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February 17, 2015

Michael Quill, Mayor
Members of the City Council
City of Auburn
24 South Street
Auburn, NY 13021

Report Number: S9-14-59

Dear Mr. Quill and Members of the City Council:

The Office of the State Comptroller works to help local government officials manage their resources efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support operations. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and governance. Audits also can identify strategies to reduce costs and to strengthen controls intended to safeguard assets.

In accordance with these goals, we conducted an audit of 10 municipalities (two counties, four cities, three towns and one village) throughout New York State. The objective of our audit was to determine if municipalities accounted for all property room inventory.¹ We included the City of Auburn (City) Police Department (Department) in this audit. Within the scope of this audit, we examined the procedures of the City and various property records for the period January 1, 2012 through October 17, 2013.² Following is a report of our audit of the City. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the New York State General Municipal Law.

This report of examination letter contains our findings and recommendations specific to the City. We discussed the findings and recommendations with City officials and considered their comments, which appear in Appendix A, in preparing this report. City officials indicated that they plan to initiate corrective action. Appendix B includes our comments on issues raised in the City's

¹ Property room inventory can include items the Department receives or seizes, such as criminal case evidence, found property, property for safekeeping from a decedent or prisoner, property no longer needed as evidence for investigation, contraband, property pending release and property confiscated for forfeiture proceedings.

² This includes property room items that were listed on the Department's current inventory or disposed of during the period January 1, 2012 through October 17, 2013.

response. At the completion of our audit of the 10 municipalities, we prepared a global report that summarizes the significant issues we identified at all the municipalities audited.

Summary of Findings

We found that the Department did not always account for property room inventory adequately due to inaccurate records.

Of the 559 high-risk property items held by the Department that we tested, 28 items (5 percent) were not in the correct location, and 10 of these items (2 percent) were unaccounted for (missing from inventory) with no documentation to indicate their disposition. The missing items were comprised of a baseball bat, biohazard bag, credit card, razor, blood swab, buccal swab used to collect DNA, television, washcloth, car parts and vials of blood.

The Department also did not maintain adequate documentation to support the disposal of items. Of 218 disposed items tested, 30 items (14 percent) did not contain proper documentation to support their final disposition. These included the following:

- Twenty-three items (12 BB guns, three bows, two knives, a sawed shotgun handle and barrel, drug paraphernalia and four other miscellaneous items) listed as destroyed did not have supporting documentation approving the items to be destroyed. One of these items (a metal smoking pipe) was marked as destroyed; however, it was still on-site.
- Seven items (including a camera, laptop computer, iPhone, shotgun, television, video gaming system and \$346.95) lacked adequate documentation that proper identification was reviewed as required by Department policy.

In addition, the Department could improve other control procedures to safeguard property room inventory. The Department granted administrative access rights to its computerized property tracking system (system) to two individuals, a member of the Information Technology Department and the identification officer, who also has access to the property room inventory and can add and delete case information. No one monitored user activity on the system. Further, Department officials indicated that a physical inventory is conducted annually and that the most recent inventory was completed in 2012. However, Department officials indicated that there is no documentation to indicate that an inventory was conducted; no copy of the inventory report or results of the inventory were maintained. Furthermore, there is no evidence that the inventory results were shared with Department officials.

Background and Methodology

The City has a population of approximately 28,000 and is governed by a four-member City Council and a Mayor. The City provides services to residents through municipal operations, including the Department. The Department's 2013 budgeted operating appropriations were \$6.0 million of the City's \$34.8 million general fund budget.

The City's Chief of Police (Chief) is responsible for the general management of the Department, which includes overseeing property room inventory. The Chief is assisted by an identification officer. In October 2013, the property room inventory contained about 6,200 items. The term "property room inventory" encompasses items in all locations used by the Department to hold and

store non-department property. This can include both on- and off-site areas such as storage sheds, garages and vehicle lots. Property includes seized items, found items or property held for safekeeping. For example, items include criminal case evidence, found property, property from a decedent or prisoner kept for safekeeping, property no longer needed as evidence for investigation, contraband, property pending release and property confiscated for forfeiture proceedings. Typical property found in the property room can include biohazard materials, drugs, firearms, jewelry, money, weapons, vehicles and other miscellaneous items. The Department should secure and maintain the integrity of police evidence and other property until disposition.

We interviewed Department staff and officials, examined physical inventory and disposal records, and reviewed monitoring procedures to determine whether Department staff accounted for all property. We also traced Department inventory and disposal reports to source documents and physical inventory, as appropriate, to ensure the accuracy of current inventory and disposals.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). Such standards require that we plan and conduct our audit to adequately assess those operations within our audit scope. Further, those standards require that we understand the management controls and those laws, rules and regulations that are relevant to the operations included in our scope. We believe that our audit provides a reasonable basis for the findings, conclusions and recommendations contained in this report. More information on such standards and the methodology used in performing this audit is included in Appendix C of this report.

Audit Results

Police departments should ensure that items held in the property room are properly accounted for by establishing good internal controls and maintaining accurate records. Good internal controls include written policies and detailed procedures that task designated personnel with executing specific actions consistently. Good property room management practices require documentation of when property came in, who checked it in, where it was located, when it was moved, where it was stored and by whom, when it was signed out, when it came back and how it was disposed of. Additional security measures in the property room may include the use of a safe, a chain to secure firearms and the installation of a floor-to-ceiling chain link fence. Lastly, police departments should conduct routine and unannounced inspections of the property room ensuring adherence to appropriate policies and procedures along with annual audits of the property room to compare physical inventory counts to the records of items maintained.

We found that, while the Department has established policy guidelines and procedures, they are deficient. For example, administrative access rights to the system were not granted based on job duties and responsibilities. In addition, no one in the Department monitored user activity on the system. The Department granted administrative access rights to its system to two individuals, a member of the Information Technology Department and the identification officer who also has access to the property room inventory and can add and delete case information. In addition, the Department's inventory records were inaccurate. Because of the deficient procedures and inaccurate records, the Department could not account for some items missing from its property room.

Property Evidence

The Department can hold property in the property room for extended periods. Officials should accurately track and record the movement of property items to safeguard them and preserve the chain of custody. Typically, an item is received in the property room; stored in location; moved to and from the laboratory, the court and for investigative review; and moved to disposal. Policy guidance should be established and implemented to protect items from the loss of evidentiary value by outlining methods of documenting³ and packaging items based on the needs and storage requirements of the laboratory used. Officials should also establish physical inventory procedures to identify missing or misplaced items.

The Department's established procedures have the officer receiving the property record information about it on an evidence submission form. Once the officer packages the evidence, the Department requires it to be placed in large, locked temporary-evidence lockers located onsite. The identification officer then removes the items from the temporary lockers, and enters information in the Department's computer tracking system. After logging the items, the identification officer places the item in a designated location in the property room.

The Department policy also provides guidelines for transfers to laboratories and other agencies. Specifically, the policy states that when evidence is transferred to another agency, the person accepting the evidence must sign for the property or provide the office with a signed receipt listing the property turned over, the date and time. In addition, the policy provides that evidence sent to the New York State Police Laboratory with a lab analysis form signed by the lab personnel may serve as a receipt for the property.

A deficient Department procedure resulted in the identification detective having access to items in the property room as well as administrative rights to the computer system such as the ability to add and delete cases, allowing for the potential to change the inventory records. An individual with access to both the property room and administrative rights to the computer system could create an opportunity for property to be misused, misplaced or stolen without detection.

We reviewed the list of currently stored property room items and judgmentally selected a sample of 559 high-risk items⁴ (71 firearms, 201 drug items, 44 money items and 243 other items⁵). We examined the computer records to determine whether the property was adequately described, intact and stored in the designated location. Of the 559 items tested, 28 (5 percent) were not accurately recorded, and of these, 10 items were unaccounted for (missing from their property room location) during our audit fieldwork. Specifically:

- Of the 71 firearms tested, one was not stored in the location indicated by inventory records. The identification officer was able to provided paperwork that indicated the return of the firearm to the owner.
- Of the 201 drug items tested, three items were not stored in the location indicated by inventory records. Adequate documentation was provided that these items were destroyed.

³ Each item should have an identifier (tracking number), which corresponds to item descriptions, the individuals involved in the case and the location/movement information necessary to track the chain of custody.

⁴ See Appendix C, Audit Methodology and Standards, for detail on our selection of test samples.

⁵ Other items include found items, vehicles, jewelry, electronics and biological items.

- Of the 44 money items tested, two items were not stored in the location indicated by inventory records; however, all were accounted for.
- Of the 243 other items reviewed, 10 could not be located including a baseball bat, biohazard bag, blood swab, credit card, razor, buccal swab used to collect DNA, television, washcloth, car parts and vials of blood.

Department officials attributed the inaccurate records to clerical errors. Further, Department officials indicated that a physical inventory is conducted annually and that the most recent inventory was completed in 2012. However, Department officials indicated that there is no documentation to indicate that an inventory was conducted; no copy of the inventory report or results of the inventory were maintained. Furthermore, there is no evidence that the inventory results were shared with Department officials.

Inadequate controls and inaccurate inventory records over items in the property room increase the risk that property could be misplaced, misused or stolen without timely detection.

Property Disposal

The disposition of property should be documented in written policies and procedures to guide the operation of item handling. Items returned to the owner, transferred or destroyed are all considered property room disposals. Recycling, burning or any other method to make an item unusable could be used to destroy an item properly. High profile items, such as drugs, firearms and money, require extra internal controls. The disposal of items should be documented with a clear trail in Department records. Further, good business practice requires that items should be removed from the property room after being held for the required length of time. If the Department has identified an owner or determined that the item has no evidentiary value, then it should be disposed of properly and promptly. It is in the Department's best interest to remove items from the property room as quickly as possible to free up space and remove the risk of theft or misuse. Records should indicate the details about the case, individuals involved, authorization for disposal, who destroyed the item (if it was destroyed), who witnessed the item being destroyed and other details required by the Department.

The Department has various procedures for disposing of property, depending on the type of item. For example, items returned to the owner require that the owner provide a signature and proof of identification for the Department's records. While the Department has these procedures in place for the disposal of property evidence, controls can be improved.

We reviewed a list of disposed inventory, totaling 691 items, and judgmentally selected a sample of 218 high-risk items, including money, biohazard items, drug items, firearms and electronics. These items were disposed of by being destroyed or returned to their owner. We reviewed the computer records to determine whether the items' disposal was documented adequately. Of the 218 items tested, 188 items (86 percent) were documented adequately. For example:

Destruction – Our test of 218 items included 62 firearms and 100 drug items. Two private vendors completed the destruction of firearms and drugs.

- Department policy requires prior approval must be received for firearms to be destroyed by sending a notification of firearms to be destroyed to the New York State Police. Upon

approval, the firearms to be destroyed are packaged, sealed and counted by three officers at the Department, who will accompany the guns to the destruction location. Once sealed at the Department, the packaged guns remained sealed and are dumped into the crucible for destruction. No receipt for the firearms destroyed is provided by the vendor. However, following the destruction, officers will complete a form along with a case report and will generate a disposal number for the case. Adequate supporting documentation, including case report information, was provided for all 62 firearms selected for our sample.

- The Department hires a vendor for drug destruction. The Department policy requires that drugs to be destroyed are selected and packaged after receiving a list of drugs that have been approved for destruction from the Sergeant. Three Department staff accompany the drugs to the vendor location for destruction. When the officers arrive at the facility, the vehicle with the drugs is weighed and then the drugs are dumped into an incinerator. The three officers witness the drugs being burned and a ticket is generated and given to the officers. Adequate supporting documentation was provided for all 100 drugs selected for our sample.

Returned to Owner – Of the 17 items reviewed, Department officials had adequate documentation for 10 items returned to their owners. The remaining seven items (including a camera, laptop computer, iPhone, shotgun, television, video gaming system and \$346.95) included a property receipt and signatures; however, they lacked adequate documentation that proper identification was reviewed as required by Department policy.

Miscellaneous Items to be Destroyed – Of the 23 items reviewed that were destroyed, no log or applicable supporting documentation exists.

Unclaimed Disposed and Narcotics to be Destroyed – Of the 16 items reviewed, all items were adequately documented.

Good policies and procedures for the acquisition, storage and disposition of property items promote efficient use of property room space for easier access and keep handling to a minimum. Conversely, poor procedures (including a lack of oversight and monitoring) and inaccurate records of the items stored in a property room increase the risk that property could potentially be unavailable for legal proceedings or that firearms, drugs and highly valuable items could be lost, stolen, misused or could pose a danger to public safety.

Recommendations

Department officials should:

1. Review and update property room policies and procedures annually.
2. Monitor the activity in the property room, including the assignment of physical inventory testing to an individual who does not retain item custody.
3. Conduct routine and unannounced inspections of the property room ensuring adherence to appropriate policies and procedures along with annual audits of the property room to compare physical inventory counts to the records of items maintained.

4. Assign software user access based on job duties and responsibilities. In addition, if the Department cannot appropriately segregate the duties of custody and recordkeeping, someone without physical access to the inventory items should monitor user activity and the changes made on the system.
5. Review and update the drug and firearm destruction policy to ensure that the identification officer prepares and retains detailed records identifying the items being destroyed. This documentation should include either the signature of the command level officer present during destruction or the signature of an independent third party who can attest to the destruction.
6. Continue to improve their inventory tracking and disposal process by clearly documenting property movement to provide an audit trail.

The City Council has the responsibility to initiate corrective action. A written corrective action plan (CAP) that addresses the findings and recommendations in this report should be prepared and forwarded to our office within 90 days, pursuant to Section 35 of General Municipal Law. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. The Board should make the CAP available for public review in the Clerk's office.

We thank the officials and staff of the City of Auburn for the courtesies and cooperation extended to our auditors during this audit.

Sincerely,

Gabriel F. Deyo

APPENDIX A

RESPONSE FROM CITY OFFICIALS

The City officials' response to this audit can be found on the following pages.

The response letter contains references to Appendices A through E. Because the response sufficiently explains the relevance of Appendices B, C and E, they are not included here.



CITY OF AUBURN

"History's Hometown"

Department of Police
Brian A. Neagle
Chief of Police

Gabriel F. Deyo
Deputy Comptroller
Division Of Local Government
And School Accountability
110 State Street
Albany, NY 12236

Dear Mr. Deyo,

This correspondence is in response to the audit draft regarding the Auburn Police Department dated July 10, 2014 (Report Number S9-14-59). After reviewing this draft numerous factual inaccuracies were apparent. In addition the department also questions why an inaccurate "draft report" was disseminated to city officials.

See
Note 1
Page 19

On page 2 paragraph 2 of the draft report it states "28 items (five percent) were not in the correct location". This statement is misleading. During field work the audit team worked with department personnel in the evidence rooms. During this time they requested items to be pulled from shelves for examination. These items were quickly located for the audit team. In some cases these items were found on the stated shelf but had been slid to another end of the same shelf. In other cases these items were found above or below the stated shelf. In all 28 cases the items were located in proximity to where they were listed. To simply say that the items "were not in the correct location" leads a person to believe that they could have been found anywhere, which was not the case.

See
Note 2
Page 19

On page 2 paragraph 2 it also states that "Of the 559 high-risk property items held by the Department that we tested, 28 items five percent were not in the correct location, and 10 items, or two percent, were unaccounted for (missing from inventory) with no documentation to indicated disposition." This statement is factually inaccurate.

See
Note 3
Page 19

The following items did have documentation to indicate final disposition. Item #1 (Sansui TV) had been listed as disposed. Item #4 (Key Bank Credit Card) had been listed as returned. Item #5 (Purple Razor) had been listed as disposed. Item #6 (Red Wash Cloth) had been listed as disposed. Item #7 (Blood Swab) had been listed as disposed. Item #8 (Buccal Swab) had been listed as disposed. This represents 0.7% not the 2% reported by the audit team.

See
Note 4
Page 19

On page 2 paragraph 3 the draft report states "of 218 disposed items tested, 31 items (14 percent) did not contain proper documentation to support its final disposition." This is factually inaccurate.

See
Note 5
Page 19

Page 1 of 4



In paragraph 4 of page 2 of the draft report, these 31 items are broken down. It states that 23 items did not have proper documentation. Documentation does exist. (see appendix A)

In this paragraph it also states that "one item, a metal smoking pipe, was still in the on-site despite being marked as destroyed found in the identification officer's office". This is factually inaccurate. This item was from a closed and disposed of case, it had been removed from inventory, was in a secure storage area waiting to be melted. This item was not found in the Identification Officer's office. This error was acknowledged by the audit team (see appendix B and E)

See
Notes 1 and 6
Page 19 and 20

On page 2 paragraph 5 the draft report states "Seven items (including a camera, I-Phones, laptop computer, money (\$365), a shotgun, television and video gaming system), listed as returned to owner could not be sufficiently traced back to the as being returned to owner as no signature of identification of the owner was on file." This statement is factually inaccurate. Every single one of these items had supporting documentation including signatures. All property was returned to the rightful owners. (See appendix C). In addition the audit team inaccurately reported the cash amount as \$365.00 when it was in fact \$346.95. The audit team attributed this to a clerical error. Also, department policy does not, nor should it, require photo identification for the return of property. Often, the people coming to claim property are known to officers due to the course of their duties.

See
Note 7
Page 20

See
Notes 1 and 8
Page 19 and 20

See
Note 9
Page 20

On page 2 paragraph 6 the draft report is critical of the departments control procedures and states "The department granted administrative access rights to its computerized property tracking system to two individuals, whom have access to property-room inventory. No one monitored user activity on the system."

See
Notes 1 and 10
Page 19 and 20

The department has one IT person who assigns rights to the system, one officer who is responsible for evidence/property management and one officer who is assigned as a back up in the absence of the primary officer. As a result of these limited resources it is not feasible to separate computer entry from physical access to the property and evidence. The second officer does not work simultaneously with the primary officer and this officer is used only in the primary officer's absence. The computerized evidence/property system in use does not have audit trail capability and can not produce audit trail reports. The draft report recommends that we should be using a feature that does not exist.

See
Note 11
Page 20

Page 2 paragraph 6 the draft report goes on to say that "the department has never performed a physical inventory." This statement is factually inaccurate.

See
Notes 1 and 12
Page 19 and 20



The department does perform physical inventories and has policy in place to ensure that the practice continues. See appendix D for a copy of the policy. These inventories are conducted with the assistance of police personnel who are not assigned to manage property and evidence. This ensures the integrity of the audit. This information was disseminated to the audit team during field work.

Page 3 paragraph 2 of the draft report states "In October 2013 the property room inventory contained about 1,600 items". This estimation is a gross understatement of the actual total of 6,270 items held in property and evidence on October 1, 2013. The draft report statement of 1,600 items is an error of about 392%. This error was acknowledged by the audit team as a clerical error. (see appendix B and E)

See
Notes 1 and 13
Page 19 and 21

Paragraph 2 continues and states "The department should secure and maintain the integrity of police evidence and other property until disposition." The department does exactly that. This is demonstrated by the drafts own findings that 100% of the guns, drugs and money items tested were accounted for until disposition (page 5 paragraph 6, page 6, paragraphs 1 and 2).

See
Note 14
Page 21

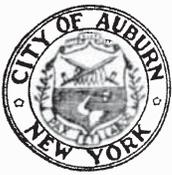
On page 3 paragraph 4 the draft provides recommendations regarding property room security. The department has 4 levels of lock access to property rooms with an additional level of access for money, guns, and drugs. Money is kept in safes and guns and drugs are kept in additional locked cabinets. The safes and cabinets which contain drugs and guns sit inside these already secured areas. Guns, drugs, and money are items which the department considers "high risk". In addition, refrigerated evidence is kept in locked refrigerators which are also kept inside these secured areas.

On page 3 paragraph 5 the draft report states that the department is deficient in procedures. The report states "For example, administrative access rights to the computer tracking system were not granted to officials based on their job duties and responsibilities." This statement is factually inaccurate. The department does in fact limit access to the computer tracking system only to essential personnel. Access to evidence/property computer programs and physical access to storage areas are not granted to personnel who are not responsible for property and evidence management.

See
Note 15
Page 21

In this same paragraph the draft report states "In addition, the Department's inventory records were inaccurate. Because of the deficient procedures and inaccurate records, the Department could not account for items missing from its property-room." This statement is misleading.

See
Note 16
Page 21



"History's Hometown"

CITY OF AUBURN

Department of Police
Brian A. Neagle
Chief of Police

The department was able to account for all but 4 of the 6,270 items held in inventory at the time of the audit. That is an accuracy rate of 99.94%. Of the 4 missing items, none were high risk and all were for cases that were closed and had been disposed. For active cases, the department had 100% accountability.

See
Note 3
Page 19

On page 6 paragraph 8 the draft report states "Of the 218 items tested, 187 items (86 percent) were documented adequately. This is factually inaccurate. On page 7 paragraph 4 the draft report states ""Returned to owner- Of the 17 items reviewed, Department official had adequate documentation for ten items returned to their owners while the remaining seven items did not have any signature of the owner". As previously stated all seven of these items had the owner signature on file. (See appendix C)

See
Note 7
Page 20

In paragraph 5 of page 7 the draft report states "Miscellaneous items to be destroyed- Of 23 items reviewed that were destroyed, no log or applicable supporting documentation exists." This statement is factually inaccurate. Supporting documentation for all 23 items exists in the form of computerized entries in the evidence tracking system. (See appendix A)

See
Note 17
Page 21

The departments position is that all 218 tested were accounted for and the draft reports calculation of 86% is inaccurate. The department, in fact, exhibited 100% accuracy for disposed inventory.

On page 7 paragraph 1 the draft report states "Two private vendors complete the destruction of firearms and drugs". This statement is misleading as it may make one believe that drug and gun items are left with a vender with no oversight by Auburn Police Department personnel during destruction. In fact the destruction process is supervised constantly by at least three members of the department.

See
Note 18
Page 21

The department thanks the staff of the Office of The State Comptroller for their cooperation and assistance with this audit process. The department looks forward to using input from the comptroller's office to facilitate improvements in operations of evidence and property management.

Sincerely,

Brian A. Neagle
Chief of Police
Auburn, NY Police Department
Auburn, NY

Page 4 of 4

APPENDIX A

Thanks again for the clarification.

[REDACTED]
Statewide & Regional Projects
Newburgh Regional Office
(845)567-0858 Fax (845) 567-0080

From: "Andy Skardinski" <askardinski@auburnpolice.net>
To: [REDACTED]
Date: [REDACTED]
Subject: Re: Destroyed Weapons

[REDACTED]

The list you sent me does not contain any firearms. Comp. # 09-2869 was a Mossberg shotgun box which had the serial number on it. It was packaging not any actual firearm.

Like I had previously stated to both yourself and [REDACTED], we do not keep logs on knives, BB guns, etc. which you have on the attached list. The only items we keep destruction logs on are narcotics and firearms. All other items are disposed and marked as same in the evidence index system.

If you need anything further feel free contact me.

-Andy

Andrew W. Skardinski
Identification Officer

Auburn Police Department
46 North Street
Auburn, NY 13021
Phone (315)255-4708
Fax (315)255-4709
askardinski@auburnpolice.net

From: [REDACTED]
To: askardinski@auburnpolice.net
Sent: Fri, 18 Oct 2013 10:19:06 -0500
Subject: Destroyed Weapons

Hi Andy,

The attached destroyed weapons do not have any destruction information (case number). Please send me the proper documentation regarding the destruction of those weapons. You can email or fax it to me.

Thanks.



Statewide & Regional Projects
Newburgh Regional Office
(845)567-0858 Fax (845) 567-0080

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Weapons destroyed

COMPLAI NTF#	INCIDENT DATE	EVIDENCE	FROM	DATE	STATUS
0605169	5/3/2006	KNIFE-3 1/2 BLADE W/WOODEN HANDLE	DISPOSED	12/11/2012	D
0607317	6/17/2006	KNIFE-BLACK HANDLE/HAMMER-WOODEN HANDLE CLAW TYPE	DISPOSED	9/25/2012	D
0611918	9/15/2006	12 REMINGTON ROUNDS, RAZOR, SCALE, SCALE, SANDWICH BAGS, FLACK J	DISPOSED	7/17/2012	D
0612843	10/6/2006	KNIFE-DALE EARNHART 3	DISPOSED	11/29/2012	D
0713475	10/7/2007	.22 CAL BULLET	DISPOSED	11/29/2012	D
0800010	1/1/2008	9 KNIFE WITH 4 1/2" BLADE	DISPOSED	9/26/2012	D
0900463	1/11/2009	FOUR .32CAL ROUNDS	DISPOSED	12/26/2012	D
0902869	3/6/2009	ONE MOSSBERG 12GA SHOTGUN BOX SER#T307745	DISPOSED	9/10/2012	D
0908882	7/6/2009	9 KNIFE	DISPOSED	9/25/2012	D
0908882	7/6/2009	3 KNIFE	DISPOSED	9/25/2012	D
0911256	8/15/2009	VARIOUS 12 GA. AMMUNITION	DISPOSED	12/28/2012	D
0911685	8/25/2009	KNIFE 7 OVERALL	DISPOSED	9/25/2012	D
1002933	2/28/2010	KNIFE WITH SHEATH	DISPOSED	9/25/2012	D
1004698	4/3/2010	KNIFE 4 BLADE	DISPOSED	9/25/2012	D
1013152	8/23/2010	MARKSMAN REPEATER BB PISTOL #01340264	DESTROYED	5/2/2012	D
1014903		ONE STINGER P32 BB PISTOL	DISPOSED	9/25/2012	D
1101365	1/29/2011	6 REMINGTON 12 GA. SHOTGUN SHELLS	DISPOSED	9/10/2012	D
1104376	3/26/2011	WINCHESTER SLUG CASING	DISPOSED	9/10/2012	D
1111622	7/27/2011	ONE AIRSOFT PISTOL - SIMULATED S&W CHIEF'S SPECIAL	DISPOSED	9/25/2012	D
1111884	7/31/2011	FOUR BLADES	DISPOSED	12/29/2012	D
1116158	10/15/2011	KNIFE WITH WOODEN HANDLE	DESTROYED	2/13/2012	D
1200649	1/15/2012	FOLD KNIFE	DISPOSED	3/5/2012	D
1303637	3/17/2013	ONE 6 FOLDING DAGGER	DISPOSED	8/1/2013	D
1304818	4/8/2013	KNIFE WITH 3 1/2 BLADE	DISPOSED	8/1/2013	D

(23)

APPENDIX D

- b. THE CAPTAIN OF DETECTIVES.
- c. THE CASE FILE WHICH DOCUMENTS THE ORIGINAL CUSTODIAL ACTION ON THE DRUGS.
3. PRIOR TO THE DESTRUCTION, ALL DRUGS WILL BE LOGGED OUT AND AN ENTRY MADE TO THE COMPUTER FILES.

F. DESTRUCTION OF WEAPONS

1. ALL WEAPONS THAT ARE DESIGNATED FOR DESTRUCTION WILL BE DISPOSED OF IN COMPLIANCE WITH THE NEW YORK STATE PENAL LAW SECTION 400.05.
2. THE EVIDENCE CUSTODIAN WILL FORWARD THE WEAPONS TO THE STATE POLICE AND OBTAIN A RECEIPT. HE SHALL ALSO MAKE A REPORT DOCUMENTING THE SUBMITTAL.
3. PRIOR TO DESTRUCTION, ALL WEAPONS WILL BE LOGGED OUT AND AN ENTRY MADE INTO THE COMPUTER.

G. RELEASE OF PROPERTY

1. IN ALL CASES WHERE PROPERTY IS TO BE RELEASED, THE OFFICER RETURNING THE PROPERTY SHOULD ASK THE PERSON TO WHOM THE PROPERTY IS TO BE RETURNED FOR PROPER IDENTIFICATION, PREFERABLY A PHOTO I.D. THE CLAIMANT WILL THEN PRINT AND SIGN THEIR NAME ON THE COMPUTER PRINTOUT RECEIPT AND ENTER THE DATE THE PROPERTY WAS RETURNED. THE RECEIPT WILL BE FORWARDED TO RECORDS. AND ENTRY INTO THE COMPUTER WILL BE MADE TO NOTE THE RETURN OF THE PROPERTY.
2. VICTIM: IF THE PERSON REQUESTING THE RELEASE OF THE PROPERTY IS A VICTIM OF A CRIME. THE EVIDENCE CUSTODIAN WILL CHECK THE CASE FILE TO DETERMINE IF AN ARREST WAS MADE.
 - a. IF AN ARREST WAS MADE, THE EVIDENCE CUSTODIAN WILL CONTACT THE DISTRICT ATTORNEY'S OFFICE TO ENSURE THAT THE CASE HAS BEEN DISPOSED OF PRIOR TO THE PROPERTY BEING RETURNED. IF NO DISPOSITION HAS BEEN MADE, THE PROPERTY MAY NOT BE RELEASED WITHOUT THE EXPRESS PERMISSION OF THE DISTRICT ATTORNEY'S OFFICE AND THE DEFENSE ATTORNEY.

APPENDIX B

OSC COMMENTS ON THE CITY'S RESPONSE

Note 1

A copy of the draft audit report was given to City officials to provide them the opportunity to review the report to ensure it is factually correct and to obtain feedback on any other concerns. Office of the State Comptroller (OSC) staff also met with City officials at an exit conference on August 4, 2014 to review the report and identify any needed changes. As a result of this exit conference, a revised draft was emailed to City officials on August 6, 2014 that took into account several of the concerns expressed by City officials. Despite being advised to respond to the revised draft audit report, City officials responded to the previous draft version of the report. Therefore, several of the items mentioned in the City's audit response letter had already been addressed and are reflected in this final report.

Note 2

The Department's inventory tracking system specifically lists the location in which items are stored in the evidence rooms. The OSC audit team traced the item to its stated location and if the item was not found there, it was recorded as 'not in the correct location.' If an item was found in a different location, it was noted as such and not counted as missing or unaccounted for. In addition, contrary to the City's assertion that all 28 items were located, we determined that 10 of these 28 items were unaccounted for or missing from inventory.

Note 3

Sufficient supporting documentation was not provided to properly support the disposition of the 10 items that were reported as unaccounted for or missing from inventory (i.e., a baseball bat, biohazard bag, blood swab, a credit card, television, razor, buccal swab, washcloth, car parts and vials of blood).

Note 4

Although the response letters asserts that six of the items had adequate documentation, this is not correct. Although missing, Department records showed these items as still held in inventory. In addition, the Department did not provide us with proper documentation to support the disposition of the items. Therefore, the 10 items were unaccounted for or missing from inventory.

Note 5

The disposed items referenced in the report did not contain proper documentation to support their final disposition. Specifically, the 23 items that were listed as destroyed had no supporting documentation approving the items to be destroyed and one item was marked as destroyed but was still on-site. Lastly, seven items listed as returned to owner lacked adequate documentation that proper identification was reviewed. The documentation provided as Appendix A in the City's response references 23 different items tested during fieldwork, not the items in question.

Note 6

The initial draft audit report was amended to reflect that the metal smoking pipe, although marked as destroyed, was found on-site rather than in the identification officer's office. The Appendixes provided by the City demonstrate OSC's agreement to make this change.

Note 7

The initial draft audit report was amended to reflect that documentation for these seven items included property receipts and signatures. However, documentation that Department personnel reviewed proper identification prior to releasing the items to owners, as required by the Department's policy, was lacking and is noted in the audit report. Appendix D of the City's audit response letter further illustrates that documentation of reviewing proper identification as required by the Department's policy is lacking.

Note 8

The initial draft audit report was amended to reflect the correct amount of \$346.95.

Note 9

According to the Department's Policy and Procedure Manual, "in all cases where property is to be released, the officer returning the property should ask the person to whom the property is to be returned for proper identification, preferably a photo I.D." Best practice would be to document that this was done as we found with one item tested. Appendix D of the City's response letter includes a copy of this policy.

Note 10

The initial draft audit report was amended to more clearly describe the staff who had administrative access rights.

Note 11

The term 'audit trail' refers to documentation supporting the step-by-step processes followed for any procedure and does not necessarily mean computerized records. The audit report recommends that Department officials continue to improve their inventory tracking and disposal process by clearly documenting property movement to provide an audit trail.

Note 12

The initial draft audit report was amended to state that Department officials indicated that a physical inventory is conducted annually and that the most recent inventory audit was completed in 2012. Department officials could not provide documentation (e.g., inventory report, results of inventory testing) to support the completion of a physical inventory in 2012. The City's audit response letter Appendix D provides a copy of the Department's policy for conducting annual audits but does not provide sufficient supporting documentation that the inventories are actually conducted.

Note 13

The initial draft audit report was amended to reflect the inventory figure of 6,270. Appendices B and E of the City's audit response letter supports that OSC was aware of the need to correct this number.

Note 14

Our audit found that the Department did not always account for property room inventory adequately. The audit report states that 28 items (5 percent) were not in the correct location, and 10 of these items (2 percent) were unaccounted for (missing from inventory). In addition, 14 percent of disposed items tested did not contain proper documentation.

Note 15

Our testing found that the identification detective who has access to the property room also has the ability to add and delete case information, thus increasing the risk that property inventory records can be manipulated and changed without being detected.

Note 16

The objective of our audit was to determine if municipalities accounted for all property room inventory. Our testing showed that inventory records were not accurate — 5 percent of items were not stored in the correct location, 2 percent of items were missing and 14 percent of disposed items tested did not contain proper documentation. However, we added clarifying language to the report to reflect that some, but not all, items were missing from the property room.

Note 17

The 23 items reviewed that were destroyed had no log or applicable supporting documentation to support the destruction. Appendix A of the City's audit response letter further supports our finding that logs are not maintained with the statement, "...we do not keep logs on knives, BB guns etc."

Note 18

The audit report was amended to provide additional details on the firearm and drug destruction process.

APPENDIX C

AUDIT METHODOLOGY AND STANDARDS

We interviewed Department personnel to determine if processes existed to account for all property room inventory, if property inventory records were up-to-date and accurate and if internal controls were in place to safeguard all money, firearms, drugs and high-value items in the property room.

We reviewed the Department's physical inventory records and disposal records as well as monitoring procedures. We also traced Department inventory and disposal reports to source documents and physical inventory, as appropriate, to ensure the accuracy of records related to current inventory and disposals. Our audit included the following steps:

- We conducted a walk-through of the Department's facilities to determine what controls were in place over inventory.
- We judgmentally selected a sample of 10 items from a property item list. Our selection was based on a random assortment of cases from various years. Each item was pulled from location to verify that it was present, that the seal was intact, that there were no apparent signs of tampering and that the property label on the item matched the Department records.
- We then judgmentally selected a sample of 10 items from the physical location. Our selection was based on a random selection of items from various locations. The items were pulled from location to verify that the seal was intact, that there were no apparent signs of tampering and that the property label on the item matched the Department records.
- We used the Department's inventory report to judgmentally select five categories to test from, comprising firearms, drugs, money, miscellaneous and biological evidence (i.e., fingerprints and blood evidence). We selected these categories because of the potential for higher risk of theft or misuse. Based on the volume of the evidence category, we tested the entire population, 10 percent of the population or a combination of percentage, availability and the risk and sensitivity factor. With the assistance of the identification officer, we tested physical inventory.
- For property room money, we conducted three tests:
 - We selected all bags of currency over \$500 and traced each bag from the current evidence inventory report to its location in the property room.
 - We then verified the amount of money in the bag for the sample selected to the amount listed on the report. An OSC examiner and the Department's identification officer conducted a physical inventory, going to each location to verify the item was in location and that the label information on the bag matched report information, and observing if the evidence bag seal was intact, noting the date on the seal and documenting any discrepancies.

- For a judgmentally selected sample of bags, Department employees unsealed the bags, counted the money inside and resealed the bag in the presence of OSC examiners. At the time of the count, all individuals had to be in agreement to proceed.
- We used the Department's disposal records to judgmentally select items disposed by the Department during our scope period and tested for compliance with Department policy.
- We selected a sample of Department incident reports prepared by officers at the time of collection and reviewed the narrative on the incident report to determine if the evidence noted as collected matched what was in the evidence bag.
- We also traced access rights to the Department's computer system and, for a selection of users, tested the ability of to add, edit and delete records.

We conducted this performance audit in accordance with GAGAS. 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 findings and conclusions based on our audit objectives.