

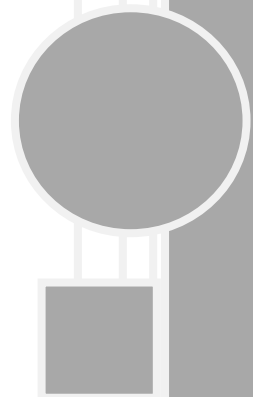


AUDIT REPORT

DALLAS COUNTY

2018 SHERIFF'S PROPERTY & EVIDENCE ROOM AUDIT

Darryl D. Thomas
Dallas County Auditor
ISSUED: March 18, 2019
RELEASED: June 03, 2019



2018 SHERIFF'S PROPERTY & EVIDENCE ROOM AUDIT

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This report is intended for the information and use of the agency/department. While we have reviewed internal controls and financial reports, this review will not necessarily disclose all matters of a material weakness. It is the responsibility of the department to establish and maintain effective internal control over compliance with the requirements of laws, regulations, and contracts applicable to the department



DALLAS COUNTY
COUNTY AUDITOR

MANAGEMENT LETTER

Honorable Marian Brown
Dallas County Sheriff
Dallas, Texas

Attached is the County Auditor's final report entitled "**2018 Sheriff's Property & Evidence Room Audit**" Report. In order to reduce paper usage, a hard copy will not be sent through in-house mail except to the auditee.

If you prefer that released reports be emailed to a different (or additional) recipient, please inform me of the name and the change will be made.

Respectfully,

A handwritten signature in blue ink that reads "Darryl D. Thomas". The signature is written in a cursive style.

Darryl D. Thomas
County Auditor

EXECUTIVE SUMMARY

The major responsibilities of the Sheriff's Property and Evidence Room is to receive all incoming property/evidence, to fully document it, to store it systematically, to preserve its condition, to maintain it securely, to lawfully release or dispose of it, and to maintain a complete chain of custody of the entire process that is sufficiently accurate and complete to satisfy any court requirements. The law enforcement agency should develop and use a Property Report that meets its needs for identifying the owner/finder/suspect/victim, describing the property, and tracking items to document the chain of custody. In August 2017, the Sheriff's Property and Evidence Room implemented the FileOnQ Computer Inventory System. As of December 3, 2018, we compared a listing from FileOnQ system to a list of all items within the predecessor inventory system, QTEL, and we determined that all items were migrated to FileOnQ. Internal Control weaknesses which need consideration by management are:

Summary of Significant Observations

Evidence records in FileOnQ system were not updated to reflect the physical location of items held as evidence

- 44 items held as evidence could not be located in the Property and Evidence Room.
- Evidence records were not updated in FileOnQ when items were moved to another room and/or item was released.
- 1,194 District Clerk evidence items still remain in the custody of the Sheriff Property and Evidence Room
- The party responsible for the disposition of the District Clerk items is not determined yet.

We inquired and observed Property and Evidence Room processes and controls and identified:

- Drugs and Counterfeit items pending destruction are not stored in a designated area (away from the active evidence) that has an enhanced level of security in the property room.
- Firearms owned by Dallas County are stored in the same room with firearms held in evidence.

Repeat observations from Previous Audits:

- 1,194 District Clerk evidence items in the custody of the Sheriff Property and Evidence Room.
- The party responsible for the disposition of items for the District Clerk is not determined yet.
- The Evidence and Property Room does not have an alarm system in place.
- Evidence records in FileOnQ system were not updated to reflect the physical location of items held as evidence.

INTRODUCTION

Dallas County Auditor's Office mission is to provide responsible, progressive leadership by accomplishing the following:

- Comply with applicable laws and regulations
- Safeguard and monitor the assets of the County utilizing sound fiscal policies
- Assess risk and establish and administer adequate internal controls
- Accurately record and report financial transactions of the County
- Ensure accurate and timely processing of amounts due to County employees and vendors
- Set an example of honesty, fairness and professionalism for Dallas County government
- Provide services with integrity
- Work in partnership with all departments to resolve all issues of the County
- Strive to utilize the latest efficient and effective technology in the performance of tasks
- Provide technical support and training in the development, implementation, and maintenance of information systems
- Hold ourselves accountable to the citizens of the County at all times
- Be responsive to the elected officials and department heads of Dallas County

The objectives of this audit are to:

1. Ensure compliance with statutory requirements
2. Evaluate internal controls
3. Verification of accuracy and completeness of reporting
4. Review controls over safeguarding of assets

A review was performed on the Sheriff Evidence and Property Room controls, records, and inventory reports from FileOnQ inventory system data as of December 3, 2018

The audit procedures will include interviews with key process owners, observation of transactions processing, data analysis and sample testing of transactions. The main system used will also be reviewed and incorporated as part of the testing of transactions.

DETAILS

Vouching Inventory for Existence

As of December 3, 2018, there were 16,889 barcoded items associated with 6,685 cases, packaged in a single container and stored within FileOnQ Inventory System (FileOnQ). Per inquiry with the Property and Evidence Room personnel the 648 items assigned to Room 200 were actually destroyed, but FileOnQ was not updated to reflect destruction. We vouched a sample of 1,853 items (669 cases) from FileOnQ for existence in the Property and Evidence Room and identified:

- 44 items held as evidence could not be located in the Property and Evidence Room.
- Two items were recorded to filing cabinet R00-109File in FileOnQ, but were actually located in filing cabinet HG 1D.

According to the International Association of Property and Evidence, Inc. (IAPE), an inventory should be routinely conducted and when a change in key-holding personnel or the Chief Executive Officer is made (IAPE Standard 15.1). Evidence held in the custody of a law enforcement agency should be stored in a manner that facilitates efficient use of space, permits quick retrieval, minimizes safety hazards, prevents cross-contamination and facilitates conducting an inventory (IAPE Standard 7.2). Computer software should provide the ability to track and manage the inventory of the Property Room, and maintain the chain of custody to ensure system integrity (IAPE Standard 4.2). As a best practice, inventory software should be consistently updated to document the current location of each item. Evidence records in FileOnQ were not updated to reflect the physical location of evidence. As a result, evidence could possibly be misplaced, misappropriated, or mistakenly destroyed. These risks may also affect the outcome of court cases.

Recommendation

Vouching Inventory for Existence

Management should adhere to the Dallas County Sheriff's Department's 2017 General Orders and Code of Conduct Manual and IAPE Standards by:

- Conducting periodic inventories of items held in the Property and Evidence room to ensure the existence of evidence and found property. High risk items such as guns, money, and drugs should be inventoried more often than other evidence categories.
- Timely updating FileOnQ as evidence is placed within the Property and Evidence Room, moved to other locations, or destroyed.
- Ensuring FileOnQ evidence records are accurate and complete to effectively track and manage inventories.
- Conducting routine site inspections of the Property and Evidence Room, led by management or unit commander, to timely manage: storage space capacity, usage, and efficiency; missing evidence; and training of Property Officers.

Management Action Plan

Following the reporting of the audit findings on March 6, 2019, a systematic secondary search for all items that were deemed missing/unaccounted for was conducted. As a result, Property Room Evidence Technicians were able to locate the disposition of each item listed as missing during the audit. A spreadsheet has been included with this correspondence showing the disposition of the missing/unaccounted for items identified during the audit. Updated standard operating procedure directives have been put into place requiring that whenever an item of property/evidence has been moved, the FileOnQ system shall be immediately updated to reveal the items new location. Updated directives also include procedures for periodic internal inventories and site inspections for the purpose of ensuring that all items are accounted for and to identify items that are missing or misplaced from their assigned location.

Property & Evidence personnel will receive annual training on current best practices regarding processes of handling, processing and storage of property/evidence as well as updates on the current FileOnQ Evidence Management System used by the Evidence Unit.

Auditors Response

None

Audit Observations

We inquired and observed Property and Evidence Room processes and controls and identified:

- Drugs pending destruction are stored in the same room with drugs held for evidence.
- Counterfeit items pending destruction are stored in the same room with items held for evidence.
- Firearms owned by Dallas County are stored in the same room with firearms held in evidence.
- The Evidence and Property Room does not have an alarm system in place.

According to the IAPE Standards, items such as firearms and drugs should be stored separately from general evidence items and those pending destruction, in a location with enhanced security. Firearm evidence should not be commingled with any other property types (IAPE Standard 11.4). Storage areas should be alarmed and monitored on a 24-hour basis. Separate rooms that contain high-profile items, such as firearms, drugs and money should be provided with enhanced security, including alarms (IAPE Standard 8.7). The Property and Evidence Room does not store and organize some evidence items consistent with the IAPE Standards. As a result, evidence may possibly be misplaced, overlooked, misappropriated, or mistakenly destroyed. These risks may also affect the outcome of court cases. The intrusion by unauthorized parties may go undetected without an alarm.

Recommendation

Audit Observations

Management should adhere to the Dallas County Sheriff's Department's 2017 General Orders and Code of Conduct Manual and IAPE Standards by:

- Storing active evidence separately from items pending destruction.
- Storing firearms, money, drugs, and high risk items in distinct storage locations with enhanced security.
- Not commingling department property with evidence.
- Updating the department's policy to separate Quartermaster and property management duties from evidence retention.
- Installing alarms that provide 24-hour monitoring of property and evidence, especially for firearms, money, drugs and high risk items.

Management Action Plan

We are currently working in conjunction with Dallas County Facilities and Sology Solutions to identify the best possible options for a monitored alarm system of all storage areas. The alarm would be monitored 24-hours a day in a communications center. A walkthrough of the main Property & Evidence Room was conducted with Sology Solutions to identify the specific areas and locations for the alarms. All counterfeit items have been disposed of. Current space limitations and the need for enhanced security of drug evidence prevent a complete room separation of active evidence and evidence set for destruction. Currently, separate shelving systems are utilized to separate the items to prevent commingling and cross contamination. A system of checks and balances are in place where all drug evidence set for destruction undergoes a complete audit prior to destruction to ensure that no active evidence is destroyed.

Auditors Response

None

Tracing Items to FileOnQ

We traced a sample of 350 sealed evidence items in the Property and Evidence Room to FileOnQ and identified:

- Five items held in evidence, on behalf of the District Clerk's Office, were not recorded in FileOnQ.
- Four District Clerk items were recorded to Room 200 in FileOnQ, but were located in Room 301E.
- One item was located in Room 503A, but was recorded as "Released" in FileOnQ.

According to the IAPE Standards, computer software should provide the ability to track and manage evidence and property inventories, and maintain the chain of custody to ensure system integrity. The software should provide standard and custom reports that allow the routine review of all items on a scheduled basis (IAPE Standard 4.2). As a best practice, inventory software should be consistently updated to document the current

location of each item. Per inquiry with personnel, the department has not posted all evidence held on behalf of the District Clerk into FileOnQ. Evidence records were not updated in FileOnQ when four evidence items were moved to another room and when one item was released. The FileOnQ inventory system has incomplete and incorrect evidence information which may result in the misappropriation of assets or loss of evidence.

Recommendation

Tracing Items to FileOnQ

Management should adhere to the Dallas County Sheriff's Department's 2017 General Orders and Code of Conduct Manual and IAPE Standards by:

- Timely updating FileOnQ as evidence is brought to the Property and Evidence Room, moved to other evidence rooms, released to parties, or destroyed.
- Conducting routine site inventories to ensuring FileOnQ evidence records are accurate and complete.

Management Action Plan

Current space limitations and the need for enhanced security of firearms prevent a complete room separation of departmental owned/issued firearms and firearms held for evidence. Currently, separate shelving systems are utilized to separate the items to prevent commingling. Recommendations have been made to assign and transfer the responsibility of safeguarding, storing and issuing all county issued firearms to the department's Quartermaster Section.

Auditors Response

None

Data Migration to FileOnQ

In August 2017, the Sheriff's Property and Evidence Room implemented the FileOnQ Inventory System. As of December 3, 2018 we compared a listing from FileOnQ to a list of all items within the predecessor inventory system, QTEL, and determined that all items were migrated to FileOnQ. From the FileOnQ listing, we identified 1,194 District Clerk evidence items still remain in the custody of the Sheriff Property and Evidence Room. According to the Code of Criminal procedures (C.C.P.) Art. 2.21 (b) At any time during or after a criminal proceeding, the court reporter shall release for safekeeping any firearm or contraband received as an exhibit in that proceeding to: (1) the sheriff; or (2) in a county with a population of 500,000 or more, the law enforcement agency that collected, seized, or took possession of the firearm or contraband or produced the firearm or contraband at the proceeding. (c) The sheriff or the law enforcement agency, as applicable, shall receive and hold the exhibits consisting of firearms or contraband and release them only to the person or persons authorized by the court in which such exhibits have been received or dispose of them as provided by Chapter 18 (C.C.P). The department has not contacted the District Clerk to determine the disposition of evidence. As a result, items may be kept past the retention period authorized by the state and unnecessarily take up space, be misplaced, or misappropriated when overlooked.

Recommendation

Inventory Testing

Management should work with the District Clerk to obtain a District Attorney opinion to determine the party responsible for the disposition of evidence from the District Clerk, currently in the custody of the Sheriff. The party responsible for these items should obtain the status of the associated case and make a decision to retain items consistent with state laws.

Management Action Plan

On April 26, 2019, Sheriff's Department Property Room supervisory personnel convened a meeting with the District Clerk and members of her administrative staff to discuss responsibility for disposition of the items being held. Both agencies pledged to work together to find a solution. The District Clerk's Office is working in conjunction with the Sheriff's Department to obtain Court dispositions on the items being held for safekeeping.

Auditors Response

None

cc: Darryl Martin, Commissioners Court Administrator