ramsey County Violent Crime Enforcement Team, solely to assist you in determining that the Ramsey County Violent Crime Enforcement Team followed policies and procedures regarding accounting for seized funds and property and related forfeitures and the use of confidential/drug buy funds. These procedures were applied to the Ramsey County Violent Crime Enforcement Team records for the 12-month period ending October 31, 2013. The Ramsey County Violent Crime Enforcement Team's management is responsible for the records of the Enforcement Team. This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Minnesota Department of Public Safety and the Ramsey County Violent Crime Enforcement Team. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. Procedure

Determine that seized funds and property and related forfeitures are accounted for in accordance with policies, procedures, and regulations.

Findings

We obtained a listing of all property seized subject to forfeiture for the 12-month period ending October 31, 2013. The 36 cases on the list included cash, firearms, jewelry, and vehicle forfeitures. We selected 4 cases for testing which included 2 vehicle seizures, 2 firearm seizures, 4 cash seizures, and 1 jewelry forfeiture. We traced documentation of the activity for each selected item from the point of seizure to the record of the item being held in forfeiture pending judicial order or to the forfeiture record for closed cases, as applicable. We noted the following:

- When testing forfeitures we noted one instance where forfeited jewelry was sold at auction on September 23, 2013; this case had not been closed and no value had been assigned to the jewelry. As a result, the forfeiture proceeds could not be distributed in accordance with Minn. Stat. § 609.5315, subd. 5, nor could the forfeiture be reported in the State Auditor Form Entry System (SAFES) as required by Minn. Stat. § 609.5315, subd. 6.

Upon inquiry, the Commander stated that the Enforcement Team relied on the evidence room technicians from Ramsey County to send forfeited jewelry to the state auction for sale. In this case, the evidence technician sent the jewelry with all other jewelry pending disposal in the evidence room which also included items seized by the Ramsey County Sheriff's Office. The evidence technician sent the jewelry with a detailed list indicating that all of the items were to be allocated to Ramsey County's General Fund rather than split between the General Fund and the Enforcement Team. As a result, the state auction sold the jewelry as a lot and a single value was assigned to all of the jewelry sold. Subsequent to the date of our onsite visit the Task Force Commander informed the auditor that a value had been determined for the forfeiture by dividing the proceeds for all jewelry sold by the number of items included in the sale.

2. Procedure

Determine that the use of confidential/drug buy funds is accounted for in accordance with policies, procedures, and regulations.

Findings

We obtained a list of all purchases made with buy funds for the 12-month period ending October 31, 2013. The Ramsey County Violent Crime Enforcement Team has two Commanders: one for the City of St. Paul investigators and one for Ramsey County investigators. The Commander for the Ramsey County investigators has been designated as the Commander of the entire Team. Buy funds are kept in locked safes in each of the Enforcement Team Commanders' respective offices. The Team Commander replenishes the buy funds by depositing a check from the Enforcement Team's fiscal agent, and then

writing a check to cash. Buy funds are generally used for payments to confidential informants (CI) for information, drug purchases, and flash money. We selected 15 of the 193 items on the list to trace the documentation of activity from the point of request for buy funds to approval. Of the 15 items selected, 4 were payments to CIs for information, 8 were for purchases of evidence, 1 was a payment for a trash pull, and 2 were case-related expenses. All confidential/drug buy funds were accounted for in accordance with policies, procedures, and regulations.

* * * * *

During the course of performing our agreed-upon procedures another matter came to our attention that was outside the requirements of the Multijurisdictional Task Force Operating Procedures and Guidelines Manual and the Task Force Policies and Procedures but was important enough to report. We noted the following:

- To complete the procedures listed above we rely on the Task Force to provide a complete list of all items seized for forfeiture for the time period specified. When comparing the forfeiture list provided by the Task Force to the information entered into SAFES, we noted three items reported to our office through SAFES that were not included in the list provided for the audit. Upon inquiry, the Administrative Assistant stated that there were 11 items seized for forfeiture that were erroneously left off of the list provided for the audit. This occurred because, when entering the forfeitures into the tracking system, the Administrative Assistant entered them into the wrong “unit.” They were therefore not identified when the Administrative Assistant prepared the list for the audit.

We recommend the Task Force provide us with complete information relative to the time period of our review.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Minnesota Department of Public Safety and the Ramsey County Violent Crime Enforcement Team and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Rebecca Otto

REBECCA OTTO
STATE AUDITOR

/s/Greg Hierlinger

GREG HIERLINGER, CPA
DEPUTY STATE AUDITOR

February 13, 2014