



OFFICE OF THE CITY AUDITOR

TO: Mayor and Council Members
THRU: Margaret Krym, City Auditor
FROM: Kathy Magaw, Assistant City Auditor *CM*
DATE: May 1, 2014
SUBJECT: Police Annual Review of Property and Evidence Procedures 2013

Attached is our report of the Police Annual Review of Property and Evidence Procedures 2013.

In summary, we observed a strong internal control environment within the Evidence/Property Storage Facility of the Cape Coral Police Department

We wish to thank Captain Lisa Barnes, Detective Sergeant Steve Barnes, and Forensic Supervisor Lawrence Stringham for their assistance during this engagement.

Should you have questions, please do not hesitate to contact me directly at 239-242-3381 or the City Auditor, Margaret Krym at 239-242-3380.

C: John Szerlag, City Manager
Dolores Menendez, City Attorney
Rebecca vanDeutekom, City Clerk
Bart Connelly, Chief of Police
Captain Lisa Barnes, Investigative Services Bureau Commander
Detective Sergeant Steve Barnes, Professional Standards Bureau
Lawrence Stringham, Forensic Supervisor
Audit Committee



CITY AUDITOR'S OFFICE

Police Annual Review of
Property and Evidence
Procedures 2013

May 1, 2014

Background

The City of Cape Coral Police Department (CCPD) has consistently achieved accreditation from the Commission on Accreditation for Law Enforcements Agencies, Inc. (CALEA) and the Commission on Florida Law Enforcement Accreditation. They have also demonstrated a commitment to the standards promulgated by these organizations and a desire to perform in a manner consistent with these standards.

The purpose of the CALEA program is to improve the delivery of public safety services, primarily by:

- Maintaining a body of standards, developed by public safety practitioners, covering a wide range of up-to-date public safety initiatives
- Establishing and administering an accreditation process
- Recognizing professional excellence

The CCPD standards include a requirement for regular internal and external inspections and audits. The City Auditor's Office supported these efforts by participating as an external observer, providing an independent observation and performing agreed upon procedures during their annual inventory audit of their evidence and property facility. This is the fourth year that the City Auditor's Office has participated as an independent observer.

Scope

Observation of the 2013 Annual Evidence and Property Inventory Audit performed in the Police Department by Police Department staff not regularly associated with the responsibility for safeguarding the Evidence and Property.

Objectives

The objectives of our audit participation were:

- To observe the process as an independent outside observer for the purpose of providing assurance that the process is in compliance with the CALEA stated standards.

Methodology

We performed an Attestation – Agreed Upon Procedures engagement. These procedures included:

1. Gain an understanding of the CALEA standard number 84.1.6 and its requirements;
2. Meet with department staff to review the schedule for the inventory process and procedures;
3. Observe the annual physical examination of the inventory of property and evidence performed by Police Department Staff;
4. Prepare documentation of our observations about the department's compliance to the CALEA Standard 84.1.6.

Statement of Auditing Standards

This audit was neither designed nor intended to be a detailed study of every relevant system, procedure or transaction. Although we exercised due professional care in the performance of this audit, this should not be construed to mean that unreported noncompliance or irregularities do not exist. The deterrence of fraud is the responsibility of management.

We conducted our work in accordance with Generally Accepted Government Auditing Standards. These standards provide guidance on performing and reporting on the results of agreed-upon procedures. By specifying the procedures we agreed to perform, the department requesting the review is responsible for ensuring the procedures are sufficient to meet their purposes, and we make no representation in that respect. We did not conduct an examination or a review and therefore make no expression of an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported. Our review was intended solely for the information and use of the management of the City, was not intended to be, and should not be used by anyone other than these specified parties.

Report

Agreed-upon procedure #1: Gain an understanding of the CALEA standard number 84.1.6 and its requirements.

The CALEA Property and Evidence Control standard 84.1.6 has specific criteria, which must be met in order to demonstrate compliance. They require the Police Department to conduct the following activities:

1. *“Every six months or semi-annually, the person responsible for the property and evidence function, or designee, conducts an inspection of the property room.*
2. *At least once a year, the agency’s CEO directs an unannounced inspection of the property room.*
3. *Whenever a new property and evidence custodian is assigned and/or transferred from the position, jointly, the newly designated custodian and designee of the CEO conduct an audit.*
4. *Annually, a supervisor not routinely or directly involved with the function conducts an audit. This person should be appointed by the CEO and not by any person responsible for the property and evidence function.”*

We obtained copies of the semi-annual inspection reports dated April 10, 2013 and October 17, 2013. The reports were prepared by the Forensic Supervisor who is the person responsible for the property and evidence control function. We also reviewed the

2013 Unannounced Inspection Report dated July 17, 2013. We can confirm that during the year there was not a change in the custodian assigned to property and evidence.

The consistency of staffing, along with the mentioned reports, provides documented assurance that the first 3 specified criteria have been complied with.

Agreed-upon procedure #2: Meet with department staff to review the schedule for the inventory process and procedures.

We received specific information from the department staff indicating the expected time and date for performing the inventory procedures. We reviewed the procedures used during the 2012 physical inventory and confirmed with department staff that these would be utilized again.

Agreed-upon procedure #3: Observe the annual physical examination of the inventory of property and evidence performed by Police Department Staff.

Normally the Police Annual Review of Property and Evidence examines a randomly selected sample to affirm the existence of all property and evidence, however this year the department determined to conduct a complete review of 100% of property and evidence on hand. Therefore, this year's process was conducted over a much longer period, taking approximately 45 hours.

As a result, our participation was limited to several observation visits. During these visits we observed the inventory process in various areas (firearms, narcotics, and general storage). There were two count teams. Each team was provided a listing of inventory items that was generated by the computer program that tracks the inventory. Each team consisted of members that were independent and were not associated with or assigned to the Evidence/Property Storage Facility.

The teams verified that the inventory items were present, labeled, stored, and easily retrieved. The department had a total of 34,964 items on hand during the count. All were verified by the team members except for ten items. Department staff worked to identify the location and cause of these ten exceptions and found that:

- three were located in the wrong storage bin,
- one had been given a duplicate bar code in error,
- one was marked returned to owner but a portion of it remained in the storage facility,
- four had been mistakenly destroyed,
- and one could not be located.

The one missing item had been gathered at the scene of an alleged crime, which was subsequently determined not to be a crime. We were advised by department staff that this item would not be required for any future proceedings.

Department Staff reviewed the history of the four items that were mistakenly destroyed. They learned that these destructions were caused by clerical errors. Subsequently, they

have implemented a rotational quality control clerk program which has effectively mitigated the risk of this occurring again.

In response to the outcome of this inventory count, department staff proactively implemented new procedures as follows:

1. When an item is to be relocated within the facility a new barcode will be created with the new location identified. This will ensure that the computer data is updated with the new location.
2. When the quality control clerk is completing the mandatory audit of a row or room, they will now audit everything in that area and include a slip of paper with the date the area was last audited.

Department staff also noted that items on hand have increased during the past 10 years from approximately 25,000 (2004) to 28,000 (2009) to the current count of 34,964. This has placed an increased burden on the custodial staff tasked with safeguarding these items and maintaining the accuracy of the database accounting for them.

During the inventory process staff also noted there were 30 items signed out to various detectives and officers and some of these had remained signed out for over a year. The Department has revised the General Order that deals with evidence/property procedures. Officers are now required to complete an Evidence Disposition form within 10 days. An Officer's supervisor will be alerted in cases where items remain checked out for longer periods. In addition, the Evidence/Property Unit will conduct an audit every 90 days to ensure that the forms have been completed.

This year's inspection was conducted pursuant to CALEA Accreditation Standard 84.1.6 and CFA Standard 36.02 (The Commission for Florida Accreditation (CFA) 3.0, Standard 36.02(A)), which mandates an annual audit of the property function be conducted by a member not routinely or directly connected with control of property.

Once again, we observed a strong internal control environment within the Evidence/Property Storage Facility of the CCPD.