

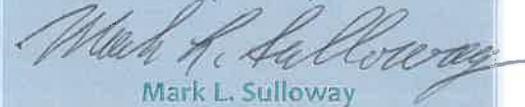
Audit #15-05:

# Sarasota Police Department Property and Evidence

Detailed Audit Report

Office of the City Auditor and Clerk  
Internal Audit

Prepared by:

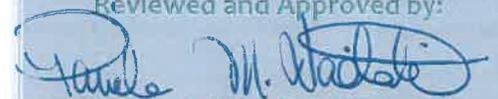


Mark L. Sulloway  
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OFFICE OF THE CITY AUDITOR AND CLERK  
Internal Audit Division

**Date:** January 11, 2016

**To:** Mayor Willie Charles Shaw, Vice Mayor Suzanne Atwell, Commissioner Liz Alpert,  
Commissioner Susan Chapman, Commissioner Shelli Freeland Eddie

**From:** Pamela M. Nadalini, MBA, CMC, City Auditor and Clerk 

**Subject:** Audit #15-05: Sarasota Police Department Property and Evidence

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Attached for your information and review are copies of the above-mentioned detailed and executive summary audit reports.

If you have any questions, please do not hesitate to call me at (941) 954-4169.

Attachment(s):

Detailed Audit Report #15-05  
Executive Summary Audit Report #15-05

Cc: Thomas Barwin, City Manager  
Robert Fournier, City Attorney  
Heather Essa, MPA, CIA, CGAP, CFE, Deputy City Auditor and Clerk  
Ed Daugherty, CPA, Manager Internal Audit  
Mark Sulloway, Senior Internal Auditor  
File



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Internal Audit Division**

**Date:** January 11, 2016  
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Detailed Audit Report #15-05  
Executive Summary Audit Report #15-05

**Cc:** Robert Fournier, City Attorney  
Marlon Brown, Deputy City Manager  
Chief Bernadette DiPino, Sarasota Police Department  
Deputy Chief Pat Robinson, Sarasota Police Department  
Captain James Rieser, Sarasota Police Department  
Ken Hoydic, Property and Evidence Unit Manager, Sarasota Police Department  
Heather Essa, MPA, CIA, CGAP, CFE, Deputy City Auditor and Clerk  
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## BACKGROUND AND INTRODUCTION

The Sarasota Police Department's (SPD) Property and Evidence Unit is the central repository for all items obtained by personnel during the course of police operations. Property and Evidence storage areas are maintained within the SPD. Certain SPD security related aspects of the audit are not included within this report.



Property and Evidence Unit acceptance window

The Property and Evidence Unit has the sole responsibility for receiving, logging, maintaining, and disposing of all items that enter its custody. Items received and maintained by the unit include high-security items, such as weapons, narcotics, jewelry and money; large items, such as bicycles and cars; perishable and biohazard materials, such as DNA samples and blood; homicide and sexual assault evidence; and other items of a more general nature including found property.

The unit is also responsible for tracking the official chain of custody for each item (which is critical to proving the validity of evidence in trials) and maintaining accurate records of inventory. For this purpose, employees in the Property and Evidence Unit track each item's history, including current location, custodian, and times/dates of movements in the unit's ICAD system (property database and bar coding computer system). Items can only be checked in and out of storage by employees of the Property and Evidence Unit for specific allowable purposes, such as evidence processing and court appearances.

The Property and Evidence items received during the audit period of April 1, 2014 to March 31, 2015, were logged and tracked in ICAD property management software. On January 22, 2014, SPD contracted with New World Systems to implement new software throughout SPD. The software provides integrated modules for various public safety functions including records, reports, alarm tracking and billing, property and evidence, and case management. Beginning July 20, 2015, new property and evidence obtained by SPD is logged and tracked with New World Systems software. Older property and evidence items, including disposed items, are currently still being tracked in ICAD, and will be maintained in ICAD until they are transferred into New World Systems. The Property and Evidence manager advised it is planned to import all the ICAD items on hand into the New World systems software for tracking. Both software systems will be required until the transfer is completed.

Items obtained by the Property and Evidence Unit have varying dispositions depending on the manner in which they were obtained or the type of case associated with the item. Dispositions of items in storage include: "found", "safekeeping", "evidence", etc. Items, depending upon type and disposition, are released or disposed of in different ways. Where some items are ultimately retrieved by an owner or a finder, others might be converted to department use where needed, destroyed in a manner appropriate to the item type (i.e., guns are shredded and drugs are burned), or sold at auction to the highest bidder if the item is unclaimed and has some perceived value.

There are three full-time positions within the Property and Evidence Unit, which consist of one Property Manager and two Property and Evidence Specialists. Over the course of the 2014 calendar year, the ICAD system recorded 9,896 transactions related to the receipt of new property items. Please see page 11 of this report for additional issues regarding ICAD software during this audit.



The officer packaging and intake area is equipped with tools and reference materials for submission to the Property and Evidence Unit.

## AUDIT PURPOSE AND SCOPE

This audit was undertaken to ensure that items located in property and evidence are properly recorded and safeguarded according to established standards. The completion of an independent internal audit of property and evidence was included in the 2013 City Risk Assessment.

The time period reviewed during the audit was April 1, 2014 to March 31, 2015.

## AUDIT OBJECTIVES

The audit focused on the following objectives:

- 1) Determine whether controls were in place and functioning as intended to provide reasonable assurance that items of property and evidence were properly accounted for and recorded;
- 2) Determine whether physical security controls were adequate for the safeguarding of items placed within the Property and Evidence Unit; and
- 3) Determine whether the department was in compliance with both internal policies and state accreditation standards related to property and evidence.

## AUDIT STANDARDS

The auditors conducted this audit in accordance with generally accepted government auditing standards. Those standards require that the auditor plan and perform the audit to provide a reasonable basis for findings and conclusions based on audit objectives. The auditor believes that the evidence obtained provides a reasonable basis for findings and conclusions based on the audit objectives.

The Internal Audit Division strives to follow the guidance included in the Institute of Internal Auditors (IIA) International Professional Practices Framework however the Standards do not allow the department to note that reports are prepared in accordance with IIA Standards until the Quality Assurance and Improvement Program's external assessment indicates such compliance.

## TESTING METHODOLOGY

In order to fulfill the audit objectives, Internal Audit:

- Interviewed appropriate SPD personnel;
- Performed several site visits of the property and evidence storage areas;
- Observed physical security in place in and around the property and evidence storage areas;
- Conducted an unannounced inspection of items utilizing both system-to-shelf and shelf-to-system testing of items to determine whether items were located in the indicated areas and recorded appropriately both in the ICAD property system and on Property Record Forms;
- Reviewed supporting documentation for a random sample of property items with dispositions including “released”, “destroyed”, “converted to department use” and “vehicle forfeiture”;
- Conducted additional risk based custom queries from the data dump identifying other Property and Evidence Unit items for additional testing.
- Reviewed and evaluated SPD’s Standard Operating Procedure 731.00 relating to Property Control, and General Order 733.00 related to the Property and Evidence Unit;
- Reviewed notes regarding the most recent visit from the State Accreditation Team in 2012 related to Property and Evidence;
- Compared best practices and accreditation standards to actual SPD practices; and
- Reviewed system-generated biometric access logs and individuals with entry rights to the property storage areas.



Property and Evidence Unit evidence processing area

To achieve the audit objectives, sampling techniques were utilized to select a random testing sample of property and evidence items from a population of 50,424 unique property items on hand during the audit period. The auditor’s sample was stratified by item type, with an emphasis on high-security items such as weapons, narcotics and money; high-security items made up a much larger percentage of the sample size than general items.

## AUDIT CRITERIA

Conditions observed during audit fieldwork were evaluated against the following sources:

- Commission for Florida Law Enforcement Accreditation, Inc. (CFLEA) Standards Manual (Edition 4.0.33 dated February 2015),
- SPD Standard Operating Procedures (SOP) and General Orders (GO):
  - SOP 731.00- Property Control (last revised August 25, 2014), and
  - GO 733.00- Property and Evidence Unit (last revised March 25, 2015)
- International Association for Property and Evidence (IAPE) Standards- Best Practices (Version 2.5.1/Rev March 8, 2015), and
- Property & Evidence Association of Florida, By-Laws (Revised February 26, 2013).

## AUDIT CONCLUSIONS

Observations and recommendations in this report are offered as independent guidance to management for their consideration in strengthening controls. A complete list of Internal Audit's observations and recommendations begins on page 13 of this report. For information on priority levels assigned to audit recommendations, please see [Exhibit A](#).

Internal Audit determined through fieldwork and testing:

**CONTROLS OVER THE RECORDING AND ACCOUNTING OF ITEMS IN PROPERTY AND EVIDENCE STORAGE WERE GENERALLY SATISFACTORY WITH THE EXCEPTIONS OF THE LENGTH OF TIME CURRENCY WAS HELD IN EVIDENCE AND CURRENT VEHICLE LOCATION.**

Controls tested were in place and functioning as intended to appropriately account for and record items maintained by SPD's Property and Evidence Unit.

- **System-to-Shelf Testing** – The auditor randomly selected 51 items<sup>1</sup> from the ICAD computer system, noted the item description and expected location of each item and physically visited each location to ensure each item was stored where the system indicated. Of the 51 randomly selected items in the auditor's sample, the auditor was able to physically locate all items. For the currency items, amounts noted on sealed evidence envelopes were compared to amounts recorded on Property Record Forms on 21 items; 10 currency items were opened and the currency counted. All cash in the auditor's sample was accounted for.
- **IAPE Standard 10.3: Money – Documentation of Movement Standard:** Money should be deposited or transferred out of the property room as soon as practical once it no longer has evidentiary value. Audit recommends that all cash not required for specific evidentiary purposes (fingerprints for example) be deposited in interest bearing SPD accounts within three days of receipt until the investigation is adjudicated.

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<sup>1</sup> 100% of the system-to-shelf sample was comprised of high-security items.

- **Shelf-to-System Testing** – The auditor randomly selected 20 items<sup>2</sup> stored on shelves and in bins and noted the current location of each. The auditor then consulted the ICAD property system to determine whether the system appropriately reflected each item’s actual location. Of the 20 randomly selected items in the auditor’s sample, the ICAD property system had accurate locations recorded for all of the items.
- **Proper Audit Trail / Documentation** – Internal Audit reviewed documentation for 20 randomly selected items with dispositions including “released”, “destroyed”, and “converted to department use” to ensure that the dispositions were appropriately recorded and the items accounted for. Completed final disposition documentation was noted for each tested item.
- **Vehicle Testing** – Vehicle records were not updated to reflect the current location of all vehicles. Of 36 vehicles, 14 vehicles were noted to be with a towing company no longer used by SPD, and two vehicles were listed as being in the temporary SPD sallyport location where vehicles are not kept long term. The manager indicated he would review the vehicles identified with non-current locations and update their records to their current location or disposition. Of all the vehicles noted in the ICAD system, only one vehicle was from 2012. All other vehicles were from 2014-2015.
- **Drug and Weapon Destruction Documentation** – Destruction documentation for weapons and narcotics during the audit period was reviewed. Items are identified and packaged for destruction by location in the ICAD software system, and later sent for destruction<sup>3</sup>. Appropriate signed destruction approvals, signed notarized return orders for drug items, and signed and witnessed weapon disposal forms were noted for each of the tested items.
- **Monetary Forfeiture** – Five monetary cash forfeitures totaling \$246,646 were reviewed, including their financial record entries, and bank statements confirming their deposit into the City’s Law Enforcement Trust Fund. One of these forfeitures of \$131,905 had an incorrect property location noted in the property and evidence ICAD records as “released,” instead of the location “LETF,” i.e. Law Enforcement Trust Fund. The property record was updated to reflect the correct disposition.
- **Investigative Use Drug Inventory** – The total verified kilograms of cocaine on hand matched the ICAD property record totals. Exact total weights cannot be confirmed as some kilograms had amounts removed for testing, core samples, drug dog training and small flash amounts. Some of the quantities removed were noted in grams, others in ounces that caused rounding differences for individual amounts.

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<sup>2</sup> 100% of the shelf-to-system sample was comprised of high-security items.

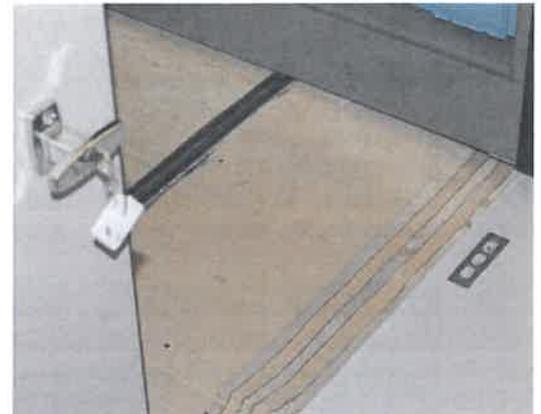
<sup>3</sup> Internal Audit reviewed destruction process procedures (SOP 731.00) and did not note any weaknesses with internal controls.

**PHYSICAL SECURITY CONTROLS WERE GENERALLY ADEQUATE FOR THE SAFEGUARDING OF ITEMS PLACED WITHIN THE PROPERTY AND EVIDENCE UNIT.**

We reviewed the physical security features and access controls of the Property and Evidence unit and determined they appeared adequate for the items and type of property on hand. Access logs are maintained and all personnel except for Property and Evidence unit staff are required to be signed in and out and escorted while in the unit. The manager advised the logs are maintained for one year. Audit was unable to obtain evidence that unit access logs were reviewed by management.



Property and Evidence Unit item storage



Property and Evidence shelving locks

**COMPLIANCE WITH STATE AND INTERNAL STANDARDS WAS GENERALLY ACHIEVED. DRUG WEIGHTS SHOULD BE DOCUMENTED IN EVIDENCE RECORDS.**

For areas tested by Internal Audit, it was determined that SPD was generally in compliance with the majority of the state's property and evidence accreditation standards and SPD's own internal General Orders.

- **Commission for Florida Law Enforcement Accreditation, Inc. (CFLEA) Standards** – The auditor determined that compliance was generally achieved for standards tested relating to Property and Evidence.
- **SPD Internal Standard Operating Procedure 731.00-** Based on test results for the auditor's sample, compliance was achieved for the majority of provisions tested in the internal property policy.

**Testing Exceptions identified:**

**Narcotics not weighed during intake – SPD Standard Operating Procedure 731.00**

**"731.30 EVIDENCE SUBMISSION & INTAKE PROCEDURES:**

731.33.3 In those cases where a defendant will be charged with a narcotics trafficking offense, the approximate weight of any marijuana or powder cocaine should be documented on the Property Record and the officer's report."

**"731.60 TEMPORARY RELEASE OF PROPERTY:**

731.62.1 Release or acceptance of narcotics shall include **quantity control by weight** and packaging inspections to ensure integrity."

**International Association for Property and Evidence, Inc. Professional Standards**

**Version 2.5.1/REV March 8, 2015**

**Standard 9.2: Drugs – Documentation**

“The protocols for weighing drugs should be carefully worded by the law enforcement agency to avoid unnecessary conflict with the forensic lab standards. For example, all weighing of drugs should be **consistently** performed approximate net (without packaging), or approximate gross (with packaging), along with a description of the type of scale used and when it was last calibrated. Many departments are specifying that officers use approximate weights for evidence booking, and use the crime lab analysis report for charging purposes.”

The auditor reviewed current drug trafficking investigation 15-00043884 from August 17, 2015. 19 bags of heroin and 47 bags of cocaine were counted into evidence. No weights were noted in the Property and Evidence computer evidence records for the drug items seized, nor on the individual items of drug evidence.

According to the manager, staff does not weigh drugs except in preparation for destruction including the packaging. The Criminalistics Unit staff weighs drugs prior to being sent to FDLE for testing. SPD SOP 731 directs that trafficking quantity drugs are to be weighed upon receipt into the property and evidence unit.

**ICAD Data Dump Reliability** - SPD Management Information Systems (MIS) provided a data dump of what should be all ICAD recorded property and evidence items as of March 31, 2015. Some items appear in ICAD reports generated on site during the audit, but not in the data dump entries provided. A list of property items by location for one specific location includes five property tag numbers that are not reflected in the data dump. In addition, some of the data dump entries were missing property descriptions, but were noted to be complete in ICAD when reviewed on line at the Property and Evidence Unit.

Internal Audit requested a data dump of all records associated with the Property and Evidence unit, similar to the data dump requested in the prior year. The 2014 data dump contained 74,486 items. The 2015 data dump contained 50,424 items. As described in the previous paragraph, we noted that some items were missing from the 2015 data dump. We requested an explanation from the SPD MIS office. As of the date of this report, no response was received.

**Lack of on-site Property and Evidence report generation** - There is no apparent ability to generate at-will internal reports of property and evidence data including numbers of items on hand and number of items received or disbursed in the past 12 months. The Property and Evidence manager indicated that he is unable to generate a report in ICAD or in New World Systems of the total number of items currently on hand.

Best practices for property and evidence include report generation of property and evidence information including:

- Quantity of items on hand by type including total cash on hand;
- Items received or released in the past 12 months;
- Aging report of items on hand by required retention period based on the statute of limitations. (The manager currently tracks ICAD items by year received to review for disposal.)

## NOTEWORTHY ACCOMPLISHMENTS

In the 2014 audit of SPD Property and Evidence (#14-10), Internal Audit made several recommendations. The audit noted that opportunities existed to enhance physical security and reduce evidence inventory. During audit fieldwork in 2015, Internal Audit noted that previous recommendations concerning computer security, physical security and evidence inventory reduction were addressed by SPD. The below table outlines actions taken by SPD to address these recommendations:

Recommendations from Audit #14-10	Current Status of Recommendation
1 – Update investigative use drug inventory status.	✓ All investigative use drugs have their correct inventory status.
3 – All Property and Evidence Unit computers should be upgraded to Windows 7.	✓ All Property & Evidence Unit computers were upgraded to Windows 7, based upon auditor's observation.
4 – Final disposition or disposal of items with no further evidentiary use should be cleared from the Property and Evidence Unit.	✓ Older drug evidence inventory has been reduced. Property & Evidence records indicated 9,102 items were destroyed during the audit period.
5 – Test Duress Alarm.	✓ Duress alarm was tested twice within the past 12 months according to unit records and auditor's observation during fieldwork.
6 – Add Property and Evidence Unit to distribution list for vehicle final judgements & orders of forfeiture.	✓ Property and Evidence Unit is now copied on vehicle final judgements & orders of forfeiture based on auditor's sample.
7 – Revise General Orders regarding weapons in Guns-for-Trade program.	✓ Staff advised that SPD no longer participates in this program. Weapons are not identified for conversion to department use per SPD management response of 7/8/14.
8 – Enclose the bicycle storage area to prevent unauthorized access.	✓ Bicycles are now stored in a locked cage within the SPD garage as viewed by auditor.



Property and Evidence Unit bicycle storage cage

# AUDIT OBSERVATIONS AND RECOMMENDATIONS

Issue #	Subject	Priority	Observation	Recommendation	Concur	Do not Concur	Management Response (black text) Internal Audit Comment (red text)	Committed Action Item Due Date
1	Weighing of Narcotics	High	<p>Narcotics are not weighed during intake into the Property and Evidence Unit.</p> <p>Despite the below noted SOP's, drug weights are not noted in the property an evidence software or on the items of evidence:</p> <p>"731.30 EVIDENCE SUBMISSION &amp; INTAKE PROCEDURES: 731.33.3 In those cases where a defendant will be charged with a narcotics trafficking offense, the approximate weight of any marijuana or powder cocaine should be documented on the Property Record and the officer's report."</p> <p>"731.60 TEMPORARY RELEASE OF PROPERTY: 731.62.1 Release or acceptance of narcotics shall include quantity control by weight and packaging inspections to ensure integrity."</p> <p>Excluding this measurement makes it difficult to determine whether drugs are tampered with at any point during custody by the Property and Evidence Unit or during check-in and check-out.</p>	<p>1) Follow procedures in SOP 731.30 to weigh drugs.</p> <p>2) Review IAPE standards - Best Practices (Version 2.5.1/Rev. March 8, 2015) regarding weigh and document weight of all narcotics upon transfer into and out of P &amp; E Unit.</p> <p>3) Review CFLEA standards manual (Edition 4.0.33 dated Feb 2015) regarding best practices.</p> <p>Weigh and document the weight of all narcotics upon each transfer into and out of the Property and Evidence Unit.</p> <p>Monitoring the weight of packaged narcotics will allow for better control over the contents and offer better detection to identify when packages are altered.</p>	X		<p>All narcotics taken into Property will be weighed (packaging included) by the submitting officer and will be weighed again upon destruction. The weight will be measured in grams and will be designated on the property receipt. Narcotics sent to the SSO Lab for testing will be weighed upon receipt and return by the technician at the SSO Lab. A scale will have to be purchased and placed in the Property intake room for the weighing of the narcotics. This scale will be calibrated annually. GO 761.62.1 will be revised to reflect these changes.</p>	2/15/16
2	Currency Maintained in Evidence	High	<p>Currency remains in the Property and Evidence unit for extended periods.</p>	<p>Deposit all currency received by the Property and Evidence into SPD bank accounts unless there are evidentiary or other reasons to maintain the original currency (IAPE Standard 10.3: Money – Documentation of Movement Standard).</p>	X		<p>The State Attorney's Office recommended that currency be retained in the Property Unit. Currency from cases that are over is taken to the Fiscal Dept. for deposit in the City Fund. Currency from forfeitures is taken to the Fiscal Dept. for deposit into the LETF as soon as the State Attorney's Office informs us it is no longer needed to be held as evidence.</p>	Completed

Issue #	Subject	Priority	Observation	Recommendation	Concur	Do not Concur	Management Response (black text) Internal Audit Comment (red text)	Committed Action Item Due Date
3	ICAD Data Records	High	Based upon our audit procedures, the ICAD software data dump of property and evidence items was incomplete.	Conduct complete physical inventory to identify all evidence items for transfer into New World Systems software.  Possible ICAD errors should not be carried forward into the new system.	X		A complete inventory of the Property Unit is currently in progress. The inventory is expected to be completed by March 1, 2016.	3/1/16
4	Incorrect Current Vehicle Location	Medium	We noted several instances where the locations of seized vehicles were incorrect in the ICAD software system.	Regularly review vehicle records and update to their current location.  All evidentiary items should be able to be immediately located.	X		Vehicles located in the SPD garage are vehicles that have been forfeited to the Police Department or are in the process of being forfeited. The Property Manager will check with the Narcotics Unit monthly to determine the status of these vehicles.	1/29/16
5	Inconsistent Investigative Use Drug Sample Measurements	Medium	Sample testing of investigative use drugs is not measured consistently, varying between U.S. customary units (ounces) and metric measurements (grams).	All samples removed from investigative use drugs should be measured in the same units of measure. The SOP should be updated to indicate the proper units of measure.  Using the same system of measurement will allow for better accountability of drugs on hand.	X		The unit of measurement for the weight of all narcotics will be in grams. This change will be noted in GO 731.	2/15/16
6	Evidence Report Generation	Medium	P&E Staff are not trained to generate at-will reports regarding quantity and type of property and evidence items on hand in ICAD or New World Systems software. This issue impacted the staff's ability to quantify the number of items currently held in evidence.	Staff should review software & receive additional training to allow the preparation of all available property & evidence reports.  Additional reports should improve the tracking & control of property & evidence items.	X		Additional training in the New World Records Management System was requested by the Property Manager on 12/29/15. Training was requested to take place within 30 days.	2/1/16
7	Monetary Forfeiture	Medium	Incorrect location of forfeiture funds was noted in one property record.	Confirm proper destination of all forfeiture funds.  Funds transferred to the Law Enforcement Trust Fund should be identified as such.	X		Location corrected 12/29/15.	12/29/15

## EXHIBIT A: INTERNAL AUDIT RECOMMENDATION PRIORITIES

Internal Audit utilizes the following classification scheme applicable to internal audit recommendations and the appropriate corrective actions:

Priority Level <sup>1</sup>	Description	Implementation Action <sup>3</sup>
High	Fraud or serious violations are being committed or have the potential to occur, security issues, significant financial or non-financial losses are occurring or have the potential to occur. <sup>2</sup>	Immediate
Medium	A potential for incurring moderate financial or equivalent non-financial losses exists. <sup>2</sup>	Within 60 days
Routine	Operation or administrative process will be improved.	60 days to 6 months

1. The City Auditor and Clerk is responsible for assigning internal audit recommendation priority level categories. A recommendation that clearly fits the description for more than one priority level will be assigned the higher level.

2. For an audit recommendation to be considered related to a significant financial loss, it will usually be necessary for an actual loss of \$25,000 or more to be involved, or for a potential loss (including unrealized revenue increases) of \$50,000 to be involved. Equivalent non-financial losses would include, but not be limited to, omission or commission of acts on behalf of the City which would be likely to expose the City to adverse criticism in the eyes of its citizens.

3. The implementation time frame indicated for each priority level is intended as a guideline for establishing target dates. Determining proposed action dates is the responsibility of the Charter Official(s) over the area(s) or function(s) audited.

*NOTE: Please note that this exhibit is a standard form which appears in every audit and is meant to be utilized to aid management in understanding the seriousness or potential seriousness of an audit observation. A "High" or "Medium" priority rating assigned to an audit observation should not be construed to mean that fraud or wrongdoing is, in fact, occurring but rather fraud or wrongdoing has the potential to occur in the absence of adequate internal controls.*