

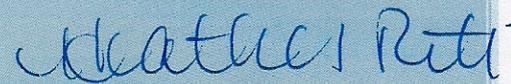
Audit #EX 11-01:

# Sarasota Police Department Property and Evidence

Detailed Audit Report

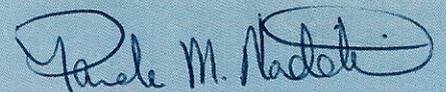
Office of the City Auditor and Clerk  
Internal Audit

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Pamela M. Nadalini  
City Auditor and Clerk

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**OFFICE OF THE CITY AUDITOR AND CLERK**  
**Internal Audit Division**

**Date:** May 16, 2011

**To:** Mayor Suzanne Atwell, Vice Mayor Terry Turner, Commissioner Shannon Snyder,  
Commissioner Paul Caragiulo, and Commissioner Willie Shaw

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

**Subject:** Audit #EX 11-01: 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 contact me at (941) 954-4169.

Attachment(s):

Detailed Audit Report #EX 11-01  
Executive Summary Audit Report #EX 11-01

c: Robert Bartolotta, City Manager  
Robert Fournier, City Attorney  
Heather Riti, MPA, CIA, CGAP, Manager, Internal Audit  
File



OFFICE OF THE CITY AUDITOR AND CLERK  
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c: Robert Fournier, City Attorney  
Marlon Brown, Deputy City Manager  
Christopher Lyons, CPA, CGFO, CPFO, Director, Financial Administration  
Chief Mikel Hollaway, Sarasota Police Department  
Captain Wade McVay, Sarasota Police Department  
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File

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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. The unit is currently divided into three separate rooms (one room houses multiple vaults) within the SPD Headquarters Building and one overnight intake area with total storage space of approximately 3810 square feet. Items with varying dispositions are stored within property storage areas, including those with dispositions such as: found, safekeeping, evidence, etc.

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. 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.

There are three full-time positions within the Property and Evidence Unit, which consist of one Property Manager and two Property and Evidence Technicians. Over the course of the previous calendar year, the unit's ICAD system (property database and bar coding computer system) recorded over 96,000 transactions related to new item entries, movements, inventories, releases, and disposals of property items.

The Property and Evidence Unit recently relocated all items in its custody to the newly constructed SPD headquarters building. Each item in the property storage areas was boxed, transported to the new building, and re-shelved in a new location, with the actual move of each item documented in the electronic chain of custody for each item. Due to the high volume of items relocated, staff was still working to organize and store all items during the time of the audit. Staff indicated to the auditor that the physical relocation of all items was performed only by Property and Evidence staff to maintain the integrity of the chain of custody.

## AUDIT PURPOSE

This audit was being undertaken at the request of SPD to ensure that items located in property and evidence are properly recorded and safeguarded. This audit was not originally included as part of Internal Audit's 2011-2013 Audit Schedule; however, due to the high-risk nature of items maintained by SPD, the recent relocation of all property and evidence items to the new SPD building, and because the department requested an independent review by an outside party, Internal Audit amended the schedule to include this audit.

## AUDIT SCOPE

The time period reviewed during the audit was March 20, 2010 to March 31, 2011.

## AUDIT OBJECTIVES

The audit focused on the following objectives:

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

## AUDIT STANDARDS

The auditor 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 plans on having a peer review within the next two years by the Institute of Internal Auditors (IIA). While the Internal Audit Division strives to follow the guidance included in the IIA's International Professional Practices Framework, the Standards do not allow the department to note that the department is in accordance with IIA Standards until the peer review indicates such compliance.

## TESTING METHODOLOGY

In order to fulfill the audit objectives, Internal Audit:

- Interviewed appropriate personnel;
- Performed a site visit to 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", and "converted to department use";
- Reviewed and evaluated SPD's General Order 731.00 relating to Property Control;
- 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.

To achieve the audit objectives, sampling techniques were utilized to select property and evidence items from a population of 96,268 computer entries with entry dates in 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.

## 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),
- SPD's General Order (GO) 731.00- Property Control (last revised June 10, 2010), and
- International Association for Property and Evidence (IAPE) Standards- Best Practices.

## NOTEWORTHY ACCOMPLISHMENTS

As part of the 2010 audit of SPD Property and Evidence (EX 10-03), Internal Audit recommended several minor enhancements to General Order 731.00, of which the majority were incorporated in a revised version released in June 2010. Policies and procedures were noted to be comprehensive and included many elements of best practices noted in IAPE Standards.

Further, the auditor noted significant improvements in the documenting and maintenance of records related to converting items to department use since the time of the last audit.

## 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 11 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 ADEQUATE.**

The majority of 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 68 items from the ICAD computer system, noted the expected location of each item, and physically visited each location to ensure each item was stored where the system indicated.

Of the 68 randomly selected items in the auditor’s sample, one was checked out to the laboratory for testing (proper documentation was on file) and three were not located:

Property Tag Number	Item Description	Auditor Notes
291445 01 00	Several pieces of rock cocaine	The Property Manager believes that this item is in a box that is currently waiting to be stored; he will research this further as the moving/storage process continues.
257894 01 00	Handgun	The Property Manager believes that this item was destroyed along with several others from the same year (2006). He indicated that the item was ready for destruction and that it was most likely an oversight that this item was not recorded in the system correctly.
233811 17 00	\$14.49 in change	The Property Manager believes he knows the location of this item. This item is associated with a homicide case which has several large boxes of items associated with it which have not yet been shelved.

- **Shelf-to-System Testing-** The auditor randomly selected 18 items stored on shelves and in bins and noted the current location of each. The auditor then consulted the ICAD property system to ensure that the system appropriately reflected each item’s actual location.

Of the 18 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 16 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. No relevant exceptions to compliance were noted.
- **Information Systems-** Complete detailed chain of custody information appears to be documented in paper files but is not recorded in the electronic property system (ICAD).

Information appropriate to the chain and missing from the system includes: method of transfer of items; reason for transfer; location of labs and tests ordered; and date and time of receipt in labs.

At the May 3, 2010 Regular Meeting of the City Commission, a discussion took place concerning the purchase of a new records management system for SPD as part of equipping the new SPD headquarters building. The new records management system would replace the current ICAD property system, which includes the chain of custody for property and evidence items; a new system has not yet been selected and funding has not yet been approved by the City Commission as of the time of audit fieldwork.

**OPPORTUNITIES EXIST TO ENHANCE PHYSICAL SECURITY IN AND AROUND THE PROPERTY STORAGE AREAS, SPECIFICALLY RELATED TO BIOMETRIC ACCESS AND VIDEO SURVEILLANCE.**

Physical security was found to be ineffective for certain areas of the property and evidence storage areas. In order to maintain confidentiality over specific security controls, some information has been deliberately omitted from this report.

Members of the public are currently not permitted to visit the Property and Evidence Unit to retrieve items due to a number of concerns with the physical placement of the Property and Evidence Unit, security deficiencies, and staff safety. Instead, each item that is released to a member of the public is transported to the main lobby of the SPD building where Property and Evidence Unit staff complete the necessary paperwork and release the item.

Specifically, Internal Audit observed the following:

- In addition to the main property storage area, two other rooms in the new SPD building have been designated for storage due to space limitations<sup>1</sup> in the main property storage areas. Since the additional rooms were not originally intended for storing property and evidence, neither have **biometric access** readers; there is only a key lock for one room and a keypad door lock on the other room. The room with the key lock has been restricted to Property and Evidence Unit employees, as indicated by the Property Manager. However, all officers know the keypad combination to the other room as it is used to store odorous safekeeping items; this room doubles as a storage space for flammable or hazardous evidence and, as such, should not be accessible to anyone except Property and Evidence Unit staff.
- **Alarms** added an extra layer of intrusion detection in the old SPD building where property staff would enter a secure area via biometric access and then be required to disarm an alarm upon entry. There are no alarms of this type, even in the high security areas, in the new property storage vaults to warn of intrusion.
- The **pass-through tray** of the Property and Evidence Unit's receiving counter will only accept items smaller than an average cellular phone, rendering the pass-through tray generally non-usable; therefore, most items can only be accepted or released by opening the secure door to the property storage area. The **window at the receiving counter** is not bullet-proof, nor is there a grate or lock to secure the window during closed hours.
- Property and Evidence Unit staff has been assigned keys to the property storage areas which have the ability to **override the biometric access reader** on the door. While the biometric access reader generates a report of all individuals who have entered the property storage areas, it is unable to identify individuals that gain access to the rooms when a door key is used.
- There is no **surveillance camera** to record the transfer of items or activity at the pass-through window and the public viewing area; management had previously indicated as a response to Audit EX 10-03 that all transfers of items would be recorded on tape and stored for at least one year to compensate for deficiencies in the chain of custody documentation.
- The Commander of the Criminal Investigations Division had **unescorted access** to the property storage areas; only Property and Evidence Unit staff should have this type of access. Internal Audit noted that, upon issuance of the draft audit report, department staff corrected the issue immediately. As of the release of the final audit report, the Commander of the Criminal Investigations Division no longer has access to the property storage areas.

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<sup>1</sup> The Property and Evidence Unit previously had 3800 square feet of storage space in the old SPD headquarters building. The storage vaults in the new SPD headquarters building comprise approximately 3000 square feet; two additional rooms of approximately 700 square feet and 110 square feet, respectively, were designated for storage use when it was determined that Property and Evidence Unit needed more space.

**OPPORTUNITIES EXIST TO ENHANCE CHAIN OF CUSTODY DOCUMENTATION AND PHYSICAL SECURITY TO BETTER COMPLY WITH INTERNAL POLICIES AND ACCREDITATION STANDARDS.**

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

- **Commission for Florida Law Enforcement Accreditation, Inc. (CFLEA) Standards** - Based on test results for the auditor's sample, the auditor determined that compliance was achieved for the majority of standards relating to Property and Evidence. SPD should consider revisiting requirements in Standard 35.02M regarding level of detail recorded in the electronic chain of custody. Further, physical security for designated property storage spaces should be enhanced in order to ensure full compliance with Standards 36.03M regarding secured areas for all property, and 36.04M regarding controlled entry to all property areas.
- **SPD Internal General Order 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.

# 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	Physical Security	High	<p>Some aspects of physical security are ineffective to ensure the integrity of items placed in the custody of the Property and Evidence Unit.</p> <p>Internal Audit observed:</p> <ul style="list-style-type: none"> <li>- Two evidence storage rooms do not have biometric access readers on the doors. One of the rooms is key-coded and is accessible to all officers to store odorous safekeeping items; however, this room doubles as a storage space for flammable or hazardous evidence and, as such, should not be accessible to anyone except Property and Evidence Unit staff.</li> <li>- There are no alarms, even in the high security areas, of the new property storage vaults to provide an added layer of security or warn of intrusion.</li> <li>- The pass-through tray at the receiving counter will only accept items smaller than an average cellular phone; acceptance and release of all other items must be done by opening the secure door to the property storage area. There is no grate or lock to secure the counter window during closed hours.</li> <li>- There is no security camera to record the transfer of items or activity at the pass-through window and the public viewing area; management had previously indicated that all transfers of items would be recorded on tape.</li> <li>- The Commander of the Criminal Investigations Division has unescorted access to the property storage areas.</li> <li>- Staff has been assigned keys to the property storage areas which have the ability to override the biometric access reader. When a key is used on the door, the biometric access log does not reflect the identity of the individual entering the room.</li> </ul>	<p>Enhance physical security to increase protection to staff and prevent unauthorized access to property storage areas.</p> <p>Specifically, it is recommended that:</p> <ul style="list-style-type: none"> <li>- Biometric access readers be installed at all points of entry to property storage areas.</li> <li>- Alarms be installed in property storage areas, especially where high-security items are stored.</li> <li>- The pass-through tray at the receiving window be made larger and the window lockable so that it is usable prior to expiration of the warranty on the SPD headquarters building.</li> <li>- A security camera be installed in the public viewing area of the main property storage to capture all activity that occurs at the pass-through window and in the public viewing area.</li> <li>- The Commander of the Criminal Investigations Division be removed from the list of individuals with unescorted access to the property storage areas to avoid potential accusations of tampering and conflict of interest.</li> <li>- Property and Evidence Unit staff should be encouraged to enter the property storage areas utilizing the biometric access reader to ensure that their entry is captured on the electronic access log.</li> </ul>	X		<p>Looking into funding to install more biometric readers.</p> <p>Public not allowed access to Property floor. Contact made with public on 1st floor lobby. With biometric readers there is no need for an alarm system.</p> <p>Property &amp; Evidence received three bids to correct problem. <b>Internal Audit Comment: This refers to the pass-through tray.</b></p> <p>Property &amp; Evidence currently looking into funding to install security camera.</p> <p>Completed on 4/27/11. Captain McVay removed from system. <b>Internal Audit Comment: This refers to the biometric access; auditor confirmed on 5/16/11 that Commander had been removed from access list.</b></p> <p>Property &amp; Evidence doesn't use keys unless system malfunctions. No malfunctions to date. Property &amp; Evidence will use biometric access reader.</p>	5/23/11

Issue #	Subject	Priority	Observation	Recommendation	Concur	Do not concur	Management Response (black text) Internal Audit Comment (red text)	Committed Action Item Due Date
2	Organizational Structure	Medium	The Property and Evidence Unit is organizationally placed under the Criminal Investigations Unit; the Property Manager reports to the Criminal Investigations Division (CID) Commander.	To avoid public perception of conflict of interest and to ensure the integrity of items collected, the property function should be independent of patrol and investigation personnel. Consider placing the Property and Evidence Unit under a different functional area, as indicated by International Association of Property and Evidence (IAPE) Standards.		X	Will consider moving Property & Evidence in future. Currently going through transition with move into new headquarters. The current assignment is consistent with accreditation standards.	N/A

## EXHIBIT A: INTERNAL AUDIT RECOMMENDATION PRIORITIES

## 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>
<b>High</b>	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
<b>Medium</b>	A potential for incurring moderate financial or equivalent non-financial losses exists. <sup>2</sup>	Within 60 days
<b>Routine</b>	Operation or administrative process will be improved.	60 days to 6 months

<sup>1</sup>

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.

<sup>2</sup>

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.

<sup>3</sup>

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.**