Audit of the Challenges, Hurdles and Opportunities of Norfolk Public Libraries
April 9, 2019
Honorable Mayor Alexander and Norfolk City Council

I am pleased to present the Audit of the Challenges, Hurdles, and Opportunities of Norfolk Public Libraries Report. This audit was conducted as part of the Office of the City Auditor's Fiscal Year 2018 Audit Plan. The audit objective was to determine the challenges, hurdles and opportunities for the Norfolk Public Library (NPL). Our audit noted several accomplishments over the past decades to improve the services and accessibility of resources for Norfolk citizens. We also noted some opportunities of improvements and made recommendations to assist with the challenge and hurdles noted during the audit. We discussed significant findings with Norfolk Public Libraries and Slover Library management and staff on March 7, 2019 and March 19, 2019 respectively. Management’s response, corrective actions and estimated completion dates are incorporated in the body of the report.

We would like to thank management and staff of the Norfolk Public Libraries and Slover Library for their cooperation and responsiveness to our requests and receptiveness to our questions, recommendations and suggestions during the audit.

If you have any questions about this report or any audit-related issue, I can be reached at 664-4044 or via email at tammie.dantzler@norfolk.gov.

Respectfully submitted,

Tammie Dantzler, CFE, MBA
Interim City Auditor

c: City Council Members
   Doug Smith, City Manager
   Wynter Benda, Chief Deputy City Manager
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   Sonal Ragosti, Director of Libraries
   Lynn Clements, Slover Executive Director
   Christine Garzynski, Director of Finance
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BACKGROUND

In 1840, Norfolk's first Library opened in a sizeable rent-free room in the Norfolk Academy Building on Bank Street. The Norfolk Public Library (NPL) was established and chartered by the Circuit Court in 1872. Over the years, NPL has served and employed hundreds of citizens to fulfill its mission of meeting the needs of a diverse community. Today, the Libraries include a wide range of reading and research materials, art classes and early literacy classes for children to enhance their learning skills. In recent years, NPL opened two New Anchor Branches: one Downtown (Sloveny Library) and in Broad Creek (Jordan-Newby Library). The new Libraries allow for fast checkout through state of the art, check out stations.

During the scope of our audit, NPL appropriations included $10.9 million in FY16, $11.3 million in FY17 and $12.4 million in FY18 for a total of $34.6 million over the course of 3 years. NPL is comprised of four divisions that assist in providing access to Library services at ten Neighborhood Branches, three Anchor Branches (Sloveny, Pretlow and Jordan-Newby) and one Bookmobile. The four divisions consist of the following:

1. **Administrative Services** - Administrative Services manages the logistics and operational functions for all neighboring and most recently, two Anchor Branch Libraries. These services include fiscal management of the NPL's appropriations, cash handling, continuous training for staff, providing operational procedures, re-evaluating workforce for administrative business services and maximizing accountability and efficiencies throughout the department.

2. **Public Services** - Public Services provides access to all Library services such as book collections, computers, e-resources, meeting and study rooms as well as readers advisory.

3. **Support Services** - Support Services provides Library services through book and materials collection development, technical services and Library automation. These services offers patrons the use of public computers and access to online classes and other resources such as popular fiction and nonfiction, print and audio books, music and movies, magazines and newspapers, microforms, manuscripts and photographs.

4. **Programming Services** - In FY18, Program Services Division was created as the fourth division for Libraries to serve the community through adult, youth, multicultural programs and outreach services. Programming consists of Early Childhood, Literacy Programs, After School and YouMedia Programming.

NOTEWORTHY ACCOMPLISHMENTS

Over the past several years, Norfolk Public Library and Sloveny Library had noteworthy accomplishments that improved the level of services provided to the community. These accomplishments include:

1. 2013- Added digital collections to download eBooks, eMagazines, eMovies, and eMusic
2. 2015- Opened Sloveny Library in Downtown Norfolk
3. 2015- Sloveny Cuisine- for customers OR special catering events
4. 2015- Sloveny Rental Facility for special events
5. 2015- Offered on-line solutions for self-publishing for local authors, artist and musicians
6. 2017- Made available **FREE** on-line high school
7. 2018- Added 4th division "Programming Services"
8. 2018- Implemented SmartPay to make on-line payments
9. 2018- Opened New Anchor Branch Library in Broad Creek
10. 2018- Renovated Horace C. Downing neighborhood Library
11. 2018- Slover Maker Studio – 3D printing/scanning, laser cutting, sewing and more

**AUDIT OBJECTIVES**

The audit objective was to determine the challenges, hurdles and opportunities for the Norfolk Public Library.

**SCOPE OF AUDIT**

The audit covered the department’s activities for the period July 1, 2015 to June 30, 2018.

**METHODOLOGY**

We reviewed NPL’s policies and procedures to gain an understanding of current processes. We requested contracts between NPL and External Support Agencies. We interviewed current employees to gather knowledge of the day to day operations, processes and functions of the department. We conducted a benchmarking study of other Library Branches in Virginia and used the results to compare common Library practices. We obtained transactional information from the City’s Advantage Financial Management System (AFMS), Detailed Expenditure Ledger (804C) and Detailed Revenue Ledger (804D) and used a randomizer to randomly select transactions to review for appropriateness, accuracy, timeliness, and completeness.

We performed the following to accomplish our objective:

- Used AFMS 804D report and randomly selected a sample of 31 transactions to verify revenues were reported accurately in FY18.
- Used AFMS 804C report and randomly selected 59 transactions to verify expenditures were accurately reported; purchases were reasonable; approvals were appropriate; and available vendor discounts were applied for FY16-FY18.
- Obtained the Fines Forgiven Report from NPL’s Workflows¹ system and selected a sample of 32 transactions to examine if fines and fees followed NPL’s Circulation policy.

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¹ Workflows is an internal database for NPL used to record and track operational activities at all libraries
Obtained a report for NPL sales made on behalf of External Agencies to examine if sales made were reconciled to inventory on hand, to ensure accountability of items used to support External Agencies fundraising activities.

Obtained and analyzed incident reports for FY18 for Pretlow, Slover and Jordan Newby branches.

Used the City’s personnel management system to obtain a list of terminated employees to ensure access was properly removed from NPL’s internal systems.

STATEMENT OF AUDITING STANDARDS

We obtained an understanding of significant internal controls within the context of the audit objective. We assessed whether internal controls were properly designed and implemented and performed procedures to obtain sufficient evidence to support the effectiveness of those controls. The extent of our assessment was dependent on the NPL’s financial and operational performance, as well as compliance with departmental and City guidelines to determine the challenges, opportunities and hurdles of the NPL. Our results indicated a need for improvement.

We determined NPL’s financial information from the AFMS to be reliable. Our assessment was based upon the impact of NPL’s financial records to the City and anticipated level of risk in using this data. We found AFMS records to be reliable and therefore the level of risk from using this information to be low. We also tested the reliability of data from NPL’s Workflow system and found the records to be reliable.

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 and 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.

AUDIT CONCLUSIONS

Lack of Agreements between NPL and External Agencies

Condition- Currently, NPL maintains working relationships with several External Support Agencies without formal (written) agreements. NPL employees are assisting these agencies with fundraising activities by displaying and offering items to patrons (such as tote bags, earbuds, calendars, and cards) and accepting donations on their behalf during regular business hours. For FY18, donations collected for items amounted to $6,330. In addition, NPL employees are coordinating and working fundraising events during and after normal working hours in support of these agencies without a compensation agreement to ensure compliance with laws and regulations.

Criteria- Formal agreements such as contracts and/or memorandums of understanding with External Support Agencies are common practice for public libraries according to the results of our benchmark study of neighboring
localities. These contracts define the responsibilities between parties, External Support Agencies and the City, and expectations of duties performed, to include compensating City employees for work performed on behalf of these agencies.

**Cause**- For the past decade, NPL has been providing services to External Support Agencies without a written agreement as NPL was unaware of the requirements.

**Effect/Potential Effect**- Without written agreements, the City of Norfolk and External Support Agencies responsibilities and duties are not clearly defined to ensure the most efficient and effective use of City resources. In addition, non-exempt City employees could possibly exceed their 40-hour work week when working fundraising events after hours, without compensation, thus violating the Fair Labor Standards Act (FLSA).

**Recommendation**- We recommend NPL management develop written agreements between the City of Norfolk and External Support Agencies to establish mutually agreed upon terms and conditions to clarify responsibilities, and ensure all parties involved meet their organizational objectives; thereby efficiently utilizing the City’s resources, and adhering to Federal, State, and City laws, regulations, policies and procedures.

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<tr>
<th>Issue #1</th>
<th>Norfolk Public Library</th>
<th>Slover Library</th>
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<tr>
<td><strong>Management’s Response</strong></td>
<td>Management agrees that written agreements should be established with the External Support Agencies in order to clarify responsibilities and ensure all parties involved meet their organizational objectives.</td>
<td>After training on Overtime and Compensation Time procedure from Human Resources, staff are being compensated for their hours over a 40-hour work week with either comp time or overtime pay. City Administration would need to work with the leadership of the Slover Library Foundation to create a Memorandum of Agreement between the two organizations.</td>
</tr>
<tr>
<td><strong>Plan of Action</strong></td>
<td>Prior to the start of the Audit, NPL identified the need to embark on a Memorandum of Understanding and met with these agencies to begin the process of establishing agreements. NPL benchmarked another locality’s model to develop written agreements for execution next fiscal year. Additionally, as part of the FY 2020 budget development, NPL decided to transfer earbud purchases and sales as part of the revenue stream for the City.</td>
<td>Establish Memorandum of Agreement between the City’s Slover Library and the non-profit Slover Library Foundation.</td>
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<tr>
<td>Est. Completion Date</td>
<td>FY 2020</td>
<td>December 2019</td>
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Lack of Accountability and Internal Controls

Condition- There are deficiencies in internal controls in NPL fiscal management. Specifically, we noted the following:

1. The individual in charge of the fiscal administration of NPL did not possess the technical knowledge, skills, and experience necessary to properly implement processes to ensure internal controls were adequate and data entered into AFMS was properly classified and error-free.
2. Management did not have an adequate reconciliation process in place to ensure expenditures were posted to the correct accounts and object codes.
3. Management did not have a process in place for monitoring financial activity to ensure the reliability of data entered into the City’s financial system.

Criteria- Internal Controls are processes designed and implemented to protect the City from the loss or misuse of resources. The implementation and practice of using strong internal controls are essential to ensuring transactions are properly authorized and financial data is reliable.

Per City of Norfolk Personnel Administrative Policies Manual:

5.7 Code of Ethics policy states the City’s expectations are for employees to conduct business fairly, impartially, ethically and in compliance with all laws and regulations

8.8 Business Conduct Policy states employees are expected at all times to behave responsibly, use good judgment, and display appropriate workplace behavior.

10.1 Financial Management – Internal Control Policy states, it is the policy of the City to establish and maintain internal control systems to reasonably assure the achievement of organizational objectives in operational efficiency and effectiveness, reliable financial reporting, safeguarding assets, and compliance with laws, regulations, and program compliance requirements. City operating policies and procedures require separation of duties for all processes that possess any internal control risks.

Effect/Potential Effect

1. We tested 59 expenditure transactions over the period July 1, 2015 to June 30, 2018 and found 46 of 59 (78%) items posted to incorrect object codes totaling $78,986.

   • We noted items such as: coffee, sodas, chips, candy, water, games, technology, vacuum and microwave were purchased from an office supply store along with office supplies. Total invoice amounts were posted to the office supplies object code rather than posting the items to appropriate accounts.
     o While it might be convenient to purchase food and beverage items at the time of purchasing office supplies, we question whether the costs were reasonable when compared to prices at
discount stores. i.e. $9.12 for a 12 pack case of Pepsi that cost between $3.50 and $4.99 at a local discount store.

- We also found additional food purchases from other vendors; credit card services charges, promotional activities and temporary/casual employment posted to supplies object code.
- Other misclassifications included temporary/casual employees; recruitment expenses; temp services-administration/clerical and the annual rent of Slover facilities posted to contractual services in lieu of the object codes designated to capture those costs.

2. During the period of July 1, 2016 to June 30, 2018, there were 10 of 59 (17%) entries sampled with incorrect approval levels. A lack of segregation of duties exists as the temporary employee had access to the City’s financial system to enter and approve self-incurred, work-time expenditures into the City’s records. Specifically, the temporary employee used his/her approval authority to enter and approve personal timesheet hours entered into the City’s financial system.

3. We tested 31 revenue transactions during the period July 1, 2017 to June 30, 2018 and found 16 of the 31 (52%) samples tested, approximately $9,540, posted in error to the City’s revenue account for rent, rather than the appropriate expenditure accounts. We noted:

- An expenditure to Tidewater Tactical, totaling $4,557 for three ZOLL AED emergency kits (CPR devices) posted to rent revenue.
- Thirteen transactions totaling $4,716 for Associated Building Maintenance for Slover Special events posted to rent revenue. Two of these entries totaling $3,068 were not paid in the same fiscal year as incurred and improperly recognized in the City’s financial records. The services were performed and invoiced during FY17, however NPL paid the invoices in FY18, eight months to a year after the service date. The company sent several “past due” notices before the bill was paid.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Invoice Dates (date billed)</th>
<th>Date of Posting Per AFMS (date paid)</th>
<th>Amount Posted</th>
<th>Item Description</th>
<th>Revenue Code</th>
</tr>
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<tbody>
<tr>
<td>Associated Building</td>
<td>5/31/2017</td>
<td>1/22/2018</td>
<td>-$833</td>
<td>Special Events</td>
<td>4401 - Rent</td>
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<tr>
<td>Maintenance</td>
<td></td>
<td></td>
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<tr>
<td>Associated Building</td>
<td>9/2016-03/2017</td>
<td>8/18/2017</td>
<td>-$2,235</td>
<td>Slover Special Events</td>
<td>4401 - Rent</td>
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<tr>
<td>Maintenance</td>
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- Two transactions totaling $268 were posted to the rent revenue account for Amazon and Hobby Lobby purchases, reimbursed to an employee.
We inquired with NPL management as to why expenditures were posted to revenue accounts. Management stated the postings represented events hosted at Slover for custodial services or additional services charged to Slover for special events. We confirmed with City Finance that this method of accounting was inappropriate as these items should have been posted to expenditure accounts.

**Cause:** NPL hired a temporary employee without an accounting background or fiscal administration experience, to effectively manage the Libraries’ $12 million budget. The employee was granted system access rights, authorities and permission to enter data into the City’s financial system. Management did not have sufficient oversight procedures in place to properly monitor and supervise the employee who had responsibilities of handling the fiscal activities of the Library’s budget.

**Recommendations**

1. System access rights, authorities and permissions must be granted on a limited basis to trained and experienced personnel. Personnel who are assigned duties requiring fiscal responsibilities and access to the City’s financial systems should possess the technical skills, competencies, and capabilities to perform the necessary job tasks. Management should ensure employees have the required AFMS training and internal control awareness prior to granting approval authority to the City’s financial system.

2. Management oversight is of paramount importance to ensure the City’s assets are properly safeguarded and errors are minimized. It is strongly recommended management develop processes to monitor NPL’s financial operations to ensure the reasonableness, timeliness, and appropriateness of expenditures when approving, paying and posting to the City’s financial system.

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<th>Issue #2</th>
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<td><strong>Management’s Response</strong></td>
<td>In 2016, the department experienced turnover with retirements in the business office with no skilled staff remaining. During this time, a retired NPL employee was rehired through a temporary agency. Management also saw the opportunity to reorganize and hire a library manager to oversee the Business Office and evaluate the fiscal operations for the department to effectively streamline processes along with identify opportunities of improvements in operational efficiencies and fiscal accountability. An evaluation of overall operations was just beginning to conclude at the onset of the audit. Areas of improvements and a needs assessment were occurring at the same time as well. New process needs were identified along with challenges and opportunities for improvement.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Plan of Action</strong></td>
<td>Currently the department is working with the Department of Finance (Finance) to hire qualified personnel (<em>Administrative Technician is already in place effective February 19, 2019 and the recruitment of an Accounting</em></td>
<td>Not Applicable</td>
</tr>
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</table>
Technician II is in process). In addition, NPL has reached out to Finance to have a highly experienced representative to participate on the hiring panel to ensure a skilled employee with experience is hired.

NPL has also reclassified a position to an Accountant II to assist with providing oversight and ensure City financial policies and procedures are adhered to on a timely basis.

Ongoing monitoring and training will continually occur for employee accountability.

| Est. Completion Date | FY2020 | Not Applicable |

Non-Compliance with NPL Circulation Policy

Condition- NPL’s designated managers and employees did not provide descriptions or reasons why fines/fees in the Workflows system were waived in accordance with the Circulation Policy. During the scope of our audit, we noted 11 of 32 (34%) samples reviewed did not provide reasons of why fees were waived nor were comments provided by management, indicating a lack of management oversight of this process.

Criteria- According to NPL’s Circulation Policy, “all fines and fees are to be waived at the discretion of the manager or designated person at the Circulation Desk. A note is required whenever a fine or fee is waived outside of normal emergency reasons.” These fines and fees are tracked via the Fines Forgiven Report that can be generated over a specific period of time.

Cause- Circulation desk employees were not aware of circumstances for waiving fees nor were employees properly trained to perform the task of waiving fines or fees resulting in an inconsistent process for waiving fines and fees across Library Branches.

Effect/Potential Effect- Employees may exercise a bias decision on behalf of the patron whereby the fine or fee is waived, and the City is not receiving the funds that it should. Also, there is a risk of employees receiving the cash but not recording due to a lack of accountability when handling cash transactions.
Recommendations

1. We recommend management establish criteria to be used as guidelines for employees to consistently follow when fees and fines are requested to be waived by patrons, rather than employees “using their own discretion.”

2. We recommend management conduct mandatory training for the process of waiving fees for all employees on an annual basis.

3. A quarterly or monthly review of the Fines Forgiven Report can be performed to compare activity, between periods and among branches, to determine if the volume of fees and fines waived is reasonable.

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<th>Issue #3</th>
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| **Management’s Response** | Over the past years, the department has continued to implement additional oversight and controls on the library’s circulation system. Steps have been taken by NPL to increase accountability and oversight which have reduced the number of fines and fees forgiven without explanation. We implemented the following:  
  • unique logins for staff in the Integrated Library System (ILS).  
  • a quality control reviews  
  • daily FORGIVEN reports for managers to review.  
  However, NPL will provide updated mandatory training on the established policies and procedures and implement additional control if necessary and verify guidelines that are mandatory are adhered to within the department. | As of February 2019, a new Fines and Fees policy was issued by NPL.  
  The Executive Director, Head Librarian and Operations Librarian of Slover Library all receive a daily report of Fines Status from NPL. |
| **Plan of Action** | A decision was made to implement the ability to limit the forgive fines and fees to managers and the supervising librarian. The authorized personnel will be given training on how to appropriately and consistently use their discretion in a wide variety of potential situations when forgiving a fine is in order or requested.  
  Administration will review these waivers and check for consistency and appropriateness. The number transactions are expected to be further | Implemented new Fines and Fees policy from NPL in February 2019.  
  Periodically check that managers are adding comments as to why fines were forgiven.  
  Schedule regular mandatory training on oversight of fines and fees. |
Lack of Security

Condition- An increase in the presence of physical security measures are needed at Slover Library. The current level of physical security at Slover Library is ineffective in minimizing reportable incidents. This location currently has security cameras and unarmed security guards during normal business hours. However, during FY18 there were 60 incidents of violations, security and disturbances reported, which is 45% more than the other two anchor branches Pretlow and Jordan-Newby which had a combined total of 27 incidents.

Criteria- The City Employee Endangerment Policy 5.24 ensures the safety of employees from threats or violence within the workforce. The City encourages departments to establish comprehensive safety policies and procedures that address the safety and security of their work site.

Cause- Per management, increasing the level of security is not currently financially feasible.

Effect/Potential Effect- NPL are community accessible facilities; therefore, a lack of proper physical security diminishes the protection and safety of personnel, building, equipment and patrons. Minimal security could allow for more serious criminal activity.

Recommendation - Properly trained, armed security guards can provide a physical presence and, in some instances, act as a deterrent for criminal activity. Therefore, we recommend management conduct a feasibility study or control self assessment to ensure adequate physical security measures are present at all City libraries to minimize the overall incident risk to City employees, facilities and patrons.

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<th>Issue #4</th>
<th>Norfolk Public Library</th>
<th>Slover Library</th>
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<tr>
<td>Management’s Response</td>
<td>The department strongly agrees with the recommendation of security presence at the public libraries. Over the past years, the security has been a concern for the library branches due to incidents that occur at the facilities.</td>
<td>Prior to report, Top Guard assigned a new manager to Slover’s security team. The new manager will be working with the officers to ensure proper adherence to policies and procedures.</td>
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</table>
The department continues to request the funding for the additional security through the annual budget process. The community police officers conducted an Active Threat Training with our staff for worst case scenarios. The officers drop by from time to time to check in with our staff and newly appointed Operations Librarian.

Beginning in August/September 2018 time frame, NPL began discussions about security and armed guards at library locations with applicable city departments to request guard service at all the branches for libraries operating hours. Code of Conduct Task Force appointed by Head Librarian includes review of appropriate time limits for patrons to utilize public computers in the lower level where no time limits exist currently. Head Librarian and Operations Librarian working with the new Top Guard manager to communicate Slover-specific policies in order to decrease the occurrence of incidents.

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<tr>
<th>Plan of Action</th>
<th>Contingent on budget appropriation</th>
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<tr>
<td>Est. Completion Date</td>
<td>September 2019</td>
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**Policies and Procedures are Needed to Ensure Proper Accountability for Donations**

**Condition**- There is no tracking mechanism used by External Support Agencies or NPL for inventory sold for fundraising activity. Also, there is no reconciliation process to ensure inventory levels are correct and accountability exists for the purchase and sale of these items benefitting External Support Agencies.

**Criteria**- City of Norfolk Personnel Administrative Policies Manual Chapter 10 Financial Management, 10.1 Internal Control Policy states:

"It is the policy of the City to establish and maintain internal control systems to reasonably assure the achievement of organizational objectives in operational efficiency and effectiveness, reliable financial reporting, safeguarding assets, and compliance with laws, regulations, and program compliance requirements...and to reasonable assure:

- Processes are evaluated to ensure desired or intended results are met…"

**Cause**- Management did not develop a process or an inventory tracking system to ensure accountability of items purchased and sold for External Support Agency fundraising activities.

**Effect/Potential Effect**- Inventory levels are unknown and NPL is unable to reconcile items purchased and sold.

**Recommendation**- An inventory tracking mechanism should be developed and communicated to the employees to adequately track inventory items purchased and sold for External Agencies fundraising activities.
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<th>Issue #5</th>
<th>Norfolk Public Library</th>
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<tr>
<td><strong>Management's Response</strong></td>
<td>As part of the fiscal analysis of Norfolk Public Library and needs assessments, the cash handling improvements of a new Cash Management/Point of Sale (POS) system had been identified to ensure proper internal controls. The current library workflow system is <strong>NOT</strong> a cash management system. The department was utilizing a cash register that did interface with the workflow system, but there was no mechanism to ensure proper controls. The feasibility of funding had to be determined to utilize the department's funding appropriation. Additionally, an assessment of the proper cash management system had to be assessed to determine the functionality with the existing library workflow system. It had just been determined that year end funding would be available to move forward.</td>
<td>The Slover Library Gift Shop inventory is properly tracked through a Square account. When store stock is received the items are added to Square and tracked automatically through the system as items are sold. Additionally, Slover staff does a quarterly inventory check to account for any damaged, lost or stolen items. When inventory is received from NPL such as calendars and earbuds, those items are currently counted and noted.</td>
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<tr>
<td><strong>Plan of Action</strong></td>
<td>NPL reached out to Finance to create new “other agency” (OA) accounts. Once the Memorandum of Understanding (MOU) are developed, the new inventory tracking will be implemented with new policies and procedures for the new reports and processes with the Point of Sale (POS) system. With the new POS module, an additional tracking mechanism will be implemented in FY 2020 to also address proper accountability of donations along with the new written agreements with external agencies, so the proper accounts can also be set up.</td>
<td>Slover Library will implement inventory process as developed and provided by NPL.</td>
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<tr>
<td><strong>Est. Completion Date</strong></td>
<td>FY2020</td>
<td>FY2020</td>
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**Former Employees with NPL System Access**

Condition- User access to NPL systems was not terminated in accordance with the City’s policy. At the time of our review on 1/7/2019, five former employees who had left NPL employment between the dates of 6/6/2018 to 11/25/2018 (one involuntarily terminated), still had user access rights and the ability to gain entry to NPL’s operational systems (Workflows and SAM2) used for conducting all business activities.

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2 SAM is an access management system tracker for monitoring and real time patron status
Criteria

- Per professional trade organization, Information Systems Audit and Control Association (ISACA), "when employees are terminated, there should be effective controls in place to terminate the employee’s access to the systems. All entities need an effective control or set of controls to ensure that all terminated employees lose all access rights…"

- When an employee leaves the organization for any reason, but especially if the employee is fired, access rights should be terminated as close to the person’s termination as possible, but no later than the person’s last day on the job."

- Per the City Policy and Administrative Regulations Chapter 10: Information Technology-Electronic Data Resources Acceptable Use Policy, Section VII part B: Security Administrator, the security administrator’s responsibility is to:

  “Delete users as requested by the departmental Security Liaison or according to payroll information or at the written request of the user’s department executive.”

Cause- NPL-Information Technology (IT) Management stated once they are notified by library branch management an employee has left NPL, access is immediately removed from the department systems. However, during testing we found five former employees still had system access rights.

- NPL is not consistently monitoring former employee’s user access to ensure they have been removed from NPL’s systems after leaving employment.

- NPL has a Policy and Procedures Manual (P&P) with a section for Computer and Internet Policies for the public, but no internal IT security policies and procedures, including, communication protocols between branch and IT Management.

Effect/Potential Effect- NPL did not conform to the City’s Electronic Data Resources Acceptable Use Policy for the five employees identified during our audit, which could potentially cause harm to NPL systems, as former employees continued to have access rights to Library computer systems.

Recommendations

1. We recommend NPL follow the City’s policy for removing user access and ensure system user access is immediately removed for all former employees.

2. It is also recommended for internal system security policies and procedures to be developed and added to NPL’s P&P and communicated to all employees.
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<th>Issue #6</th>
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<tr>
<td><strong>Management’s Response</strong></td>
<td>Management agrees that the recommendations to follow city policy for removing user access and to develop internal policies. Typically, employees do not have access to either WorkFlows or SAM post-employment unless they use a library staff computer. The only exception would be those employees who are granted remote access to WorkFlows (ex: Bookmobile staff and staff who work offsite at events registering patrons for library cards). Staff does not have remote access SAM.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Plan of Action</strong></td>
<td>To ensure more of an immediate action to remove access, NPL will enhance the lines of communication between the library branches and administration center with Department of Information Technology (IT) and NPL’s Lead IT liaison and add the additional processes to the NPL’s Supervisor’s handbook.</td>
<td>Not Applicable</td>
</tr>
<tr>
<td><strong>Est. Completion Date</strong></td>
<td>Continuous</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

**OTHER OBSERVATION**

At the end of our review in January 2019, we were informed a reorganization occurred to separate Slover Library from NPL Administration. After discussion with management, this occurred to allow Slover to perform individually within its own budget. Slover is now able to receive and fund its own programs outside of the normal Library traditions.

A transition plan was communicated to all employees on January 11, 2019. As a new department, Slover Library embraces four initiatives critical to advancing its vision.

1. Launch the Centers of Innovation and Engagement (CIE)
2. Support Regional Economic Cluster
3. Promote Slover Library as a World Class Venue for Programs, Events and Exhibits
4. Advance Community Learning and Civic Engagement by Investing in Meaningful and Accessible Technological Experiences

This transition affords Slover new opportunities to expand its original vision of community learning, civic engagement and state of the art technologies in Norfolk and throughout the region.