

**Date:** August 10, 2012  
**To:** Milton Dohoney, Jr., City Manager  
**From:** Lauren Sundararajan, CFE, Internal Audit Manager *LS*  
**Copies to:** James E. Craig, Police Chief  
Kenneth Glenn, Director of Citizen Complaint and Internal Audit  
**Subject:** **Police Evidence and Property Management Audit**

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Attached is the Police Evidence and Property Management Audit report. This performance audit examined and evaluated the internal controls in place for the Court Property Unit (CPU). We have completed the report in accordance with Internal Audit's (IA) Fiscal Year 2012 Audit Work Plan.

During the course of the audit IA was informed by the Cincinnati Police Department (CPD) that the CPU may possibly be relocated within the next two years. All findings and recommendations in the report are based on the CPU currently located at 824 Broadway Street. CPD responded accordingly in section IV Police Department Response of the report, and when necessary stated that the audit recommendation will be explored and given priority upon move. Given the situation, IA understands it is not practical to implement all audit recommendations at the current CPU location.

We would like to thank CPD's management and staff for their assistance and cooperation during this audit. All of their valuable time and efforts are greatly appreciated.

If you need any further information please contact me.

Attachments

# Police Evidence and Property Management Audit

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August 2012



Lauren Sundararajan  
Internal Audit Manager

Austin Lubbers  
Senior Internal Auditor

## Table of Contents

Executive Summary	1
I. Introduction	2
Background	
Audit Selection	
Audit Objectives	
Audit Scope and Methodology	
Statement of Auditing Standards	
Commendations	
II. Audit Findings and Recommendations	4
III. Conclusion	8
IV. Police Department Response	9

## **Executive Summary**

Internal Audit (IA) performed an audit of the police property room of the Cincinnati Police Department (CPD). The audit objectives were to: determine if Court Property Unit (CPU) operations were efficient and effective, evaluate CPU internal controls, ensure property is sufficiently safeguarded, and evaluate CPU procedures to ensure they comply with best practices.

The CPU accomplishes its objectives and goals pertaining to the safeguarding of evidence and property with minimal deficiency. The recommendations in this report are intended to help strengthen the internal controls currently in place. The findings can be broken down into the following categories: policy-related, physical security, facility functionality, evidence retention, and independent inspections.

First, IA found that police procedures do not reflect recent organizational changes within the CPD. In addition, the CPU standard operating procedures do not align with best practices.

Next, several physical security enhancements are necessary. These include changing locks on entry doors with the departure of property room personnel, adding security for high-profile items such as firearms and narcotics, adding security cameras throughout the CPU, and retaining security footage for a longer period of time.

Facility upgrades are also needed for the CPU. The ventilation system of CPU evidence room does not adequately reduce odors and there is no auxiliary power source for the security cameras and the refrigeration units.

With regards to evidence retention, stored items are retained longer than necessary resulting in high inventory levels. The CPU does not regularly review old property to ensure retention is still needed.

Finally, enhanced independent oversight of the CPU by the Inspections Section is needed. These improvements include performing an annual physical inventory of all items in the CPU, performing shelf-to-system sampling, and supervising the packaging and sealing of boxes prior to firearms and narcotics destruction.

## **I. Introduction**

### **Background**

The Court Property Unit (CPU) is currently organized under the direction of the Administration Bureau of the City of Cincinnati Police Department (CPD). The CPD employs 1,021 sworn law enforcement officers and 119 civilian employees. The CPU is staffed with 1 sergeant, 3 police officers, and 2 civilians.

Each police district and unit has its own temporary holding area, with the CPU being the final destination for property that is retained. The CPU is responsible for the storage and safekeeping of 4 types of property: evidence (court property), personal property, confiscated property, and found property. There are over 100,000 items of property currently stored in the CPU and they receive about 25,000 new items each year.

### **Audit Selection**

The audit was conducted as an agenda item from the 2012 internal audit workplan.

### **Audit Objectives**

The audit objectives were to determine if CPU operations are efficient and effective, evaluate CPU internal controls, ensure property is sufficiently safeguarded, and evaluate CPU procedures to ensure they are in compliance with applicable best practices.

### **Audit Scope and Methodology**

The audit scope included all items currently stored in the district property rooms, the CPU, and the hazardous and bulk storage units located on the impound lot. The audit primarily focused on property submitted since 2010.

Audit methods include interviewing CPD personnel, generating data from CPU database records, examining CPD policies and procedures, researching police practices from other cities, researching best practices of professional organizations dedicated to policing, and interviewing finance department staff. To identify best practices pertaining to property room procedures, IA used the following resources:

*IACP National Law Enforcement Policy Center – Evidence Control Model Policy*. October 1996.

*International Association for Property and Evidence, Inc. Professional Standards* by Joseph Latta and Robert Giles. Revised March 29, 2010.

*Standards for Law Enforcement Agencies*. Commission on Accreditation for Law Enforcement Agencies. July 2006.

**Statement of Auditing Standards**

As required by Article II, Section 15 of the City Administrative Code, this audit was conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS), except for standard 3.96 pertaining to external peer review requirements and standard 3.76 pertaining to staff CPE requirements. These exceptions did not have a material effect on the audit. Audit fieldwork was performed between March and May of 2012.

**Commendations**

IA commends the CPD staff on their cooperation and forthrightness throughout the audit.

## II. Audit Findings and Recommendations

*Police procedures are not consistently followed.*

Police Procedure 12.710(A)(4) instructs the districts and units to “keep the unit property book in the unit property room.” IA found the Central Business Section’s (CBS) property book was kept outside of the property room. IA supports the procedure because following it will enhance the security of the property book.

### **Recommendation 1:**

The CBS should store the property book in the property room as instructed by the police procedure manual.

*Police procedures are not current.*

Since the new police chief’s arrival to the department last year, the CPD has undergone considerable organizational change. Police Procedure 12.710 has not been updated to reflect the current table of organization, including the elimination of the Central Vice Control Section (CVCS) and Narcotics units along with the creation of the Narcotics and Vice Unit and the Central Business Section. This procedure was last updated in 2005. In addition, Police Procedure 12.725 currently lists District 4 as the location of the blood-drying rooms. According to the CPD; however, the blood-drying units at the Criminal Investigations Section (CIS) are the only ones currently in use. This procedure was last updated in 2010. Effective and current policies and procedures are necessary to provide guidance for decision making.

### **Recommendation 2:**

Police Procedures 12.710 and 12.725 should be updated to better reflect the current operating practices of the department.

*CPU procedures do not restrict the entrance of outsiders.*

The International Association of Chiefs of Police (IACP) model policy states that a procedure should exist that specifies only property room employees and individuals authorized by the police chief may enter the property room. The CPU follows standard operating procedures (SOPs) issued by the CPD to guide routine operations. CPU SOP #3.05(A) provides instruction on how to handle persons visiting the CPU, but does not specifically address who is permitted in the storage area.

### **Recommendation 3:**

The CPU SOP #3.05(A) should be updated to restrict outside visitors from entering the storage area, unless permission is granted by the police chief.

*Background checks are not completed on all CPU personnel.*

IA found other cities that perform background checks of property room personnel on an annual or biennial basis. Annual background checks performed by the CPD on CPU employees are only done on sworn officers, who comprise 4 of the 6 total FTEs. Background checks of all CPU

employees are necessary because employee behavior may change over time and put the CPU at risk of theft.

**Recommendation 4:**

Background checks should be completed annually or biennially for all CPU employees.

*Entry door locks have not been changed.*

IAPE standards state that locks and access codes to enter the property room should be changed with the transfer or departure from service of property room personnel. Through department interviews, IA found that CPU door locks have never been changed under the tenure of the current sergeant.

**Recommendation 5:**

The CPU entry door locks should be changed with the departure of any CPU employee. The CPU SOP should be updated to reflect the new practice.

*Narcotics and firearms are not kept in separate and secure storage areas.*

IAPE standards state that enhanced physical security is necessary for high-profile items, such as firearms and narcotics, by storing these items in secure areas that are separate from general property items. IA found that the CPU does not have separate and secure storage areas for narcotics and firearms. This is recommended because high-profile items provide the most temptation for employee theft.

**Recommendation 6:**

The CPU should install a secure storage area, separate from general property, for firearms and narcotics.

*Security cameras do not protect the property room as intended.*

IAPE standards state that the security cameras are needed on all doors leading into the storage area, the intake counters, and the high-profile property storage area. Currently the CPU has security cameras that are on the building entrances and do not provide surveillance for neither the property room interior nor the property room entrances.

In addition, the IAPE standards recommend retaining security footage for several years. Currently, the CPU footage is saved for 24 hours. While IA finds it impractical to retain security footage for several years, 24 hours is insufficient time to adequately react should security footage be needed. Security cameras are necessary to confirm property deposits and releases, and to protect the department against claims of mishandled property.

**Recommendation 7:**

Additional security cameras should be installed for entry doors, the intake counters, and within the recommended firearms and narcotics storage area of the CPU.

**Recommendation 8:**

Security footage should be retained at least 90 days.

*Proper ventilation is needed.*

According to IAPE standards, the storage facility should be properly ventilated to eliminate odors and fumes. During IA's visit to the property room, a strong odor was apparent. It is important that the CPU provide a safe working environment.

**Recommendation 9:**

Improvements should be made to the ventilation system of the CPU to reduce odors.

*Electronic equipment needs upgrades.*

In the event of a power failure, security cameras and evidence preservation equipment (i.e. refrigerator) would cease to work. IA found that there are no back-up power sources for such equipment. Continuous security and maintenance of evidence and property are critical to the operations of the CPU.

**Recommendation 10:**

An auxiliary power source should be utilized by the CPU.

*Stored items are retained longer than necessary.*

IAPE standards state that each item should be evaluated for possible disposal on an annual basis. The CPU evaluates property for disposal after 10 months of retention. Property not approved for disposal is retained, and are not evaluated annually for retention. During IA's audit sampling, IA found an item that was listed in the chain of custody as having been destroyed in 2004. This indicates that the CPU has not recently evaluated this item, and that they held this item too long. By potentially reducing the number of items stored in the CPU, the risk of property mismanagement will also decrease.

**Recommendation 11:**

The CPU should annually review all evidence to ensure retention is still required.

*No annual audit performed over the entire inventory.*

The IACP model policy states that a complete inventory of property should be done annually, and should be done by a commander outside of the unit. This has not been done during the tenure of the current property room sergeant. The CPU sergeant has, however, prompted an unscheduled inventory of all items in certain shelf locations to reduce the volume of items stored. Conducting inventories will help locate missing items, uncover misplaced items, and identify items that should have been disposed, such as the instance from the sample in the previous recommendation.

**Recommendation 12:**

An inventory of all property in the CPU should be done annually. This should be done by the Inspections Section, and can be efficiently accomplished by inventorying property throughout the year. Upon implementation, CPU SOP #3.15 should be updated to reflect the new practice.

*Quarterly inspection process can be improved.*

IA found other cities that perform shelf-to-system inventory audits of property as part of their inspection process. Shelf-to-system tests compare items which are physically stored on the property room shelves to the electronic filing system used by the CPU. The Inspections Section's quarterly audits only test system-to-shelf samples. Randomly testing shelf-to-system during the quarterly audits will ensure that items stored on the shelf are properly recorded in the system.

**Recommendation 13:**

During quarterly audits done by the Inspections Section, they should perform shelf-to-system testing in addition to their normal testing. Upon implementation, CPU SOP #3.15 should be updated to reflect the new practice.

*Destroyed items are not independently verified.*

According to the IAPE standards, narcotics and firearms pending destruction pose the highest risk for pilferage, therefore thorough documentation and verification of every step of the destruction process is needed to remove doubt and suspicion as to the property's disposal. During narcotic and firearm destruction, the Inspections Section does not verify actual contents of boxes. Rather, they witness the destruction and verify that all boxes and their contents are effectively destroyed. A control weakness exists in this process because all destruction items are packaged and sealed at the CPU by CPU employees prior to disposal. This provides for the opportunity to misappropriate property by falsely claiming the contents of the sealed packages.

**Recommendation 14:**

Inspections Section should, prior to narcotic and firearm destruction, supervise the packaging and sealing of boxes to verify the contents to be destroyed. Upon implementation, CPU SOP #3.85 should be updated to reflect the new practice.

### **III. Conclusion**

Overall, IA concludes that the CPU accomplishes its objectives and goals pertaining to the safeguarding of evidence and property with minimal deficiency. The nominal amount of recent citizen complaints of mishandled or stolen property, civil lawsuits against the CPD from mishandled or stolen property, and criminal cases lost due to corrupted evidence corroborate IA's conclusion that the CPU effectively achieves its mission. Therefore, the recommendations in this report are intended to help strengthen the internal controls currently in place.

#### **IV. Police Department Response**

Below is a summary of the Cincinnati Police Department's response submitted to IA. Any changes made by IA were to accommodate formatting and readability and do not materially effect the position taken by the department.

##### **Recommendation 1:**

The Central Business Section should store the property book in the property room as instructed by the police procedure manual.

##### **Department Response:**

Department agrees. On July 10, 2012, the Administrative Sergeant for the Central Business Section was notified to ensure the property book is stored in the property room.

##### **Recommendation 2:**

Police Procedures 12.710 and 12.725 should be updated to better reflect the current operating practices of the department.

##### **Department Response:**

Department agrees. Procedure 12.710 has been updated to reflect the current organizational table. Procedure 12.725 Blood Drying Facility: Processing of Evidence Exposed To Blood Borne Pathogens has been referred to the Planning Section for research and development.

##### **Recommendation 3:**

The CPU SOP #3.05(A) should be updated to restrict outside visitors from entering the storage area, unless permission is granted by the police chief.

##### **Department Response:**

Department agrees. Court Property Unit's SOP #3.05 will be updated to include the restriction of visitors from entering the storage area without permission first being granted by the police chief.

##### **Recommendation 4:**

Background checks should be completed annually or biennially for all CPU employees.

##### **Department Response:**

Department disagrees. The department has internal controls in place to accomplish the goal of this recommendation. While background checks are not annually completed on all employees, all employees are evaluated on a daily basis by the unit's supervisor for effectiveness and efficiency. Any deficiencies are noted in the form of an evaluation supplement log (ESL). The unit's supervisor is required to review each employee's ESL sheet on a quarterly basis and make note of said review and comment on the employee's effectiveness and efficiency. The section commander is also required to review the ESL log on a quarterly basis.

An annual driver's license check is completed on all employees. Sworn employees are subject to random drug testing and are given a high priority status. Under Administrative Regulation #52 civilian employees can be required to under take drug testing under a reasonable suspicion clause. Additionally, employees are mandated by the Department' Manual of Rules and

Regulations to comply with following provisions: 1.02 Members shall obey all laws and ordinances. 2.17 Members shall immediately report to their commanding officer any arrests or court actions instituted against them, except in civil matters arising outside the scope of their employment or minor traffic violations. 1.33 Members shall not undertake financial obligations which they know or should know they will be unable to meet, and shall pay all legally enforceable debts when due.

**Recommendation 5:**

The CPU entry door locks should be changed with the departure of any CPU employee. The CPU SOP should be updated to reflect the new practice.

**Department Response:**

Department agrees. Because the entry door locks have not been changed in 25 years and there have been several personnel changes, the entry door locks will be changed. The security level for the keys will be at or higher than the current signature card level. A CPU SOP will be developed to instruct the Evidence Property Section Commander to annually inspect employee's door entry key or card key. The CPU will be moving within the next two years. The CPU will be moving within the next two years. Upon moving, lock changes for the hiring of new CPU employees will be explored.

**Recommendation 6:**

The CPU should install a secure storage area, separate from general property, for firearms and narcotics.

**Department Response:**

Department agrees. The current facility is a secure facility. The outer walls are brick and the floor and ceiling are made of concrete. The windows have steel bars and the whole facility is six floors from the ground level. There are six total employees that have access to the facility during hours of operation. The entry doors are alarmed and monitored 24/7 with motion detectors monitoring the entry areas and the interior area. Given the impending move within the next two years, a separate secure area for narcotics and firearms will be explored and given priority.

**Recommendation 7:**

Additional security cameras should be installed for entry doors, the intake counters, and within the recommended firearms and narcotics storage area of the CPU.

**Department Response:**

Department agrees. Given the impending move within the next two years, security camera coverage will be a high priority when evaluating the essential needs of the new facility.

**Recommendation 8:**

Security footage should be retained at least 90 days.

**Department Response:**

Department agrees. Given the impending move within the next two years, security cameras' video retention will be assessed based on equipment limitations, and facility structure with a retention period to cover at least 90 days.

**Recommendation 9:**

Improvements should be made to the ventilation system of the CPU to reduce odors.

**Department Response:**

Department agrees. On December 12, 2008, a preliminary report from the National Institute for Occupational Safety and Health (NIOSH) regarding the health hazard evaluation (HHE) at the Cincinnati Police Department, Criminal Investigation Section. The Property Room was also included in the HHE. No specific hazard was identified. The odor from marijuana is a nuisance odor. Upon being assigned, all employees are questioned as to the tolerance to this odor. In order to reduce the odor a negative pressure ventilation system would have to be installed. Upon the pending move to a City owned facility, the negative pressure ventilation system will be given a high priority.

**Recommendation 10:**

An auxiliary power source should be utilized by the CPU.

**Department Response:**

Department partially agrees. The alarm system has a battery backup but the security cameras do not. The refrigerators and freezers will hold the temperature for a good period of time before the possible spoilage of property. The current location of the property room is on a priority power grid. The department will deploy a power backup for the security camera system.

**Recommendation 11:**

The CPU should annually review all evidence to ensure retention is still required.

**Department Response:**

Department disagrees. The CPU currently does enough to satisfy this recommendation. CPU annually reviews old evidence through the use of disposition orders. The disposition orders are sent out on a monthly basis. Approximately 3,000 disposition orders are distributed per month to the responsible officers with a request to evaluate the need to hold evidentiary property.

**Recommendation 12:**

An inventory of all property in the CPU should be done annually. This should be done by the Inspections Section, and can be efficiently accomplished by inventorying property throughout the year. Upon implementation, CPU SOP #3.15 should be updated to reflect the new practice.

**Department Response:**

Department agrees. The CPU is scheduled to be moved within the next two years, and all property will be inventoried as this relocation occurs. However, to annually inventory all property in the CPU would be labor intensive and would add further redundancy to audits and inspections currently occurring (including enhanced audits described in Recommendation 13). The Inspections Section conducts random audits, including deposits of money coming under CPU control. In addition, all drugs and guns scheduled for destruction are inventoried and audited when destroyed. If a claim against the CPU is made, an internal investigation is initiated. The deployment of surveillance cameras at a new location will add a level of security.

The auditor's report suggests this annual audit occur through a pro-rated process during each month of the year. With 100,000 items to audit each year, equating to over 8,500 pieces each month, approximately 425 items would need to be inventoried/audited each work day of each year. This rotating audit would equate to over \$125,000.00 in manpower hours. CPU asserts that accountability is achieved through current redundant processes and the benefit of an additional annual audit of all items does not outweigh the cost.

**Recommendation 13:**

During quarterly audits done by the Inspections Section, they should perform shelf-to-system testing in addition to their normal testing. Upon implementation, CPU SOP #3.15 should be updated to reflect the new practice.

**Department Response:**

Department agrees. Inspections Section will implement this recommendation during the quarterly audits.

**Recommendation 14:**

Inspections Section should, prior to narcotic and firearm destruction, supervise the packaging and sealing of boxes to verify the contents to be destroyed. Upon implementation, CPU SOP #3.85 should be updated to reflect the new practice.

**Department Response:**

Department agrees. Inspections Section will supervise the packaging and sealing of the "destroy" boxes, and CPU SOP #3.85 will be updated. The boxes are placed in a locked room where only Inspections Section personnel have access.