



Office of Internal Audit

Evidence and Property Management Compliance Follow-up #2 (A2018-01F2)

April 2023

Internal Audit Director
Rose Rasmussen

Internal Auditor
Christina Zimmerman

OUR MISSION

Provide independent, objective assurance and consulting services designed to add value and improve the City of Fayetteville’s operations.

Internal Audit Director

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Date: April 27, 2023

To: Kemberle Braden, Chief of Police

From: Rose Rasmussen, Internal Audit Director

Cc: Audit Committee
Douglas J. Hewett, City Manager

Re: Evidence and Property Management Follow-up Audit #2 (A2018-01F2)
Originally Issued June 26, 2018
Follow-up Issued April 22, 2021

Based on direction from the Audit Committee, the Office of Internal Audit completed the second follow-up on the Evidence and Property Management Audit Report approved by the Audit Committee on April 22, 2021 (originally approved on June 26, 2018).

Objective and Scope

Determine whether management implemented corrective actions to the audit recommendations reported by the Office of Internal Audit.

The scope of the audit follow-up was limited to 20 recommendations still in progress for implementation or not tested during the last follow-up due to COVID-19 precautions. This included observations, interviews with personnel and review of documents and electronic files, to include property and evidence received or disposed of by the Property Room from July 1, 2021 to December 31, 2022.

Background

The original audit report, dated June 26, 2018, had 29 agreed upon recommendations. At the conclusion of the initial follow-up audit, dated April 22, 2021, Internal Audit determined the status of the recommendations to be the following:

Status of Recommendations:					
Implemented	Partially Implemented	Not Implemented	Unable to Implement	Not Agreed Upon	Unable to Determine
6	9	6	2	1	5

The original reports can be found through the Office of Internal Audit website at:
<https://www.fayettevillenc.gov/city-services/city-manager-s-office/internal-audit/internal-audit-reports>

Summary Results

Overall, substantial progress was made related to the audit recommendations with 7 of 20 recommendations fully implemented and 9 progressing toward full resolution. The Police Department updated Operating Procedure 6.2 General Property Management effective November 10, 2021 and Operating Procedure 6.8 Currency Handling Procedures effective August 8, 2022 to clarify personnel’s responsibilities and documentation requirements, remove outdated language and include required RMS description fields. In addition, Internal Audit noted improved documentation and retention of descriptions within RMS, stolen firearm checks and proof of entry into the Recovered Gun File. Furthermore, a review of sampled items determined the time between the items being seized and turned into the Property Room was an average of approximately 3 hours.

After Internal Audit’s review, the Department made additional updates to Operating Procedures 6.2 which included a tickler file process and establishing how debit, credit, gift or EBT cards and check or money orders should be stored and classified. The updated procedures were not final at the time of this report.

Internal Audit will continue to recommend the Police Department strengthen processes and controls in the following areas:

- For all audits and inventories a sample should be selected from all areas and types of property.
- Update Operating Procedure 6.4 FPD Property Receipt Guidelines to clarify when officers should provide property receipts and ensure the policy is followed.
- Provide refresher training on updated procedures.
- Establish a process to reconcile the currency amounts in RMS, the bank and Oracle HUB.
- Continue evaluating storage locations and seeking opportunities to make meaningful additions of security cameras.
- Require an independent witness to validate the destruction of drugs.
- Require quality reviews for court orders to ensure the destruction or disposal of all items has been approved by the appropriate authority.
- Develop a quality review process for the RMS Property and evidence Voucher Module to ensure all property and evidence has been submitted to the Property Room.
- Distribute auction proceeds to the Cumberland County Board of Education within 30 days after the sale as required by North Carolina General Statute.

Conclusion

The Office of Internal Audit has concluded the Evidence and Property Management follow-up and expresses appreciation for the efforts demonstrated by departmental management which resulted in a significant number of recommendations either being fully implemented or progressing toward full resolution.

Appendix A:

DEPARTMENT: Police

AUDIT: Evidence and Property Management Compliance Follow-up Audit

ORIGINALLY ISSUED: June 26, 2018

FIRST FOLLOW-UP ISSUED: April 22, 2021

The Office of Internal Audit has completed the follow-up #2 on the Police Department's Evidence and Property Management Compliance Audit Report approved by the Audit Committee on June 26, 2018. Internal Audit's objective was to determine whether management implemented corrective actions to the audit recommendations reported by the Office of Internal Audit.

Results (20)

<i>IMPLEMENTED</i>	<i>PARTIALLY IMPLEMENTED</i>	<i>NOT IMPLEMENTED</i>	<i>UNABLE TO IMPLEMENT</i>	<i>NOT AGREED UPON</i>	<i>UNABLE TO DETERMINE</i>
7	9	3	0	0	1

Finding #	Summary of Original Recommendation Dated June 26, 2018	Implementation Disposition:	
		Status as of February 26, 2021	Current Observations
<i>1. The Fayetteville Police Department was not always in compliance with applicable procedures and North Carolina General Statutes.</i>			
1.1	Ensure compliance with operating procedures, specifically confirming the <i>annual audit</i> includes all areas where property and evidence are maintained, to include the Forensic Evidence Unit storage lockers and drying room. (<i>Safeguarding</i>)	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>An annual audit of property and evidence was conducted in August/September 2020 by sampling only high risk items (jewelry, firearms, currency and narcotics) recorded in the Property and Evidence RMS module. However, the annual audit did not include a significant representative sampling of all property as required by operating procedures. Based on Internal Audit inquiry, the intent of the annual audit is for items maintained by the property and evidence unit and recorded within RMS. Therefore, this would exclude the temporary forensic areas. OP Chapter 6: Evidence, and the departmental operating procedures within the chapter that are associated with forensic evidence will need to be updated to reflect audit requirements for the temporary forensic areas.</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 still required a “significant representative sampling of all property to include high-risk”.</p> <p>Although, the annual audit conducted in May 2022 included the forensic shelves and areas where high risk items (jewelry, firearms, currency and narcotics) were maintained, the audit did not include all areas where property and evidence were maintained.</p> <p>Based on Internal Audit inquiry, there has been a turnover in staff and they will be directed to follow the policy.</p>

1.3	<p>Ensure compliance with operating procedures, to include confirming a special audit for ALL types of property and evidence is conducted when there is a transition of personnel in and out of the Property and Evidence Unit. (<i>Safeguarding</i>)</p>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Property and evidence items sampled in the special audit conducted in July 2019 were only high risk (jewelry, firearms, currency and narcotics). This observation is consistent with the original audit, all types of property and evidence were not included in the special audit as required by operating procedures.</p>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Operating Procedure 6.2 was updated to remove the requirement to include general property in the special audit. However, the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) standards state that the sample of general property “should be sufficient to ensure the integrity of the system and accountability of the property.”</p> <p>The special audit conducted in October 2022 was consistent with the last two observations made by Internal Audit and only included high-risk items (jewelry, firearms, currency and narcotics).</p> <p>Based on Internal Audit inquiry, the Department will update Operating Procedure 6.2 to include all property.</p>
1.4	<p>Ensure compliance with operating procedures, to include defining the circumstances when property receipts are required, the personnel responsible to maintain them and ensure they are issued accordingly. (<i>Compliance</i>)</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Operating procedures continue to remain inconsistent when a property receipt is required.</p> <p>Based on Internal Audit inquiry, meaningful movement towards amending operating procedures 6.02 had been performed but were not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 referred officers to Operating Procedure 6.4 FPD Property Receipt Guidelines. Although, Operating Procedure 6.4 was not updated, circumstances when property receipts were required and where they should be maintained were included.</p> <p>However, no property receipts were provided for the property sample selected.</p> <p>Receipts could be used to mitigate the Department’s risk which could arise over disputes about the items seized. Therefore, Internal Audit recommends the Department update Operating Procedure 6.4 and ensure officers follow the policy.</p> <p>After Internal Audit’s review the Department stated training for Operating Procedure 6.4 is being completed for staff.</p>

1.5	Combined under Finding #5.1		
1.6	Stolen firearm checks should be generated for ALL firearms to determine if they have been reported stolen, as required by operating procedures. (Compliance)	<p><i>UNABLE TO DETERMINE STATUS</i></p> <p>On-site fieldwork to review documentation was required to validate implementation related to this recommendation. Due to the COVID-19 restrictions, Internal Audit could not perform on-site fieldwork.</p> <p>Although Internal Audit was unable to validate implementation, the Department understands the importance of this recommendation. This procedure requires the Department to return the firearm to the rightful owner as soon as legally possible.</p>	<p><i>IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 still required the officer to run a stolen firearm check and attach a copy to the evidence voucher.</p> <p>Internal Audit tested a sample of firearms and determined the Department requested and maintained stolen firearm checks.</p>
1.7	Documentation should be maintained showing the firearm was entered in the Recovered Gun File, as required by operating procedures. (Compliance)	<p><i>UNABLE TO DETERMINE STATUS</i></p> <p>On-site fieldwork to review documentation was required to validate implementation related to this recommendation. Due to the COVID-19 restrictions, Internal Audit could not perform on-site fieldwork.</p> <p>Although Internal Audit was unable to validate implementation, the Department understands the importance of this recommendation. This procedure requires the Department to register qualified weapons with the State to allow for the return of the firearm to the rightful owner as soon as legally possible.</p>	<p><i>IMPLEMENTED</i></p> <p>When the owner of firearm was unknown, the updated Operating Procedure 6.2 still required the officer to have the firearm entered into the Recovered Gun File and attach a copy to the evidence voucher.</p> <p>Internal Audit tested a sample of firearms with unknown owners and determined the Department entered the firearms into the Recovered Gun file and maintained proper documentation.</p>

1.8	<p>Review the training given to officers/detectives on property and evidence processing, educate on the impact of property and evidence not processed correctly and provide refresher training to all applicable Department personnel. <i>(Compliance)</i></p>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Based on Internal Audit inquiry, training was not developed and provided to officers/detectives but will be required upon finalizing the operating procedures.</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>The current versions of Operating Procedure 6.2 and 6.4 were pushed to employees through PowerDMS, a policy management and training software. Internal Audit determined Department employees signed off showing they had read both policies.</p> <p>Based on Internal Audit inquiry, new officers were provided on-the-job training on property and evidence processing procedures by their Field Training Officers. However, refresher training was not provided for other Department personnel.</p>
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2. The data maintained within the Record Management System (RMS) was unreliable.

<p>2.1</p>	<p>Conduct a full and complete inventory of all currency to determine the amount being maintained in the Property and Evidence Unit, to include counterfeit and foreign currency, and update RMS records accordingly. <i>(Safeguarding)</i></p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Based on Internal Audit inquiry, significant efforts towards completing a 100% inventory of all currency had been performed by drafting a currency handling policy and establishing the necessary accounts for depositing all relevant currency into a financial institution instead of maintaining the currency in the Property and Evidence Unit.</p> <p>Once the currency handling policy is finalized, a full and complete currency inventory will be conducted when moving the currency into the financial institution.</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>The Department is in the process of transferring money to the bank. According to the Department, this time-consuming process takes approximately half a day to transfer a portion of funds each time and requires an appointment with the bank due to staffing. Working within these constraints, the Department has made significant progress and will continue to coordinate with the bank to transfer the remainder of the funds.</p> <p>Upon completion of transferring funds to the bank, the Department will have inventoried all the currency.</p> <p>Internal Audit reviewed several months of cash in the Department’s Record Management System (RMS), bank statements and the City’s financial reporting system (Oracle). A sample of discrepancies in amounts deposited at the bank compared to the amounts recorded in RMS were discussed with the Department. The Department provided North Carolina Department of Revenue receipts or notes in RMS for all but 5 of the deposits. These 5 deposits totaled \$13.20 more than what was in RMS.</p> <p>Internal Audit recommends management establish a process to reconcile the amounts in RMS to the amounts deposited in the bank with the amounts in Oracle. Any discrepancies noted should be entered into the RMS system immediately following the reconciliation.</p>
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2.2	Amend Operating Procedure 6.2 to provide clear guidance consisting of defining database fields and use of coding for all types of property and evidence in RMS; to include how debit, credit, gift or EBT cards and check or money orders should be classified and stored. <i>(Compliance)</i>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Although draft operating procedure 6.02 General Evidence and Property Management addresses the initial entry of all items should be accurate and identify required information, it did not address incomplete and inconsistent coding within RMS.</p> <p>Additionally, class code and category code were not required fields based on the draft policy.</p> <p>Based on Internal Audit inquiry, coding within RMS is extensive and not realistic to include within operating procedures. However, to ensure coding is consistent and complete the Department will develop and provide training upon completion of the updated operating procedure to enforce these expectations.</p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Operating Procedure 6.2 was updated with the information that should be entered in RMS.</p> <p>However, the updated procedures did not include how debit, credit, gift or EBT cards and check or money orders should be classified and stored.</p> <p>After Internal Audit’s review, the Department updated Operating Procedures 6.2 to clarify the classification and storage of these items. At the time of this report these updated procedures had not been finalized.</p>
2.3	Review the property and evidence items converted from Visionaire RMS to ONESolution RMS to determine if disposing is an option, and update missing and inconsistent information upon disposal. <i>(Information Systems RMS)</i>	<p style="text-align: center;"><i>UNABLE TO DETERMINE STATUS</i></p> <p>Based on Internal Audit review of reports provided, the Department did not dispose of items impacted from the Visionaire RMS conversion during January 1, 2020 to December 31, 2020.</p>	<p style="text-align: center;"><i>UNABLE TO DETERMINE STATUS</i></p> <p>Based on Internal Audit’s review of reports provided, the Department did not dispose of items impacted from the Visionaire RMS conversion during January 1, 2020 to December 31, 2020.</p>

3. Internal controls need strengthened		
3.2	Implement formal written procedures for software user account management to include developing a process to periodically review the access list and identify authorized users of RMS and specify access rights. <i>(Compliance)</i>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Based on Internal Audit inquiry, the Department does not have departmental procedures and follows the City's IT Access Control Policy #604.</p> <p>The City's policy applies to all City users with access to the City's IT Network, to include software. It also defines user access rights and requires documented approval for access to the CoF network.</p> <p>However, the City's policy does not provide a process for the Police Department to manage user access, specify user access rights and review access periodically to ensure only authorized users have access.</p>
		<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Based on Internal Audit inquiry, the Department did not have formal written procedures that address RMS account management.</p> <p>The Department should establish written departmental procedures to ensure employees only have the access necessary to do their job and access is periodically reviewed to ensure only authorized users have access.</p>

5. Procedures were not always clear and consistent with current processes.			
		<i>NOT IMPLEMENTED</i>	<i>IMPLEMENTED</i>
1.5, 5.1 and 5.2	<p>Ensure compliance with operating procedures, to include documenting complete and accurate descriptions of property and evidence and completing the database fields required within RMS. (1.5)</p> <p>Specific requirements should be listed in the operating procedures to ensure sufficient and consistent descriptions are documented for all property and evidence. (5.1)</p> <p>Clear realistic expectations of personnel’s responsibilities to ensure the accuracy of the description, type, and amount of property should be clarified in the operating procedures.(5.2) <i>(Compliance)</i></p>	<p style="text-align: center;"><i>NOT IMPLEMENTED</i></p> <p>Controls could not be updated within RMS to require complete descriptions. Based on Internal Audit review, property and evidence descriptions continued to be recorded in RMS inconsistently and were incomplete.</p> <p>Draft operating procedure 6.02 General Evidence and Property Management addresses that the initial entry of all items should be accurate and identify required information, to include a complete item description (color, make, model, and caliber if applicable).</p> <p>However, the draft operating procedure did not provide the user the understanding that items should be described in a manner that enables the reader to visualize the item without physically examining, to include ensuring the items could not be substituted.</p> <p>Based on Internal Audit inquiry, the Department will develop and provide training upon completion of the updated operating procedures, this training will enforce the expectations related to documenting property and evidence descriptions for completeness and consistency.</p>	<p style="text-align: center;"><i>IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 lists fields to include, if applicable, and now states that the descriptions “should be thorough, precise and in such a manner that the reader should be able to visualize the item without physically examining the item.”</p> <p>Internal Audit reviewed descriptions of property and evidence within RMS and determined the descriptions being entered had improved. The original audit reported 46% of the firearms did not have the make, model, serial number and caliber recorded. A review of fields completed for firearms after the policy update showed a reduction to 19%. The narcotics quantity field went from 6% incomplete to 1%. Although improvement was noted, the Department should continue educating employees on the importance of complete and consistent documenting within RMS and further improving in this area. A specific area of improvement is jewelry which should not include vague generic descriptions.</p> <p>In addition, Operating Procedure 6.2 was updated to provide clear realistic expectations of personnel’s responsibilities to ensure the accuracy of the description, type, and amount of property. The packaging used to contain the items may prohibit the Property Room staff from seeing the item being submitted, and the operating procedure now stated that Property Room staff ensure RMS entries are accurate to the best of their ability.</p>
5.2	Combined under Finding #5.1		

<p>5.3 and 5.4</p>	<p>Improve operating procedures by addressing how the weight of narcotic evidence is to be determined and the requirements for determining the weight if the narcotic evidence does not go to a laboratory.</p> <p>Update operating procedures on the process change of using laboratories other than SBI. <i>(Compliance)</i></p>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Draft operating procedure 6.02 General Evidence and Property Management was amended to add “final” and now reads “the <i>final</i> weight of all narcotic evidence sent to the SBI for analysis is to be determined by the SBI Laboratory chemist.”</p> <p>Based on Internal Audit inquiry, if the narcotic evidence is not sent to the SBI Laboratory the “count” required by the officer of all narcotics as outlined in the draft operating procedure will be used.</p> <p>Additionally, feedback from the Department acknowledged that only the SBI Laboratory is used for narcotics or determining the weight of narcotics.</p> <p>Although meaningful movement towards amending operating procedures related to this recommendation had been performed, the Department had not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;"><i>IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 required the submitting officer’s measurement or count to be the official weight of record if the items did not go to the SBI Laboratory or a third party lab.</p>
<p>5.4</p>	<p>Combined under Finding #5.3</p>		

5.5	Improve operating procedures by clarifying what types of property and evidence can be opened to include the persons allowed to open each specific type of property and evidence. <i>(Compliance)</i>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Draft operating procedure 6.02 General Evidence and Property Management was amended to read “packages of property/evidence shall only be opened by authorized persons and shall be documented by the investigating officer/case agent.”</p> <p>Although meaningful movement towards amending operating procedures to bring clarity related to this recommendation had been performed, they had not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;"><i>IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 stated that property and evidence should only be opened by authorized persons. The Department also provided Operating Procedures 6.3 Forensic Unit Evidence Management which included guidance on persons who could open evidence.</p>
5.6	Review and update operating procedures for areas impacted when ONESolution RMS was implemented. <i>(Compliance)</i>	<p style="text-align: center;"><i>PARTIALLY IMPLEMENTED</i></p> <p>Draft operating procedure 6.02 General Evidence and Property Management was amended to remove outdated forms no longer being utilized due to the implementation of ONESolution RMS.</p> <p>Although meaningful movement towards amending operating procedures by removing references to outdated forms had been performed, they had not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;"><i>IMPLEMENTED</i></p> <p>Updated Operating Procedure 6.2 included requirements for RMS entry and no longer referenced Evidence Cards.</p>

6. Potential safety concerns may exist in the Property and Evidence Unit			
6	Review and update the operating procedure as deemed applicable to ensure Department personnel understand the importance of the guidelines related to biohazard labeling and appropriate storage of food and liquid beverages. (Compliance)	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Draft operating procedure 6.02 General Evidence and Property Management was amended to provide clarity to “perishable items” and the circumstances that may require such storage.</p> <p>However, for items related to biological evidence the operating procedure referred the reader to operating procedure 6.7 Forensic Unit Evidence Collection procedures, management should ensure the draft operating procedure refers the reader to the applicable operating procedure related to biohazard labeling.</p> <p>Although meaningful movement towards amending operating procedures related to biohazard labeling and appropriate storage of perishable items had been performed, they had not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Updated Operating Procedures 6.2 provided clarity on storage of perishable items and why these items should be stored this way.</p> <p>However, for items related to biological evidence neither Operating Procedure 6.2 nor 6.7 addressed biohazard labeling.</p> <p>To ensure the proper storage and handling of property and evidence and for the protection of staff, specific guidance on biohazard labeling should be provided.</p> <p>After Internal Audit’s review, the Department updated Operating Procedure 6.2 to provide guidance on biohazard labeling. At the time of this report these updated procedures had not been finalized.</p>
7. Security over property and evidence could be improved			
7.2	Install and utilize working cameras to provide surveillance in all areas where property and evidence are stored. (Safeguarding)	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Internal Audit observed four working cameras within the property and evidence unit. However, the angles of the cameras did not capture areas being utilized to store property and evidence.</p> <p>Based on Internal Audit inquiry, the Department intends to enhance the use of the current cameras and expand the number of cameras for improved security controls within the property and evidence unit.</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>The Department added one additional camera since the previous audit. However, the cameras did not capture all areas being utilized to store property and evidence.</p> <p>Although the Department has improved security with the addition of cameras, Internal Audit recommends the Department continue evaluating storage locations and seeking opportunities to make meaningful additions of security cameras.</p>

8. Property and evidence was not always submitted to the Property and Evidence Unit timely			
8	Determine if delays in time between when the property and evidence was seized and turned over to the Property and Evidence Unit's custody appear reasonable and appropriate, and if appropriate, ensure the process is sufficient to safeguard the items and ensure the integrity of the chain of custody is maintained. (<i>Safeguarding</i>)	<i>UNABLE TO DETERMINE STATUS</i>	<i>IMPLEMENTED</i>
		On-site fieldwork to review documentation was required to validate implementation related to this recommendation. Due to the COVID-19 restrictions, Internal Audit could not perform on-site fieldwork.	Operating Procedure 6.2 stated under no circumstances should the officers hold any items beyond the end of their shift. Based on Internal Audit's review, the average time between when the sampled items were seized and turned into the Property Room was approximately 3 hours. No sampled items appeared to have been held beyond the end of the officer's shift.

9. Controls could be strengthened for the disposal of narcotic property and evidence.

<p>9</p>	<p>Incorporate IAPE Standards 9.6 through 9.8 related to the destruction of drugs in the processes utilized by the Department, to include updating written operating procedures based on the management approved process. (Compliance)</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Based on Internal Audit inquiry, the Department is unable to implement IAPE Standard 9.6 – Storage Pending Destruction due to lack of space. However, narcotics related to disposals remain secured and separated from active narcotic evidence.</p> <p>The draft operating procedure identifies witnesses and requires an accurate record of narcotic destruction as identified in IAPE 9.7 – Destruction Documentation and IAPE 9.8 – Destruction Method. However, the draft operating procedure only addresses the destruction of found property and not evidence related to narcotics.</p> <p>Additionally, an independent witness outside the property unit to validate that all items were destroyed is not required.</p> <p>Although the draft operating procedure states “an accurate record of the destruction” is required, it is recommended to expand the documentation requirements.</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>IAPE Standard 9.6 stated drugs pending destruction should always be stored in a designated area that has an enhanced level of security in the property room.</p> <p>Based on Internal Audit’s inspection, the Department created a staging location for narcotics evidence pending destruction which had the same enhanced level of security as other high risk items.</p> <p>IAPE Standard 9.7 required detailed documentation on the destruction of drugs to include personnel involved and an independent witness to validate the destruction. Updated Operating Procedure 6.2 included requirements for documentation on the destruction of all property and included specific guidance on the destruction of narcotics.</p> <p>Although the Department was executing disposals in compliance with updated Operating Procedure 6.2, Internal Audit recommends incorporating IAPE Standard 9.7 guidance on requiring an independent witness as an additional control.</p> <p>IAPE Standard 9.8 required all drugs destroyed and witnessed in a manner that will totally consume and prevent future use of the items.</p> <p>Updated Operating Procedure 6.2 required the drugs be incinerated.</p>
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10. Quality reviews were not conducted for the Property and Evidence Unit			
10	<p>All aspects of property and evidence should undergo a review process by a supervisor or higher to ensure accurate information is recorded during the intake process; items are securely stored; items are processed correctly for disposal; and issues can be addressed in a timely manner. <i>(Safeguarding)</i></p>	<p>UNABLE TO DETERMINE STATUS</p> <p>On-site fieldwork to ensure quality reviews were conducted and effective was required to validate implementation related to this recommendation. Due to the COVID-19 restrictions, Internal Audit could not perform on-site fieldwork.</p>	<p>NOT IMPLEMENTED</p> <p>Quality reviews aid in ensuring adequacy, accuracy, completeness and effectiveness. A quality review has the potential to catch mistakes and correct them before court orders are moved through the approval process and items are disposed of or destroyed.</p> <p>However, the Department did not have a formal quality review process in place for court orders. Instead, the Department accepts the District Attorney's approval and the signature from the Judge as assurance of accuracy.</p> <p>In addition, the Department did not have a formal quality review process to ensure the correct items were disposed or destroyed.</p> <p>Internal Audit recommends the Department implement a formal quality review process for court orders before they are submitted, and a subsequent review of the evidence pulled for disposal or destruction based on each court order.</p> <p>Furthermore, a quality review process for the Property and Evidence Voucher Module within RMS was not developed. The officer/detective inputs the property and evidence items into the Voucher Module. Once the items are submitted to the Property Room, the Evidence Technicians transfer the items from the Voucher Module into the Property and Evidence Module. Internal Audit requested a report of all items in the Voucher Module with an add date after July 1, 2021, and there were 29,316 items in the module with these parameters. This Voucher Module should be reviewed to ensure all items were submitted to the Property Room.</p>

11. Operating procedures for disposals lacked necessary internal controls, needed clarity to ensure compliance and required updating for consistency with the North Carolina General Statutes

<p>11.1 – 11.6</p>	<p>Create or amend operating procedures addressing matter related to disposals observed during the audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition. (Compliance)</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Although the draft operating procedures addressed several of the recommendation related to disposals, not all recommendations were identified in the draft operating procedure.</p> <p>It is suggested for management to review the recommendations and update the draft operating procedure before finalizing.</p> <p>Based on Internal Audit inquiry, meaningful movement towards amending operating procedures had been performed related to disposal of property but were not finalized and released to Department personnel for implementation.</p>	<p style="text-align: center;">PARTIALLY IMPLEMENTED</p> <p>Updated Operating Procedures 6.2 and 6.8 addressed part of the recommendations.</p> <p>To strengthen security around disposal and destruction of property, Internal Audit still recommends the Department update operating procedures to include: the process on obtaining proper authorization for final disposition; reconciliation of computerized data to paperwork for release and destruction, when applicable; the type of identification required for release to claimant and what documentation should be recorded for the identification verification; what should be documented showing the serial number was verified; guidelines for disposal of narcotics including packaging and preparation for disposal; and use of qualified/approved biological/biohazardous disposal vendors.</p> <p>In addition, none of the operating procedures provided stated that fingerprints should be maintained by the Forensic Unit or how to maintain the evidence.</p> <p>Furthermore, 7 out of 11 payments to the City from auction proceeds were not disbursed to the Cumberland County School Board within 30 days of the sale as required by North Carolina General Statutes.</p> <p>After Internal Audit’s review, the Department updated Operating Procedure 6.2 to include a process for a tickler system which will be reviewed during the monthly inspection to check on the status of evidence checked out of the Property Room. At the time of this report these updated procedures had not been finalized.</p>
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Appendix B:

DEPARTMENT: Police

AUDIT: Evidence and Property Management Compliance Follow-up Audit

ORIGINALLY ISSUED: June 26, 2018

FIRST FOLLOW-UP ISSUED: April 22, 2021

Internal Audit conducted no further work on these recommendations based on the status as of the April 22, 2021 Audit Report.

Results

<i>IMPLEMENTED</i>	<i>UNABLE TO IMPLEMENT</i>	<i>NOT AGREED UPON</i>
6	2	1

Finding #	Summary of Original Recommendation Dated June 26, 2018	Observation from the April 22, 2021 Audit Report	Implementation Disposition:		
			Initial Implementation Date	Reported Implementation Date	Status as of February 26, 2021
<i>1. The Fayetteville Police Department was not always in compliance with applicable procedures and North Carolina General Statutes.</i>					
1.2	Ensure compliance with operating procedures, to include confirming documentation representing management review of audits and inspections of the Property and Evidence Unit was being maintained to ensure management was aware of potential issues. (<i>Safeguarding</i>)	The annual audit of property and evidence dated September 9, 2020 was acknowledged by appropriate management on September 22, 2020. Additionally, the change of command evidence audit (special audit) dated July 29, 2019 was acknowledged by appropriate management on August 1, 2019.	<i>03/10/2019</i>	<i>01/23/2020</i>	<i>IMPLEMENTED</i>

2. The data maintained within the Record Management System (RMS) was unreliable.					
2.4	For all other items required to be maintained, determine if the costs of using resources to “clean up” the data in ONESolution RMS for property and evidence outweigh the risk of missing and inconsistent data. <i>(Information Systems RMS)</i>	The Department determined the costs to “clean up” the data would exceed \$100,000 and funding was not available. Due to the cost, no further action was taken to “clean up” the data.	03/10/2019	Not implemented (Due to Cost)	UNABLE TO IMPLEMENT
3. Internal controls need strengthened					
3.1	Consider having RMS Administration supervised by the Information Technology Department to alleviate the current conflict of interest and allow personnel to supervise this position with knowledge of the need for segregation of duties, access controls and security over RMS. <i>(Information Systems RMS)</i>	Management did not concur; therefore, the recommendation was not implemented.	Management did not concur	Management did not concur	DEPARTMENT DID NOT CONCUR

3.3	Determine if RMS can be updated to assign the PR# after the record has been saved. If not, determine if a process can be implemented which would allow approval and tracking when a record is canceled after the PR# has been assigned. <i>(Information Systems RMS)</i>	<p>Based on Internal Audit inquiry, the RMS software cannot be updated to ensure the control numbers (PR#) are consecutive and a full population exists. Therefore, the Department cannot rely upon the RMS software to accurately track and account for all property and evidence received.</p> <p>Additionally, a process to allow for tracking all PR#'s not identified within the RMS software would be time intensive and could not be relied upon for completeness.</p> <p>However, the Department acknowledged the importance of effective physical security controls to ensure property and evidence is accurately tracked. The Department currently has four cameras being utilized (see 7.2) and intends to enhance the use of the current cameras and expand the number of cameras for improved security controls within the property and evidence unit.</p>	<i>03/10/2019</i>	<i>10/24/2019</i>	<i>UNABLE TO IMPLEMENT</i>
4. Items were not located					
4.1	Continue to research the whereabouts of the two items missing and notify the courts and attorneys as deemed necessary. <i>(Safeguarding)</i>	After the original audit was presented to the Audit Committee on June 26, 2018, both items were located and provided to Internal Audit for review.	<i>03/10/2019</i>	<i>08/23/2018</i>	<i>IMPLEMENTED</i>

4.2	Procedures for notifying management, to include Police Attorney, should be established when property and evidence is designated missing. (Compliance)	Although formal procedures were not established, notification was made by a memo to management during the special audit conducted in July 2019. It is still recommended for management to formalize the process into written procedures.	03/10/2019	08/23/2018	IMPLEMENTED
4.3	Quarterly audits for high-risk items, cash, firearms, narcotics and jewelry, should be considered until steps can be taken to improve data integrity and reduce the inventory level of property and evidence through the disposal process. (Safeguarding)	Based on Internal Audit inquiry, the Department considered performing quarterly audits of high risk items. However, insufficient Departmental staffing levels prevented the quarterly audits from being conducted but the required audits during the year will be spaced in manner to provide bi-annual audits.	03/10/2019	01/23/2020	IMPLEMENTED
7. Security over property and evidence could be improved					
7.1	If currency continues to be maintained in Property and Evidence, consider maintaining the currency in fireproof safes. (Safeguarding)	Internal Audit confirmed through payment documentation that a fireproof safe was purchased for the storage of currency. Due to the COVID-19 restrictions, Internal Audit did not observe the safe but a picture of the safe was provided to validate the use for currency.	03/10/2019	01/23/2020	IMPLEMENTED

12. Property and evidence levels have been increasing and without improvements to facilitate evidence disposition; storage space will soon be depleted

12	Develop and implement a strategic plan to address the increasing levels of property and evidence. <i>(Safeguarding)</i>	<p>Based on Internal Audit inquiry, the Departments net intake of property and evidence continued to increase over the last 5 years. However, the average disposal rate improved.</p> <p>The Department expanded and reorganized the property and evidence unit. Additionally, the Department has been working to streamline the disposal process to reduce the levels but has encountered external challenges.</p>	<i>03/10/2019</i>	<i>01/23/2020</i>	<i>IMPLEMENTED</i>
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