Official Audit Report – Issued April 12, 2016

Suffolk County District Attorney’s Office
For the period July 1, 2013 through June 30, 2015
April 12, 2016

District Attorney Daniel F. Conley
Suffolk County District Attorney’s Office
One Bulfinch Place
Boston, MA 02114

Dear District Attorney Conley:

I am pleased to provide this performance audit of the Suffolk County District Attorney’s Office. This report details the audit objectives, scope, and methodology for the audit period, July 1, 2013 through June 30, 2015. My audit staff discussed the contents of this report with court management, whose comments are reflected in this report.

I would also like to express my appreciation to the Suffolk County District Attorney’s Office for the cooperation and assistance provided to my staff during the audit.

Sincerely,

Suzanne M. Bump
Auditor of the Commonwealth
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**LIST OF ABBREVIATIONS**

<table>
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<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>IT</td>
<td>information technology</td>
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<tr>
<td>MMARS</td>
<td>Massachusetts Management Accounting and Reporting System</td>
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<tr>
<td>OST</td>
<td>Office of the State Treasurer</td>
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<tr>
<td>SCDA</td>
<td>Suffolk County District Attorney’s Office</td>
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EXECUTIVE SUMMARY

The Suffolk County District Attorney's Office (SCDA) administers criminal law and the defense of civil actions brought against the Commonwealth in Suffolk County.¹

This audit was undertaken to review certain aspects of SCDA operations related to non-personnel expenditures, state forfeited funds, and safeguarding of assets, in order to determine whether SCDA had established adequate internal controls and complied with applicable laws, regulations, policies, procedures, and other guidance in the areas reviewed.

Based on our audit, we have concluded that for the period July 1, 2013 through June 30, 2015, SCDA had established adequate controls and complied with applicable laws, regulations, policies, procedures, and other guidance for the areas we reviewed that were related to our audit objectives. We did not identify any significant deficiencies in those areas.

¹ Suffolk County encompasses Boston, Chelsea, Revere, and Winthrop.
OVERVIEW OF AUDITED ENTITY

The Suffolk County District Attorney’s Office (SCDA) was established under the provisions of Sections 12 and 13 of Chapter 12 of the Massachusetts General Laws, which provide for the administration of criminal law and the defense of civil actions brought against the Commonwealth in accordance with Chapter 258 of the General Laws.

SCDA is one of 11 District Attorneys’ Offices located throughout the Commonwealth. District Attorneys’ Offices represent the Commonwealth in most criminal proceedings brought by complaint in the district courts, as well as indictment in the superior courts. District Attorneys’ Offices also represent the Commonwealth before grand juries and assist with the investigation of a variety of criminal activities as well as victim/witness assistance services. Further, District Attorneys’ Offices provide outreach services to local communities and schools, discussing topics such as bullying/harassment, Internet and cyber-safety programs, drugs and alcohol use, and domestic violence.

According to its website, SCDA is “the largest and busiest district attorney’s office in New England,” handling “more than 35,000 criminal cases each year.” As of June 30, 2015, SCDA had approximately 280 employees, including prosecutors / assistant district attorneys and administrative and program employees in the Suffolk Superior Court, the Massachusetts Appeals Court, the Supreme Judicial Court, and nine courts within the jurisdiction of Suffolk County: the eight divisions of the Boston Municipal Court Department (Central, Brighton, Charlestown, Dorchester, East Boston, South Boston, Roxbury, and West Roxbury) and the Chelsea Division of the District Court Department. SCDA’s main administrative and accounting office is located in downtown Boston.

For fiscal years 2014 and 2015, SCDA received state maintenance appropriations totaling $16,898,914 and $17,597,589, respectively, to fund its administrative operations. In addition, during these two fiscal years, SCDA received $354,303 and $368,475, respectively, in state appropriations for the overtime costs of state police officers assigned to SCDA.

Prosecutors in the Suffolk County Narcotics and Asset Forfeiture Unit, in accordance with Section 47 of Chapter 94C of the General Laws (the Controlled Substances Act), work to ensure that goods and funds

2. Cases that arise in Winthrop are directed to the East Boston Municipal Court. The Chelsea District Court serves Chelsea and Revere.
are properly seized in order to prevent criminals from illegally profiting from narcotic distribution. According to the act, any proceeds of drug distribution or any property that is used, or intended to be used, in illegal drug activity is subject to forfeiture to the Commonwealth. Funds are held by the police department that has seized the funds and are later distributed to SCDA upon receipt of a court order. SCDA is entitled to a 50% share of any assets forfeited by judgment. It deposits this share in a law-enforcement trust fund with the Office of the State Treasurer (OST). The remaining 50% goes to the police agencies involved in the seizure. The expenditures of these forfeited funds are authorized by Section 47 of Chapter 94C of the General Laws and fall into four principal categories:

- police investigations, including DNA processing, police telecommunications, police overtime, witness expenses, and costs of undercover investigations
- technical equipment and expertise, including expert-witness costs and drug testing
- drug education / community anticrime programs, including school and community education programs and afterschool athletic programs
- other law-enforcement purposes, including translators, transcripts, conferences and training, office supplies, equipment, printing, and trial-related costs (e.g., developing presentations such as graphics to be used in a trial)

During our audit period, SCDA deposited $1,681,131 in forfeited funds in its account with OST and expended $778,309 from this account. The table below details how SCDA used the forfeited funds collected during our audit period.

<table>
<thead>
<tr>
<th>Use</th>
<th>Fiscal Year 2014</th>
<th>Fiscal Year 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investigations</td>
<td>$103,421</td>
<td>$108,226</td>
</tr>
<tr>
<td>Technical equipment or expertise</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Other law-enforcement purposes</td>
<td>169,850</td>
<td>266,912</td>
</tr>
<tr>
<td>Drug education / community anti-crime programs</td>
<td>61,500</td>
<td>68,400</td>
</tr>
<tr>
<td>Total</td>
<td>$334,771</td>
<td>$443,538</td>
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3. Pursuant to Section 47(d) of Chapter 94C of the General Laws, every year SCDA uses a portion (up to 10%) of the forfeited funds to award grants to neighborhood nonprofit groups that offer programs geared toward educating at-risk young people.
AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Suffolk County District Attorney’s Office (SCDA) for the period July 1, 2013 through June 30, 2015.

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

Below is a list of our audit objectives, indicating each question we intended our audit to answer and the conclusion we reached regarding each objective.

<table>
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<th>Objective</th>
<th>Conclusion</th>
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<tr>
<td>1. Does SCDA have adequate policies and internal controls to ensure that non-personnel expenditures are accurately recorded, valid, properly approved, and supported by adequate documentation?</td>
<td>Yes</td>
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<tr>
<td>2. Does SCDA have adequate policies and internal controls to ensure that all forfeited revenue is accurately collected and recorded?</td>
<td>Yes</td>
</tr>
<tr>
<td>3. Does SCDA have adequate policies and internal controls to ensure that forfeited-fund expenditures are accurately recorded, valid, properly approved, supported by adequate documentation, and compliant with Section 47 of Chapter 94C of the General Laws?</td>
<td>Yes</td>
</tr>
<tr>
<td>4. Does SCDA have adequate policies and internal controls to ensure that fixed assets, including items purchased with forfeited funds, are accurately accounted for and properly safeguarded?</td>
<td>Yes</td>
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To achieve our objectives, we gained an understanding of the internal controls we deemed significant to our audit objectives and evaluated the design and effectiveness of those controls. In addition, we performed the following audit procedures:

- Through interviews with SCDA officials and a review of various criteria, including applicable laws, regulations, and other authoritative guidance, we obtained an understanding of the agency and its activities related to the current audit objectives.
We reviewed our prior audit report, issued December 28, 2012, to determine whether any weaknesses in internal controls had been identified that pertained to our current audit objectives.

We examined various SCDA internal documents, including its current internal control plan, risk assessment, internal control structure, verbal and written administrative and accounting policies and procedures, and financial records.

We conducted an analysis of non-personnel expenditures paid out of the main SCDA account during fiscal years 2014 and 2015 to determine expense categories for audit review. Based on areas of inherent risk, dollar amount, and/or activity, we selected the following expense categories for further review: legal support services, credit-card purchases, motorized vehicle equipment, law enforcement and security equipment, and information-technology (IT) equipment. We assessed SCDA’s controls over payment of these types of expense. More specifically, we used a nonstatistical, judgmental sample of 30 out of 343 transactions to determine whether they were accurately recorded, valid, properly approved, and supported by adequate documentation.

We reviewed SCDA’s process for executing a lease for office space and paying monthly rent. SCDA has leased office space at four locations: Downtown Boston, Chelsea, East Boston, and South Boston. We selected a nonstatistical, random sample of 20 space-rental expense transactions from a population of 132 recorded in the Massachusetts Management Accounting and Reporting System (MMARS) during our audit period to determine whether leases were properly executed and whether payments agreed with the terms of the lease agreements.

We reviewed SCDA policies and procedures for the receipt and expenditure of state forfeited funds, as well as the related criterion Section 47 of Chapter 94C of the General Laws. Specifically,

- For state forfeited-fund revenue, we selected a nonstatistical, random sample of 20 deposits of state forfeited-fund revenue from a population of 155 in our audit period to determine whether revenue was accurately collected and recorded, deposited in a timely manner, and supported by adequate documentation.

- For state forfeited-fund expenditures, we conducted an analysis of payments out of the SCDA Forfeited Funds appropriation during fiscal years 2014 and 2015 to determine expense categories for audit review. Based on areas of inherent risk, dollar amount, and/or activity, we selected the following expense categories for further review: credit-card purchases, office equipment, motorized vehicle equipment maintenance and repair, and IT equipment. We assessed SCDA’s controls over payment of these expenses. More specifically, we used a nonstatistical, judgmental sample of 25 out of 110 transactions to determine whether they were accurately recorded, valid, properly approved, supported by adequate documentation, and compliant with Section 47 of Chapter 94C of the General Laws.

We examined SCDA’s current internal controls over fixed assets to ensure that they complied with the Office of the State Comptroller’s inventory-control guidelines. SCDA maintains three inventory lists for fixed assets: one for computers; one for printers, copiers, and fax machines; and one for furniture and equipment over $500. We reviewed these lists to determine whether they contained important data fields, including locations, tag numbers, historical cost, and acquisition dates. Further, we sampled and examined certain inventory items at the main SCDA...
administrative and accounting office and verified their existence. Specifically, we selected items using a nonstatistical, random sampling as follows:

- For computers, we selected 30 out of a population of 610.
- For printers, copiers, and fax machines, we selected 10 out of a population of 80.
- For other assets, including furniture and equipment over $500, we selected 25 out of a population of 433.

For all the inventory items selected, we traced the inventory tags, serial numbers, and locations on the inventory lists to the actual equipment on hand to determine whether each item was accurately recorded on the list.

Whenever sampling was used, we applied a nonstatistical approach; consequently, the results of our tests cannot be projected over the entire population and only apply to the items selected.

Based on our previous data-reliability assessment of the IT controls of MMARS\(^4\) and our current comparison of source documentation with MMARS information, we determined that the information obtained from MMARS for our audit period was sufficiently reliable for the purposes of this report.

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4. In 2014, the Office of the State Auditor performed a data-reliability assessment of MMARS. As part of this assessment, we tested general IT controls for system design and effectiveness. We tested for accessibility of programs and data, as well as system change management policies and procedures for applications, configurations, jobs, and infrastructure.