

FINAL AUDIT REPORT



**A Report to the  
City Commission**

**Mayor**  
Ed Braddy

**Mayor Pro-Tem**  
Craig E. Carter

**Commission Members**

Harvey M. Budd

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**Audit of Gainesville Police  
Department – Property and Evidence  
Section**

September 15, 2015

City of  
Gainesville Office  
of the City  
Auditor

Carlos L. Holt – City Auditor

**EXECUTIVE SUMMARY**

September 15, 2015

**Why We Did This Audit**

The audit was initiated based on the significance of risks associated with property and evidence, including firearms, drugs, and cash.

**What We Recommend**

The Gainesville Police Department should increase building security, modify procedures for re-screening staff, modify cash reporting procedures, retain annual inventory documents and cross train staff.

For more information on this or any of our reports, please visit:

[www.cityofgainesville.org/cityauditor.aspx](http://www.cityofgainesville.org/cityauditor.aspx)

# Gainesville Police Department – Audit of the Property and Evidence Section

**BACKGROUND**

The mission of the Gainesville Police Department (GPD) is to serve the Gainesville community and foster order, safety and freedom. The Property and Evidence Section (Section) is the central repository for all property and evidence seized through police operations. The Section is responsible for receiving, logging, protecting and disposing of all items entering its custody. Items received and maintained 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 Section is responsible for maintaining accurate inventory records and tracking the official chain of custody for each item, which is critical to proving the validity of evidence in trials. The Section maintains approximately 60,000 case reports using an automated Records Management System (RMS) with bar-coding to input and track all items. The ability to effectively receive, record, store, monitor, track, and dispose of property and evidence is critical to the mission of the GPD.

**OBJECTIVES AND SCOPE**

The objectives of the audit were to determine the following:

- Were controls and procedures in place sufficient to ensure that property and evidence items taken into custody were accurately received, identified, recorded, tracked, secured, and disposed of in accordance with applicable guidelines?
- Did policies and procedures related to property and evidence inventory conform to best practices and guidelines set forth by the Commission on Accreditation of Local Law Enforcement Agencies?
- Was there sufficient storage space?

The audit scope consisted of the period from October 1, 2012 through September 30, 2013.

**WHAT WE FOUND**

In general, internal controls over property and evidence inventory were adequate to ensure compliance with applicable standards. The RMS system used to track inventory is sufficient to ensure an accurate inventory. We noted internal controls pertaining to building security, cash handling and document retention should be strengthened. We also noted storage capacity needs attention.

## GOVERNANCE

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The primary location for property and evidence storage is the Main Evidence Room at the GPD Annex. The Property and Evidence Section is under the supervision of the Professional Standards and Support Services Bureau that reports to the Major. Two other storage locations, the Special Investigations Division (SID) and the Forensic Crime Unit are maintained separately and were not included in this audit.

## OBJECTIVES AND CONCLUSIONS

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1. *Were controls and procedures in place sufficient to ensure property and evidence were accurately received, identified, recorded, tracked, secured, and disposed of in accordance with applicable requirements?*

**Generally Yes.** In the majority of its individual functions, GPD is effective in management of its property and evidence. Our testing included tracing inventory items from the RMS listing to physical location, physical location to RMS inventory listing and reviewing documentation completeness for destroyed items without any instances of errors. However, we offer some improvements in GPD controls that could assist in enhancing effectiveness. Controls over periodic re-screening background checks, inventory worksheets, and cash controls require attention (see observations A through C). We also noted some needed improvements in building security (see observation D).

2. *Did policies and procedures related to property and evidence inventory conform to best practices and guidelines set forth by The Commission on Accreditation of Local Law Enforcement Agencies?*

**Yes.** The GPD was found to be in compliance with practices and guidelines set forth by the Commission for Florida Law Enforcement Accreditation in recent inspections including the most recent inspection report dated February 21, 2013. The GPD received a “Full Compliance” rating. No instances of non-compliance with those guidelines were noted during the engagement.

3. *Was there sufficient storage space in the Property and Evidence Room?*

**Generally No.** Lack of space in the property room poses a challenge (see observation E).

## AUDIT OBSERVATIONS

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The Committee of Sponsoring Organizations of the Treadway Commission, Internal Control – Integrated Framework, Control Environment component establishes a commitment to integrity and ethical values and recommends that management and the board of directors establish mechanisms to hold individuals accountable for performance of internal control responsibilities and implement corrective action as necessary. The audit observations listed are offered to help management fulfill their internal control responsibilities.

### ***Observation A: Re-Screening Background Checks Need Enhancement***

Gainesville Police Department currently conducts pre-employment background and financial investigations for individuals hired or transferred to work in the property and evidence room. However, no further updates or “re-screenings” are performed. Property and Evidence staff are charged with the security of and accountability for high profile items such as firearms, money and drugs that are crucial in criminal prosecutions. Gainesville Police Department must insure that individuals hired or transferred to

work in the property room have periodically undergone a thorough and complete background investigation, drug testing, financial checks and polygraph examination. The depth of the background investigation is equivalent of that which is conducted for the hiring of a new police officer.

*Risks:*

- Potential for fraud or misconduct
- Breach of system integrity increases the risk of civil and/or criminal actions against GPD and may impact the outcome of court cases

*Criteria:*

- IAPE Standard Section 1.2: Staffing – Background Checks
- The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Activities – Principle 10 (selects and develops control activities that contribute to the mitigation of risks)

*Recommendation for management of the Gainesville Police Department to:*

Develop procedures regarding periodic re-screening background checks, every two years at a minimum, for all Property and Evidence Section employees.

***Observation B: Inventory Count Documentation Needs to Be Retained***

Gainesville Police Department conducts an annual inventory of property and evidence items as part of the accreditation process. However, the original inventory worksheets documenting the methodology and items selected for testing are not retained once the final report is complete.

*Risks:*

- Inability to reconcile planning, timing and execution of procedural efforts to ensure the integrity of the final report

*Criteria:*

- IAPE Standards Section 4 – Documentation
- The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Activities – Principle 10 (selects and develops control activities that contribute to the mitigation of risks)

*Recommendation for management of the Gainesville Police Department to:*

Retain the annual property and evidence inventory sheets as documentation supporting the annual inventory process and report.

***Observation C: Cash Procedures Need Updating***

Procedures for the Section should be modified to provide guidance on preparing and processing the periodic cash reports submitted to Finance. In addition, the procedures should require that a level of cross-training occur between staff to mitigate risk and ensure consistent workflows.

*Risks:*

- Increased error rate
- Missed deadlines

*Criteria:*

- The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Activities – Principle 10 (selects and develops control activities that contribute to the mitigation of risks)

*Recommendation for management of the Gainesville Police Department to:*

Develop written procedures for preparing the periodic cash reports submitted to Finance and ensuring that cross training of staff occurs.

***Observation D: Physical Assets Require Security Upgrades***

Several concerns were noted and communicated during our audit process related to security, safety and health. The majority of recommendations have been addressed by GPD management. Replacement of the building's roof has been continually postponed over the last few years. The roof has leaked several times and has potential to damage evidence.

GPD adheres to security requirements placed on them by the Florida Department of Law Enforcement and the Federal Bureau of Investigation that provide for restricting the distribution of information related to security system plans. Due to the sensitive nature of security issues included in this audit report, which could detail vulnerabilities and weakness, the details of our observations were discussed with GPD management and remain confidential so as to not compromise security. The exemption is granted under Section 119.071(3)(a), Florida Statutes. As stated in the *Government in the Sunshine Manual, 2015 ed.*, on pages 132-133 information related to "security system information and plans" for "property owned by or leased to the state or any of its political subdivisions is confidential and exempt from disclosure." Exempt information includes "all records, information, photographs....recommendations, or consultations or portions thereof relating directly to or revealing the security systems....."

*Risks:*

- Theft, destruction or contamination of evidence
- Compromised court cases from improper management of evidence

*Criteria:*

- IAPE (International Association for Property and Evidence, Inc.) Standard 8.1 (Security Policy on access controls ensuring restricted areas are secure)
- IAPE Standard 5.1 (Facilities Standard that facilities provide levels of security that will deny unauthorized entry and provide a safe work environment)
- The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Activities – Principle 10 (selects and develops control activities that contribute to the mitigation of risks)

*Recommendation for management of the Gainesville Police Department to:*

Improve extra security measures as specified via non-public recommendations.

Note: Physical “improvements” to law enforcement facilities are permissible uses of Federal and State forfeiture funds.

***Observation E: Existing Inventory Levels and Room Capacity Issues Need Review***

Lack of space in the property and evidence room poses an immediate challenge. The Section is responsible for intake and management of thousands of items every year and typically receives more items than are disposed of. On-hand inventory as of May 2015 was nearly 60,000 case reports with each case consisting of multiple items. The storage area will begin to run out of space within the next few years.

Interviews confirmed that the storage area designated as long term storage is full. The majority of the items stored in this area are sexual battery cases and homicides. Evidence from homicide cases that went to trial must be kept through the length of sentencing, and evidence from unsolved homicides must be kept a minimum of 100 years. DNA storage requirements and laws are ever changing, resulting in fewer and fewer items being destroyed than in the past. Purging is not an effective way to control capacity. Long term solutions are needed.

*Risks:*

- Compromised court cases from improper management of evidence
- Breach of system integrity increases the risk of civil and/or criminal actions against GPD and may impact the outcome of court cases

*Criteria:*

- IAPE Standard Section 7.1: Storage: Long-Term
- The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (2013 Framework)*, Control Activities – Principle 10 (selects and develops control activities that contribute to the mitigation of risks)

*Recommendation for management of Gainesville Police Department to:*

- 1) Continue efforts to reduce inventory where possible, and
- 2) Develop a strategic plan for additional facilities to store property and evidence, using Federal and State forfeiture funds as permissible and available.

## **GOVERNMENT AUDITING STANDARDS COMPLIANCE**

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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, 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 observations and conclusions based on our audit objectives.

## **METHODOLOGY**

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To accomplish our audit objectives, we performed the following steps:

- Interviewed key personnel within Gainesville Police Department.
- Evaluated internal controls currently in place.
- Reviewed sample selections to determine the effectiveness of internal controls.
- Reviewed financial transactions.
- Considered risk of fraud, waste, and abuse.
- Considered information technology risks.

## **AUDIT TEAM**

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Carlos L. Holt, CPA, CFF, CIA, CGAP, CFE, City Auditor

Eileen M. Marzak, CPA, CFE, Assistant City Auditor



**INTER-OFFICE COMMUNICATION**

**DATE:** September 8, 2015  
**TO:** Carlos Holt, City Auditor  
**FROM:** Russ Blackburn, City Manager   
**SUBJECT:** Gainesville Police Department - Audit of Property and Evidence Section

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This is to acknowledge receipt of the Gainesville Police Department Audit of Property and Evidence Section Final Report. Your audit team was courteous and we appreciate your time and effort. Our responses to the audit findings are attached to this memorandum.

RB:hh

Office of the City Manager  
P.O. Box 490, Station 6  
Gainesville, FL 32627-0490  
(352) 334-5010 – (352) 334-3119-fax

## APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

We believe that operational management is in a unique position to best understand their operations and may be able to identify more innovative and effective approaches and we encourage them to do so when providing their response to our recommendations.

| Recommendation  | Concurrence and Corrective Action Plan | Proposed Completion Date |
|---|--|--------------------------|
| <i>Recommendations for management to:</i>   |  |                          |
| A. Develop procedures regarding periodic re-screening of background checks, every two years at a minimum, for all Property and Evidence Section employees.  | <b>Partially Agree</b>                 | <b>Oct/2015</b>          |
| <p><b>Corrective Action Plan:</b> Currently IAPE (International Association for Property and Evidence, Inc.) standards support pre-employment screenings only. The current pre-employment screenings done for all GPD Property and Evidence Personnel is in line with current IAPE standards. IAPE standards do not support periodic employment screenings. Furthermore, the CWA contract and Drug Free Work Place Agreement allow only for pre-employment testing, probable cause testing and random testing. With agreement from the CWA and current Property and Evidence employees, the employees will be added to the pool of candidates who are randomly drug tested which currently is comprised of all sworn personnel. All police employees are fingerprinted during their pre-employment screening and all of these fingerprints are retained in an electronic format with a direct connection to FDLE. In the event that any police employee is arrested in the state of Florida, the GPD Personnel Office is immediately alerted because of this fingerprint file. This ensures ongoing criminal history checks and is a system already in place.</p> <p>Currently police officers are not subjected to routine financial checks, drug screenings or polygraph tests. The opportunity for graft among police officers is greater than that of the Property and Evidence staff. This is because police encounter drugs, money and valuables prior to these items every having the documentation controls of the Property and Evidence room. Ergo, Property and Evidence staff should not be submitted to higher scrutiny that police officers. Additionally, GPD has limited resources with which to conduct more frequent checks of additional employees.</p> |  |                          |
| B. Retain the annual property and evidence inventory sheets as documentation supporting the annual inventory process and report.  | <b>Agree</b>                           | <b>Mar/2016</b>          |
| <p><b>Corrective Action Plan:</b> This can easily be accomplished with a revision of GPD General Order 84.1 and a subsequent retention of inventory files in the Accreditation office. Once the new Property and Evidence Supervisor is in place he/she will be tasked with coordinating with current staff to draft the revision.</p>  |  |                          |

## APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

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|--|-----------------|----------|
| C. Develop written procedures for preparing the periodic cash reports submitted to Finance and ensuring that cross training of staff occurs.   | Agree           | Mar/2016 |
| <p><b>Corrective Action Plan:</b> This can easily be accomplished with a revision of GPD General Order 84.1. Procedures are already in place and need to be formalized and documented. Once the new Property and Evidence Supervisor is in place he/she will be tasked with coordinating with current staff to draft the revision.</p>   |                 |          |
| D. Improve extra security measures as specified via non-public recommendation. Physical “improvements” to law enforcement facilities are permissible uses of Federal and State forfeiture funds.   | Partially Agree | Mar/2016 |
| <p><b>Corrective Action Plan:</b> At this time, GPD has authorized the release of additional general funds needed to supplement the cost of a roof replacement. We are in complete agreement that this project should not have been deferred and must be addressed immediately. Coordination with City Facilities has begun to ensure the roof is replaced within the next few months.</p> <p>Note: The remainder of the security response has been redacted in accordance with Section 119.071(3)(a), Florida Statutes.</p>   |                 |          |
| E.<br>1. Continue efforts to reduce inventory where possible.  | Agree           | 2018     |
| <p><b>Corrective Action Plan:</b> Storage space is a challenge and different options are being explored. We currently have control of an offsite long term storage facility that is only used for bicycles (located at 211 N Main St). It is possible that a portion of that building can receive enhanced climate controls and security controls satisfactory for long term homicide and sexual battery evidence. An additional consideration is to request a capital expenditure approval from the City Commission to build an extension to the current Property and Evidence building. Within the next 2-3 years we also plan on adding a cost efficient outdoor structure for short term bicycle storage near the Property and Evidence building.</p> <p>It is unlikely that we can effectively reduce the inventory substantially. As police innovations occur and our local population increases, we collect more evidence and have to keep it longer. It would be nice to rid ourselves of older items of evidence, but this is generally unrealistic. We need to plan to expand our storage area and will implement this as budget allows.</p> |                 |          |
| 2. Develop a strategic plan for additional facilities to store property and evidence, using Federal and State forfeiture funds as permissible and available.   | Agree           | Dec 2016 |
| <p><b>Corrective Action Plan:</b> When a new Property and Evidence Supervisor is in place he/she will be tasked with researching alternative storage areas and the associated cost. A report will be submitted to GPD management and then City management for implementation.</p>  |                 |          |