

Internal Audit Report



Aurora Police Department – Property and Evidence Audit





Contents

Auditor’s Opinion 4

Audit Profile 6

ISS.1 – Year-to-Date Disposal Difference..... 8

ISS.2 – Lack of Next Level of Management Communication 11

ISS.3 – Lack of IT Status Code Review..... 11

ISS.4 – No Security or Video Surveillance (D3)..... 15

ISS.5 – Multiple Storage Facilities..... 15

Appendix A – Additional Engagement Details..... 17

Appendix B – Property and Evidence Unit Culture 19

 The Culture: Background and Survey 19

 Our Analysis of the Survey Results 22

Appendix C – Survey Scores and Auditor Conclusions 32

Auditor's Opinion

June 1, 2021

Internal Audit has completed the Aurora Police Department – Property and Evidence Audit. We conducted this engagement as part of our 2021 Annual Audit Plan.

The audit objectives were to:

- Ensure compliance with CALEA Standard 84 – Property and Evidence Control.
 - An annual audit of property and evidence, in compliance with Appendix K, is conducted by a supervisor not routinely or directly connected with control of property and evidence.
- Ensure the reliability and integrity of internal controls that ensure the chain of custody for property and evidence is not broken.

Internal controls consist of all the measures taken by management to:

- Protect its resources against accidental loss, waste, fraud, and inefficiency;
- Ensure the completeness, accuracy, timeliness, and reliability of accounting and operating data
- Ensure compliance with federal, state, and local laws; regulations; and internal policies and procedures;
- Promote efficient and effective operations; and,
- Monitor the achievement of management's goals and objectives.

Internal Audit conducted the procedures for each engagement objective, as stated below. Internal Audit issued separate conclusions on each objective, as stated below.

Objective 1: Ensure compliance with CALEA Standard 84 – Property and Evidence Control.

- Internal Audit tested a sample of items from the inventory system and items held in storage. The testing ensured that items were properly submitted, documented, packaged, stored, moved, secured, purged, and disposed of in accordance with the prevailing standards, directives, policies, and procedures.

Per CALEA Standard 84.1.6, (t)he annual audit should be a significant representative sampling of property including high risk items (defined as money, precious metals, jewelry, firearms, and drugs.) CALEA standards (per newly issued guidance) require a two-tailed random sampling method to be applied to high risk items. If the agency has 100 or more high risk items, then the annual audit should review a representative sample of 100 risk items (Appendix K).

It is our opinion, based upon the results of our engagement procedures, that the City of Aurora Police Department Business Services Division – Property and Evidence Unit has complied with CALEA standard 84.1.6 and Appendix K.

Objective 2: Ensure the reliability and integrity of internal controls that ensure the chain of custody for property and evidence is not broken.

- Internal Audit obtained, reviewed, and evaluated CALEA Property and Evidence Standards, City of Aurora Police Policies and Procedure Directives and Manuals, and other materials related to best practices in property and evidence management.
- We documented the chain of custody process to ensure that sufficient internal controls are present to deter fraud, misuse, and abuse.
- We observed the state of the physical facilities and the practices of the property and evidence staff to ensure compliance with stated policies and procedures.

It is our opinion, based upon the results of our engagement procedures, that controls are operating effectively, ensuring the chain of custody for property and evidence is intact.

P&E continues to operate efficiently and effectively. The improvements to the facilities at headquarters and warehouse were completed during 2020, including the addition of the drug trailer. The Unit is still making progress toward having an incinerator in operation. Internal Audit remains impressed by the annual progress.

Wayne C. Sommer, CPA, CGMA
Internal Audit Manager

Audit Profile

Audit Team

Wayne Sommer, CPA, CGMA – Manager
Sheree Van Buren, CIA – Lead Auditor

Background

Internal Audit conducts this annual engagement to review controls that ensure the chain of custody is unbroken. It is a requirement for the Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation.

Scope

The scope of our work will cover January 1 - December 31, 2020.

Milestone Reports

Milestone 1 Entrance Conference Memo Letter
Milestone 2 Client Evaluation
Milestone 3 Process Controls and Efficiency
Milestone 4 Risks
Fieldwork

Issued Date

January 13, 2021
June 1, 2021
June 1, 2021
June 1, 2021
June 1, 2021



Milestone 2 Report
Aurora Police Department – Property and Evidence Unit

June 1, 2021

BACKGROUND

In Milestone 2, we gain a deeper understanding of the client's operating environment, and client issues that may affect the engagement objectives and influence subsequent engagement procedures. We accomplish this by reviewing policies and procedures, performance measures, statistics, and administering a culture survey.

PROCEDURES	CONCLUSIONS
<ul style="list-style-type: none">• <i>Review policies and procedures</i>	Based on our review of relevant policies and procedures, we have identified the following as potential areas on which to focus: <ul style="list-style-type: none">• Security and access• High value property• Check in/out procedures• Accuracy of data within Versadex and physical inventory items• Disposition of property and evidence
<ul style="list-style-type: none">• <i>Review performance measures</i>	Property and Evidence (P&E) have relevant performance measures in place. We developed a recommendation for the year-to-date disposal amount.
<ul style="list-style-type: none">• <i>Issue culture survey</i>	We believe there are areas where the Unit can build upon the current environment. The culture assessment follows this report in an appendix.

Internal Audit Recommendation

ISS.1 – Year-to-Date Disposal Difference

There is a difference between the yearend performance measure report of disposals and the Versadex P&E module report of disposals. The year to date disposal amount reported on the 12/31 monthly performance measure report does not reflect the Versadex amount.

The Property Custodian runs a monthly report from Versadex to obtain the number of monthly dispositions. That information is added to the prior month's information and reported for the month. During the audit and at our request, the Custodian ran a report for dispositions from January 1 through December 31. This report produced a different disposal number than the 12/31 monthly performance measure report.

The difference was due to the timing of the Versadex reports the Custodian runs. Those reports results at a specific point in time (monthly), the report we requested was for the entire year. Per discussion with the Custodian, there are times when property or evidence records are updated throughout the month to reflect current dispositions; some items are undisposed during the month, as staff discover the items, as items are returned to APD custody, and as additional items are disposed during the month.

As the system reflects the accurate status of the property or evidence items, the yearend performance measure report should reflect the Versadex yearend disposal amount.

Recommendation

We recommend that the yearend performance measure report reflect the Versadex year to date disposal amount that is reported to Management.

Management Response

It was determined regarding the end of year Performance Measure report, a YTD total items on hand would be pulled directly from the RMS. That same report would also reflect our YTD total after adding our monthly numbers reported.

Estimated Implementation Date: June 30, 2021

Issue Owner: Property Custodian

Issue Final Approver: Property Lieutenant



**Milestone 3 Report
Aurora Police Department Property and Evidence Unit**

June 1, 2021

Internal Controls

In Milestone 3, we determine whether appropriate process controls exist for key processes and whether processes are efficient. We accomplish this by flowcharting and performing walkthroughs of key processes, identifying missing controls, and process inefficiencies.

PROCEDURES	CONCLUSIONS
<ul style="list-style-type: none"> • <i>Flowchart key processes. Evaluate key processes for missing or weak internal controls; efficiency issues; and IT related issues.</i> • <i>We flowcharted and evaluated the processes related to the following activities:</i> <ul style="list-style-type: none"> • <i>Evidence drop-off</i> • <i>Intake and storage</i> • <i>Release and return to courts</i> • <i>Officer check in/out</i> • <i>Release to owner</i> • <i>Disposal and interdepartmental transfers</i> • <i>Inventory process</i> 	<p>Our review did not identify missing or weak internal controls or inefficient processes.</p>
<ul style="list-style-type: none"> • <i>Determine any impact on fieldwork procedures.</i> 	<p>There is no impact on the planned fieldwork procedures.</p>



**Milestone 4 Report
Aurora Police Department Property and Evidence Unit**

June 1, 2021

Risk

In Milestone 4, we assess the impact of identified risks on the engagement objectives, scope, and planned test work procedures. We accomplish this by discussing risk in critical areas with the client and comparing it to leading practices.

PROCEDURES	CONCLUSIONS
<ul style="list-style-type: none">• <i>Assess IT Risk</i>	No additional IT risks were identified.
<ul style="list-style-type: none">• <i>Assess Governance Risk</i>	There are formal procedures in place for the governance of the unit. The processes are comprehensive and operating effectively. We have included a recommendation for more Chain of Command meetings.
<ul style="list-style-type: none">• <i>Assess Fraud Risk</i>	We did not identify any additional fraud risks or general risks that would impact the planned audit objectives or fieldwork procedures.

Internal Audit Recommendation

Issue ISS.1 was included in the Milestone 2 Report.

ISS.2 – Lack of Next Level of Management Communication

The Property and Evidence Unit Lieutenant meets with the APD Business Services Manager a few times a year. These meetings do not include the Property Custodian, Property Supervisor, or staff.

During the Internal Audit governance assessment, we determined that there was an open line of communication from the Property and Evidence Unit up to the Division Chief, however, it was used only on an as-needed basis.

As evidenced in the culture survey results, staff and leadership perceive that there is little interaction between the Business Service Manager and the Unit. The Property Custodian and Supervisor desire regularly scheduled meetings with the Business Manager. Regularly scheduled meetings with the next level of management increases real time communication, aids in camaraderie, and makes it easier to discuss and resolve issues when they arise. These meetings are a useful tool for building, maintaining and strengthening relationships along the chain of command. It also provides a time for managers to offer informal feedback on a regular basis.

According to the *International Standards for the Professional Practice of Internal Audit*, an organization should have formal processes to communicate risk and control information to appropriate areas of the organization.

Recommendation

We recommend regularly scheduled meetings (at least quarterly) with the APD Business Manager that include the Property Custodian, Supervisor, and staff.

Management Response

A quarterly meeting to include the Unit head, Lieutenant and both Supervisors has been enacted for 2021.

Estimated Implementation Date: June 30, 2021

Issue Owner: Property Custodian

Issue Final Approver: APD Business Service Manager

ISS.3 – Lack of IT Status Code Review

When adding new status codes, IT does not have a practice of editing the 'SearchPropertybyTypeandLocation' query report coding to include the new code in the in-custody population report.

During our audit, seven of the Internal Audit property-storage-to-Versadex-system inventory selections were not included in the Information Technology (IT) developed 'SearchPropertybyTypeandLocation' query reports. (Five from the high-

risk population and two from the article/non-high-risk population.) This report details all on-hand inventory by property type, location, and date. The City Information and Technology Department (IT) developed various query reports to pull the population data from Versadex according to Property and Evidence requested specifications. IT created query reports to run the supplemental reports Versadex is incapable of running.

Internal Audit developed a similar finding and recommendation in 2019, however, based on 2021 IT discussions, it was determined that the exclusion of some property and evidence from the 'SearchPropertybyTypeandLocation' reports is a status code issue (in custody, seized, personal property, lost, stolen, etc.). When the Property Custodian requests a new status code for reporting purposes, IT will create the new code. The Custodian can perform Versadex research and run reports based on the requested status code. However, unless the status code is included in the IT coding of the population query, it will not be included in the 'SearchPropertybyTypeandLocation' report. What is missing in this process is IT rewriting the query coding to include the new status code.

Without all status codes represented in the 'SearchPropertybyTypeandLocation' query reports, the P&E Unit may be relying and making decisions on incomplete or inaccurate inventory reports. The information is accurate and current in the Versadex system; it is the report query that produces inaccurate results. There are various instances that the Unit uses the query reports in daily P&E activities. In addition, Internal Audit relies on these reports to choose our audit samples, the report's accuracy and completeness is important and integral to our ability to conduct the audit. Audit sampling risk increases if the data set is incomplete. Sampling risk is defined as, the risk that the internal auditor's conclusion based on a sample may be different from the conclusion if the entire population were subjected to the same audit procedure. (Reference: Institute of Internal Auditors Practice Advisory 2320-3: Audit Sampling)

The 'SearchPropertybyTypeandLocation' reports should pull all items under the specific property types regardless of status code (articles, guns, jewelry, securities, and drugs).

Using the current reporting coding, IT wrote a new query to include the property items affected by this status code issue. Firearms and ammunition have the greatest variety of status codes and were the items affected. As the items affected included high and non-high-risk property, Internal Audit performed an additional inventory on these items to gain assurance that the chain of custody was intact. There were no exceptions noted.

Recommendation

When the Property Custodian requests a new status code, we recommend IT rewrite and review the query report coding to ensure inclusion of the new code in all necessary reports.

Management Response

After coding research performed, the missing status codes were successfully added to the 'SearchPropertybyTypeandLocation' query report. Any time we add a new status code, we will revisit and rewrite the query code.

Estimated Implementation Date: June 30, 2021

Issue Owner: Senior Business Solutions Architect

Issue Final Approver: Property Lieutenant



**Fieldwork Report
Aurora Police Department – Property and Evidence
Audit**

June 1, 2021

Fieldwork

In Fieldwork, we obtain sufficient competent evidential matter to afford a reasonable basis for conclusions on the engagement objectives. We accomplish this by performing tests, data analysis, and any other means necessary.

Objectives	Conclusions
<ul style="list-style-type: none"> • <i>Ensure compliance with CALEA Standard 84 – Property and Evidence Control.</i> <ul style="list-style-type: none"> ○ <i>An annual audit of property and evidence, in compliance with Appendix K, is conducted by a supervisor not routinely or directly connected with control of property and evidence.</i> 	<p>Internal Audit identified two exceptions during the inventory procedures. However, based on CALEA Standard 84, this number of exceptions is acceptable, and we can conclude that the chain of custody is intact, and the Unit complies with the standard (see Appendix – <i>Sample Selection</i>).</p>
<ul style="list-style-type: none"> • <i>Ensure the reliability and integrity of internal controls that ensure the chain of custody for property and evidence is not broken.</i> 	<p>The controls in place at the Property and Evidence Unit appear to be operating effectively, ensuring the chain of custody for property and evidence remains intact.</p>

Internal Audit Recommendation

Issues 1-3 were included in Milestones 2 through 4.

ISS.4 – No Security or Video Surveillance (D3)

Internal Audit reviewed live camera footage with the P&E Lieutenant on February 16, 2021. The Lieutenant displayed footage from each camera at the property storage locations. During our review, we noted that the District 3 property intake cameras were not installed.

Security of property and evidence can be compromised when cameras are not installed in property intake areas. Video cameras can act as a deterrent to theft or inappropriate use or mishandling of property and evidence. If an incident occurs, video evidence could be useful in finding and apprehending the perpetrators. Without properly installed and functioning cameras, this evidence is unavailable.

Recommendation

We recommend the P&E Lieutenant work with APD Equipment and Facilities and Stone Security to properly install cameras in the District 3 property and evidence intake areas.

Management Response

Property Lieutenant has reached out to both Facilities and District 3 Command to begin the process of camera installation.

Estimated Implementation Date: June 30, 2021

Issue Owner: Property Custodian

Issue Final Approver: Property Lieutenant

ISS.5 – Multiple Storage Facilities

There has not been much progress on bringing the multiple P&E storage locations into one facility. Since the 2018 annual audit engagement, the Leadership Team has discussed with the Internal Audit the department's plan to build and relocate the P&E storage locations. Per discussion with Unit Lieutenant, the City set a budget for this project that is estimated to reach \$9M by 2023 when it is anticipated that the construction would commence. Per recent discussion with the Unit's Business Service Manager, the plans have not gone beyond occasional discussions.

While we remain impressed with how the Unit operates under current conditions in multiple locations, bringing all storage locations and P&E staff under one facility would increase P&E efficiency and as well as the effectiveness of property operations. It would also ensure that proper fire suppression systems are in place (the current warehouse is not equipped with fire suppression.)

Recommendation

We recommend the P&E Leadership Team and Business Services Manager work with Public Works and APD Management to develop a plan to consolidate the storage locations into one facility. The plan should have measurable goals and outcomes to ensure yearly progress and accountability.

Management Response

Management agrees with this recommendation.

Estimated Implementation Date: December 31, 2023

Issue Owner: Property Lieutenant

Issue Final Approver: APD Business Service Manager

Appendix A – Additional Engagement Details

In accordance with CALEA sampling standards, we employed a two-tailed random sampling method. Appendix K, "Sample Size Determination for Annual Property and Evidence Audits", states that "if the agency has 100 or more high-risk items, then the annual audit should review a representative sample of 100 high risk-items".

For 2020, the Property and Evidence Unit had 31,409 items classified as high-risk. Using our audit software, we randomly selected 120 high-risk and 30 non-high-risk items from Versadex (inventory system) for our test¹. During the testing, we selected an additional 120 high-risk and 30 non-high-risk items from Property and Evidence storage areas. This method led to Internal Audit testing a grand total of 240 high-risk and 60 non-high-risk items.

Although there is no CALEA requirement to audit non-high-risk inventory, Internal Audit includes an additional sample of non-high-risk articles as a part of our testwork to ensure that the chain of custody is intact regardless of property type. These items would not affect the Unit's appendix K compliance.

In the two-tailed test of high-risk items, a sampling error exceeding 4% would require a 100% inventory on all high-risk items and additional sampling of other items.

The two conditions we tested for were:

1. Items in the system are also physically in inventory; and,
2. Items on the inventory shelves are accurately reflected in the system, including data adjustments we discover as part of our test work.

For purposes of our test work, an exception was any item in our sample which could not be located on the inventory shelves within the fieldwork period or any item physically located on the inventory shelves but not accurately reflected in Versadex.

We pulled a sample of items for testing condition (1) above; while testing an item for condition (1) we randomly selected a corresponding physical item from the inventory location and traced it back into the system.

¹ As noted in Milestone 4, Internal Audit completed an additional inventory of guns and ammunition in response to the *Lack of IT Status Code Review* finding and recommendation.

2020 Inventory Data:

**Classified as high-risk items.

Item Type	Number of Items in Versadex
Articles	318,082
Securities**	3,081
Bikes	69
Alcohol	155
Miscellaneous	6
Jewelry**	2,238
Firearms**	2,781
Drugs**	<u>23,309</u>
Total Property	<u>349,721</u>
High-Risk Property**	<u>31,409</u>

Internal Audit identified two exceptions during the inventory procedures. However, the exceptions are below the acceptable sampling error rate, therefore, we conclude that:

- the chain of custody appears to be intact, and
- the Property and Evidence Unit appears to be in compliance with CALEA Standard 84.

Internal Audit provided Property and Evidence Management with recommendations relating to surveillance, query reporting, and improving the teamwork culture among Unit staff and Management.

Appendix B – Property and Evidence Unit Culture

In 2020 Internal Audit recommended the Property and Evidence (P&E) Leadership Team focus on communication, recognition efforts, increasing staff involvement, understanding staff’s personalities, and connecting to the overall mission of the City of Aurora to move the Unit toward a Participative system of management.²

Based on conversations with the Leadership Team, over the prior year, they have experienced a positive shift in the culture. They wanted a reassessment to confirm their perception.

Throughout the report, content borrowed from external research is in italics and, when in the body of the text, is indented and referenced in footnotes.

The Culture: Background and Survey

Corporate culture refers to the shared values, attitudes, standards, and beliefs that characterize members of an organization and define its nature.

Culture resides in the perception of employees. If employees believe the culture is x, y, or z, that's what it is, and they will act accordingly.³ What is typically called a "toxic culture" is most often a confused culture. Culture becomes confusing when different aspects of your organization communicate conflicting messages. For example, onboarding information for employees does not match guidance given in management training; or, leaders' behaviors do not match expected employee behaviors.

To assess the culture within a department or division, Internal Audit employs a survey based on Rensis Likert’s Four Systems of Management.⁴ (See graphic below.) We designed the questions to capture staff’s perceptions along a sliding scale about various aspects of department culture.

² Internal Audit modeled our survey after Rensis Likert’s Four Systems of Management. Likert studied people, group dynamics, values, and management styles, developing his theory on the systems of management. We discuss survey development further in the next section. <https://www.pocketbook.co.uk/blog/tag/likerts-four-management-systems/>

³ <https://iaonline.theiia.org/2019/Pages/Auditing-Culture-History-and-Principles.aspx>

⁴ <https://www.pocketbook.co.uk/blog/tag/likerts-four-management-systems/>; we also adapted the survey from work performed by the Commonwealth Centers for High-Performance Organizations (CCHPO).

The survey questions fall within the following categories and offer opportunities for elaboration.

- Leadership
- Motivation
- Teamwork
- Communication / Interaction
- Decision Making
- Goal Setting
- Control
- Team Work
- Motivational Factors
- Core 4 and Other Matters (These questions were not part of Likert's original work; some are from Gallup's Employee Engagement Survey.)

Likert advocated for the Participative management system. "*Participative management is based on trust and confidence in employees. Goals are determined collectively and form a basis for motivation and rewards. This fosters a collective sense of responsibility for meeting company goals and incentivizes collaborative teamwork and open communication.*"⁵ These attributes contribute to staff having positive attitudes and producing quality work.

⁵ Ibid.

The Four Systems of Management

Rensis Likert

Exploitative-Authoritative

The leader imposes decisions on subordinates and uses fear to achieve employee motivation.

Benevolent-Authoritative

The leader uses rewards to encourage productivity, but management is responsible for all decisions and there is no teamwork.

Consultative

The leader listens to subordinates and incorporates some employee ideas, but most subordinates do not feel responsible for the organization's goals.

Participative

The leader engages subordinates, solves problems with teamwork, and everyone feels responsible for achieving the organization's goals.

We issued the survey to 15 Property and Evidence employees—staff—and received nine complete responses, a completion rate of 60%. We would like to emphasize that the survey results and comments reflect the staff's perceptions. Throughout the report, where applicable, we identified the Leadership Team's perceptions⁶. The survey included opportunities for respondents to provide feedback or further explanations for their answers. When we identified more than one similar comment, we summarized them in relevant sections of our analysis below.

*Perception is not reality, but, admittedly, perception can become a person's reality (there is a difference) because perception has a potent influence on how we look at reality.*⁷ By identifying and addressing staff perceptions and misperceptions, leadership can take steps to establish a culture that can improve its effectiveness and increase employee satisfaction and engagement. Our analysis of the survey results follows. Appendix C includes complete survey scores and the Auditor's conclusions.

⁶ We received two of the three Leadership Team survey responses.

⁷ <https://www.psychologytoday.com/us/blog/the-power-prime/201908/perception-is-not-reality>

Our Analysis of the Survey Results

Internal Audit uses these terms throughout the report as defined below:

- Management: Property Lieutenant
- Leadership Team: Property Supervisor, Custodian, and Lieutenant
- Staff: All Property and Evidence Unit staff (inclusive of the Leadership Team)

Healthy organizations have several common cultural characteristics⁸.

- (1) *Positive tone at the top: Executive Management works to define the organization's values and proactively emphasizes and models those values, ensuring strategies are consistent with the values, and holding management accountable to executing their duties within the organization's risk appetite.*
- (2) *Clear communication: Management reinforces the values and culture through clear communication of expectations across the organization. Methods include formal communications, day-to-day interactions, and meetings with employees.*
- (3) *Open dialogue: Management actively gathers and listens to feedback. All levels are open to constructive criticism and problem solving. Methods for obtaining information from second- and third-line functions include inputs from well-received and acknowledged employee suggestion/question programs, ethics hotlines, open door policies, employee events and meetings, and more.*
- (4) *Employee engagement: All employees (to the extent possible) are engaged in objective setting and strategy discussions. In larger organizations this may be accomplished through two primary methods: input into setting their own personal goals and objectives; and understanding of how those individual goals and objectives align with the overall organization's strategy and objectives. When employees are engaged in objective setting it improves the probability that they are supportive of the objectives and strategies.*
- (5) *Incentives aligned with core values: All employees' compensation, variable compensation, promotions, and other talent management are governed by a clear understanding of the organization's core values and its risk appetite.*

These characteristics contribute to a positive and open culture. One that clearly defines the beliefs, values, and norms of the organization.

⁸ Auditing Culture Practice Guide, International Professional Practices Framework, The Institute of Internal Auditors Global, November 2019, page 5

Leadership

Survey questions in the Leadership section focused on staff's perceptions regarding management's confidence in their work and their comfort level in discussing job-related issues with management. It also included how often their ideas and opinions were sought and used by management.

There was an increase in the *leadership* section scores. The respondents perceive that the Leadership Team shows substantial but not complete confidence in their work and, usually seeks their ideas and tries to use them constructively. Staff is comfortable talking to the Leadership Team about issues related to their jobs.

The Leadership Team perceives that Management shows substantial but not complete confidence in their work, always seeks their ideas and tries to use them constructively. They also feel completely comfortable discussing any issues with Management.

Listed below are areas in which staff believe the Leadership Team performs well.

- Brainstorming ideas and working out different scenarios to find the best solution
- Having daily discussions involving property dispositions
- Improving processes to increase efficiency; establishing new disposal area at the Warehouse
- Solving problems, finding solutions, and implementing good changes for the Unit; always seeking changes for the better and providing training for staff

Staff also appreciates the Leadership Team's flexibility and understanding with staffs' personal lives.

Leadership⁹	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	9.12	8.42	9.55	1.13	13%

When asked to provide examples of where the Leadership Team can improve, a repeated response was delegation of responsibilities. The Leadership Team may take on day to day duties that could be assigned to Property Technicians.

⁹ The beige tables throughout the report show the year over year change for each section. The score and percentage changes are in comparison to the 2020 score.

Motivation & Motivational Factors

Motivation questions targeted methodologies for motivating and recognizing staff.

Scores improved in the *motivation* section. Staff perception is that rewards and some involvement in decision-making are the predominant methods used for motivation on the job. The Leadership Team is motivated by participation-based rewards and greater involvement in decision-making. Staff also continue to perceive that the Leadership Team bears responsibility for achieving department goals; however, staff should have a substantial portion of responsibility. The goal would be that the Leadership Team and staff share the responsibility for achieving department goals equally.

The principle of supportive relationships is a general principle which the members of an organization can use to guide their relationships with one another. The more fully this principle is applied throughout the organization, the greater will be the extent to which (1) the motivational forces arising from noneconomic motives of members and from their economic needs will be harmonious and compatible and (2) the motivational forces within each individual will result in cooperative behavior focused on achieving organizational goals.¹⁰

Recognition plays a central role in building supportive relationships. Beyond communicating appreciation and providing motivation to the recognized employee, the act of recognition also sends messages to other employees about what success looks like. In this way, recognition is both a tool for personal reward and an opportunity to reinforce the desired culture of the organization to other employees. The best managers promote a recognition-rich environment, with praise coming from every direction and everyone aware of how others like to receive appreciation.¹¹

People who are working toward a mutually agreed upon objective require less external motivation.¹²

When asked if they had been recognized or praised for good work during the last seven days, 67% of staff responded, "Yes," and 33% of staff responded, "No." While a slight increase from prior year, the Leadership Team and Management should continue to devise ways to increase more frequent recognition of all staff in the Unit.

P&E plays a significant role in ensuring the continuity of custody and the protection of property and evidence. Two-thirds of staff feel that the City's mission makes them feel their job is important. While an increase from the prior year survey, the

¹⁰ Ibid, page 47.

¹¹ Ibid.

¹² Auditing Culture Practice Guide, International Professional Practices Framework, The Institute of Internal Auditors Global, November 2019, page 5

Leadership Team will want to continue brainstorming ideas to promote the mission to staff consistently.

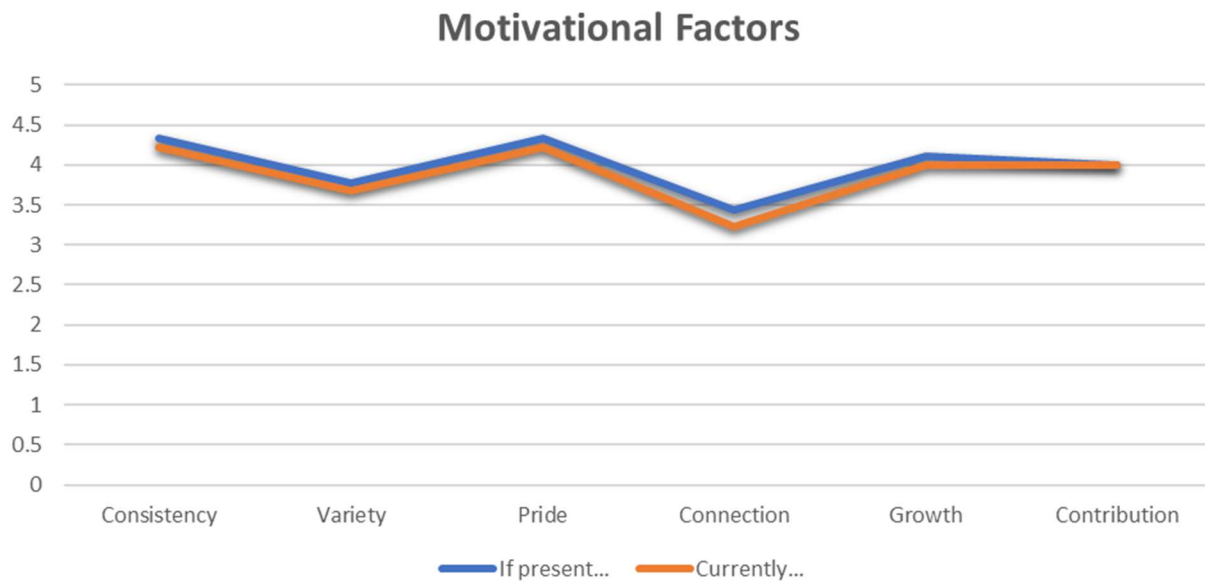
When asked what best motivates them in their job, the staff shared that being able to do their job well, being involved in problem solving, training new officers and property staff, seeing changes have a positive impact on their work, and accomplishing tasks that keep the Unit running. One staff commented that they are motivated when “asked to participate in discussions for procedures in the property unit. It makes me feel like a valued employee.”

Motivation	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	7.26	5.94	6.88	.94%	16%

Internal Audit introduced twelve new questions to identify motivational factors for P&E staff. Staff were asked to rate, “how much would these qualities motivate your work if they were present to a high degree” and “how much do these qualities motivate your work currently”. The below table shows the rating for each factor on a 1 (not a motivational factor for me at all) – 5 (high motivational factor for me) scale. The overwhelming response, was that each motivational factor is moderately motivating for staff.

Motivational Factor	If present...	Currently...	Difference
Consistency, as defined by clear vision and goals.	4.33	4.22	.11
Variety, defined as an opportunity to try new things.	3.78	3.67	.11
Pride, defined as an opportunity to show what I can do.	4.33	4.22	.11
Connection, defined as the ability to work with others in the City.	3.44	3.22	.22
Growth, defined as the ability to add new skills and experiences that expand me horizontally and vertically.	4.11	4.00	.11
Contribution, defined as the chance to be part of something bigger than myself.	4.00	4.00	.00

This table and chart below identify motivational areas that supervisors and managers can address to motivate staff. Management should pay attention to any factors where there is a significant (say, 10%) gap (difference) between *would motivate if present* and *currently motivates*.



According to the chart above, the Unit’s *would motivate* and *currently motivates* scores align very closely. The most noticeable gap relates to *connection*. As discussed later, the Leadership Team will want to find ways to increase teamwork efforts in the Unit.

Communication

Questions for this section focused on perceptions of cooperation within the Unit and between the Unit and other departments. They also addressed communication flow and quality, as well as the degree of interaction between staff and the Leadership Team, including the Business Services Manager.

Perceptions about communication and interaction can be gauges of the level of trust between staff and the Leadership Team. Staff perception improved, in that they provide accurate information to those above them whether it is good or bad. Staff perception is that information flows mostly from the top down and bottom up, which is also an improvement from prior years. Ideally, the information should flow freely from the top-down, from the bottom-up, horizontally across the Unit, and between the Unit and other departments. The Leadership Team perceives that information flows top down, bottom up, and between peers.

Staff perception also improved in that communication from the Leadership Team is generally accepted, but if not, openly and candidly questioned. Staff also perceive that those above them have a fair level of knowledge and understanding of their

problems. Staff perceive moderate genuine interactions, and some mutual trust shared between them and the Leadership Team.

Over the last year, the Unit implemented the peer program. Two technicians act as liaison between the Leadership Team and all technicians. Ideas and concerns are addressed more openly, and staff report more two-way communication.

Staff also report often interacting with the Unit Lieutenant and having little interaction with the Business Services Manager¹³.

Communication / Interaction	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	18.57	26.25	27.56	1.31	5%

Decision-making

We designed the decision-making questions to ascertain staff’s perceptions about how and where the Leadership Team makes decisions and the impact on department operations.

Staff perceives that in their Unit decisions are made at the top with limited autonomy for them to make other decisions. Staff observes leadership occasionally consults them regarding decisions related to their work. The Leadership Team is more involved and are generally consulted in decisions related to their work.

Staff are often the best individuals to be involved in decision-making since they are most often in direct contact with those they serve or with specific issues. While it is not necessary to engage staff in making all decisions, leadership can improve performance by involving them in as many decisions as possible. The most effective models range from soliciting staff input and then informing them of management's reasoning for a decision to management facilitating staff in a consensus decision-making approach. In the latter model, management uses its expertise and experience to ensure the decision made is workable.

Ethical leadership behaviors help to increase trust among peers. Ethical leaders demonstrate moral and fair behaviors and decision-making. This ties back to communication — leaders must communicate ethical standards to employees and include why certain decisions are made. And they have to be held to those standards themselves and hold other employees to those standards as well. Maintaining these moral standards is crucial to instilling trust in employees.¹⁴

¹³ Please see Milestone 4 for more on this observation and the recommendation.

¹⁴ <https://www.forbes.com/sites/forbeshumanresourcescouncil/2019/09/04/four-ways-to-build-trust-between-your-organization-and-employees/#44e45c445ea1>

When asked in which areas staff want to make more decisions, the standard answer was the ability to make day to day decisions, allowing them to decide where to focus. Staff would like more autonomy in problem solving and helping citizens, if they remain within policy. Other staff comments stated that they were comfortable with the level of decision making.

Decision-Making	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	7.99	6.67	7.44	.77	12%

Goal Setting & Control

Overall, P&E staff perceives that the Leadership Team establishes the goals and an opportunity to comment may or may not exist. An area on which we encourage the Leadership Team to focus is the perception that goals are publicly accepted but staff only work to achieve those with which they agree. Increased staff participation in

Goal Setting	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	6.52	4.84	5.78	.93	19%

setting goals may minimize that perception; however, it is important to note that when asked if there were any goals that staff wanted the Unit to add, the majority answer was 'no'.

Staff perceives that work review and control functions are highly concentrated within the Leadership Team. Staff regards performance data as being used for policing, punishment, reward, and sometimes for guidance. The Leadership Team perceives that data is used for self-guidance and team problem solving and guidance. As discussed earlier, staff wants the Leadership Team to delegate more tasks and develop a more autonomous work place. *"Autonomy means allowing employees to shape their work environment, so they can perform to the best of their ability. Autonomy is not working in isolation, doing what you want whenever you want, or lack of guidance. An autonomous workplace is based on trust, respect, dependability and integrity."¹⁵* Increasing autonomy in the work place and giving staff control, where reasonable, would contribute to a participative culture.

Control	2019	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	3.27	3.95	4.89	.94	24%

¹⁵ <https://rallybright.com/autonomy-in-the-workplace/#:~:text=Autonomy%20means%20allowing%20employees%20to,%2C%20respect%2C%20dependability%20and%20integrity>

Teamwork

P&E staff report that they try to work as a team, but personalities get in the way. The staff holds a general perception that their teammates often commit to quality work. They also state their teammates' contributions are somewhat of high quality. Despite working with different personalities, which is a common workplace issue, these are positive observations.

P&E staff and Leadership Team perceive that there is cooperative teamwork within the Unit, but there could be more. The staff shares the same opinion regarding cooperative teamwork between the Unit and other departments.

While the perceptions remained relatively the same as the prior year, there were lower ratings for the *Teamwork* questions. Continuing with the policy group and the liaisons may contribute to increasing teamwork in the Unit. *"Other ideas include organizing cross-functional mentorship programs whereby staff are able to work with a department head from a different functional group to gain more awareness of their broader team's objectives, and also have the ability to learn from someone that is not their direct supervisor. This fosters more open communication."*¹⁶ When feasible, the Unit should support staff participation in the City's ARISE Base program¹⁷. This one day a month, cross-functional experience may increase staff communication and increase overall connection within the City.

Teamwork	2020	2021	PY Score Δ (change)	% Δ (change)
Scores	13.16	13.00	-0.16	-1%

Core 4 and Other Matters

The Unit shows high scores in this section. Staff and the Leadership Team believe the CORE 4 values are important. Leadership is encouraging staff and providing opportunities to grow. These are activities that demonstrate support for employees and their professional goals. Sixty-seven percent of staff believe there is someone at work that encourages them. When asked if someone has talked to them about their progress in the last six months, 100% of staff responded, "Yes."

*"...employees who don't feel supported in their professional goals are three times more likely to be looking for a new job, according to the research."*¹⁸

When asked in the last year, if they have had opportunities to grow and learn, 100% of staff responded, "Yes."

¹⁶ <https://www.forbes.com/sites/forbescoachescouncil/2019/06/13/six-effective-ways-to-improve-team-morale-and-bonding/#288dfbe65598>

¹⁷ <https://auroragov.sharepoint.com/core4/Core4/ARISE/Base/SitePages/Home.aspx>

¹⁸ <https://www.inc.com/marcel-schwantes/why-do-people-quit-their-jobs-exactly-new-research-points-finger-at-5-common-reasons.html>

Overall, the culture of the P&E Unit has improved. The Unit will want to lean into current efforts to ensure the environment makes continued progress towards a participative culture.

Audit Recommendations

Recognition

When asked if they had been recognized or praised for good work during the last seven days, 67% of staff responded, "Yes," and 33% of staff responded, "No." The Leadership Team stated that the P&E Unit received the most awards at the annual Police awards presentation. While the "Yes" responses increased from prior year, staff have reported recognition being a motivating factor for them in prior surveys. We recommend that the Leadership Team develop activities to recognize individual staff *and* team performance more frequently. We also recommend the Leadership Team gain input from staff on what meaningful recognition would look like for them.

Teamwork and Autonomy

An autonomous teamwork environment would help in the goals, control, connection, and teamwork areas of the Unit. Staff can choose which day-to-day activities to complete and how to best accomplish the tasks. Staff and members of the Leadership Team can determine a reasonable due date and expectations upon assignment. *"An autonomous work group is a team of employees granted autonomy or independence over the work they do within an organization. This autonomy includes independent decision-making related to a specific work function, project or job and independent freedom to assign individual members specific tasks within the group."¹⁹*

Leaders provide context, resources needed to help teams succeed, and are able to hold teams accountable. More importantly, leaders do not micromanage teams, nor do they try to dictate how or what teams ought to do to achieve their goals. Instead, leaders empower and trust teams to plan and figure out how to complete their missions.²⁰ The Leadership Team will need to hold staff accountable for their assigned task progress, quality, and completion. In combination with the Leadership Team delegating tasks that staff can perform, this environment allows staff an opportunity to showcase their ability to execute a job well done within policy and take on more responsibility. Staff will feel more engaged and connected to the overall mission of the Unit and achievement of Unit goals when they can make meaningful contributions.

We recommend the Leadership Team increase teamwork and staff autonomy within the current environment.

¹⁹ <https://smallbusiness.chron.com/autonomous-work-group-14402.html>

²⁰ <https://www.forbes.com/sites/forbestechcouncil/2017/06/21/building-an-organization-around-teamwork-and-autonomy/?sh=41a61c755f21>

Appendix C – Survey Scores and Auditor Conclusions

Internal Audit considers scores below 2.5 to indicate areas requiring further attention. The closer a department can get to the top of the scale, the better.

	Section	Question	2019 Weighted Average	2020 Weighted Average	2021 Weighted Average	Δ from 2020	2021 Conclusion:
3	Leadership	How much confidence is shown in you by those who oversee your work?	3.06	3.00	3.22	0.22	Staff perceive that the Leadership Team shows substantial but not complete confidence in them. Highest score received during the three scored years.
4		How comfortable do you feel talking to those who oversee your work about issues related to your job?	3.31	3.00	3.33	0.33	Staff feels comfortable talking to the Leadership Team about issues related to their job. Highest score received during the three scored years.
5		How often are your ideas and opinions sought and used constructively by those above you?	2.75	2.42	3.00	0.58	Staff perception is that Leadership usually seeks their ideas and tries to use them constructively. Highest score received during the three scored years.
8	Motivation	What are the predominant methods used to motivate you in your job?	2.80	2.67	3.44	0.77	Staff perception is that rewards and some involvement in decision-making are the predominant methods used for motivation on the job.

10		Where do you believe the responsibility should be for achieving your departments goals?	4.46	3.27	3.44	0.17	Staff perceive that the Leadership Team mostly should have responsibility for achieving goals, but staff should have a substantial portion of responsibility.
11	Communication / Interaction	How much cooperative teamwork occurs within your division?	3.60	3.50	3.33	(0.17)	Staff perception is that there is quite a bit of cooperative teamwork occurring within the division but there could be more.
12		How much cooperative teamwork occurs between your area and other departments?	2.93	3.00	2.78	(0.22)	Staff perception remains that there is quite a bit of cooperative teamwork occurring between the Unit and other departments but there could be more.
13		What is the usual direction of information flow?	2.81	2.75	2.89	0.14	Staff perception is that information flows mostly from the top down and bottom up.
14		How do you view communications from those above you in the organization hierarchy?	3.00	3.08	3.78	0.70	Staff perception is that communications from the Leadership Team is generally accepted, but if not, openly and candidly questioned.
15		How accurate is what you communicate to those above you in the organization?	3.37	3.42	3.78	0.36	Staff perception is that they provide accurate information whether it is good or bad.

16		How well do those above you know the problems you face in your job?	2.86	2.67	3.22	0.55	Staff perception is that the Leadership Team has a fair level of knowledge and understanding of their problems.
17		How would you characterize the interactions between management and staff?	<i>New Question</i>	2.83	3.22	0.39	Staff perception is moderate genuine interaction and some mutual trust.
18		How is your ability to communicate and interact with your responsible Lieutenant?	<i>New Question</i>	3.17	3.11	(0.06)	Staff perception is that the P&E Lieutenant often interacts with the Unit.
19		How is your ability to communicate and interact with your responsible Business Services Manager?	<i>New Question</i>	1.83	1.44	(0.39)	Staff perception is that there is little interaction between the Business Service Manager the Unit.
21	Decision Making	At what level are decisions made in your division?	1.93	2.17	2.44	0.27	Staff perception is that decisions are made at the top with little autonomous staff decisions. This rating is trending upward.
22		Are you involved in decisions related to your work?	3.06	2.42	2.56	0.14	Staff perception is that they are occasionally consulted about decisions related to their work.
23		Does the decision-making process used in your department/division contribute to your motivation?	3.00	2.08	2.44	0.36	Staff perception is that the decision-making process has relatively little contribution to their motivation, intrinsically motivated.

24		To what extent are decision-makers aware of problems, particularly those at the staff level?	<i>New Question</i>	2.33	3.11	0.78	Staff perception is that decision-makers are moderately aware of problems that staff face.
26	Goal Setting	How are your area goals established?	2.83	1.625	2.67	1.05	Staff perception is that goals are established by the Leadership Team; an opportunity to comment may or may not exist
27		How are goals received and treated?	3.69	3.22	3.11	(0.11)	Staff perception is that they publicly accept the goals, but only work to achieve those with which they agree.
29	Control	Where is work controlled and reviewed in your department?	<i>Revised Question</i>	1.5	1.89	0.39	Staff perception is that work review and control functions are highly concentrated with the Leadership Team.
30		What is performance data used for in your area?	3.27	2.45	3.00	0.55	Staff perception is that performance data is used for policing, punishment and some reward; sometimes used for guidance.
31	Team Work	How would you describe "teamwork" with your teammates (same department/division?)	<i>New Question</i>	3.58	3.33	(0.25)	Staff perception is that they try to work as a team, but personalities get in the way. Training on skills to work as a team may help.
32		Are your teammates committed to doing quality work?	<i>New Question</i>	3.58	3.78	0.20	Staff perception is that their teammates are often committed to doing quality work.

33		How would you describe the quality of your teammates' contributions to your department's work?	<i>New Question</i>	6.00	5.89	(0.11)	Staff perception is that their teammates' contributions are of somewhat high quality.
34	Motivational Factors (If present)	Consistency, as defined by clear vision and goals.	<i>New Question</i>	<i>New Question</i>	4.33		If present, consistency is a moderately motivating factor for me.
35		Variety, defined as an opportunity to try new things.	<i>New Question</i>	<i>New Question</i>	3.78		If present, variety is a moderately motivating factor for me.
36		Pride, defined as an opportunity to show what I can do.	<i>New Question</i>	<i>New Question</i>	4.33		If present, pride is a moderately motivating factor for me.
37		Connection, defined as the ability to work with others in the City.	<i>New Question</i>	<i>New Question</i>	3.44		If present, connection, neither is or is not, a motivating factor for me.
38		Growth, defined as the ability to add new skills and experiences that expand me horizontally and vertically.	<i>New Question</i>	<i>New Question</i>	4.11		If present, growth is a moderately motivating factor for me.
39		Contribution, defined as the chance to be part of something bigger than myself.	<i>New Question</i>	<i>New Question</i>	4.00		If present, contribution is a moderately motivating factor for me.
40		Motivational Factors (Currently)	Consistency, as defined by clear vision and goals.	<i>New Question</i>	<i>New Question</i>	4.22	
41	Variety, defined as an opportunity to try new things.		<i>New Question</i>	<i>New Question</i>	3.67		Variety, neither is or is not, a motivating factor for me.
42	Pride, defined as an opportunity to show what I can do.		<i>New Question</i>	<i>New Question</i>	4.22		Pride is a moderately motivating factor for me.
43	Connection, defined as the ability to work with others in the City.		<i>New Question</i>	<i>New Question</i>	3.22		Connection, neither is or is not, a motivating factor for me.

44		Growth, defined as the ability to add new skills and experiences that expand me horizontally and vertically.	<i>New Question</i>	<i>New Question</i>	4.00		Growth is a moderately motivating factor for me.
45		Contribution, defined as the chance to be part of something bigger than myself.	<i>New Question</i>	<i>New Question</i>	4.00		Contribution is a moderately motivating factor for me.
46	Core 4 and Other Matters	How important to you are the Core 4 values?	3.6	3.33	3.44	0.11	Core 4 values are important to staff.
47		Do you know what is expected of you at work?	<i>New Question</i>	Yes: 100% No: 0.0%	Yes: 100% No: 0.0%		There is no confusion of job responsibilities. May need guidance on authority.
48		At work, do you have the opportunity to do what you do best every day?	<i>New Question</i>	3.17	3.44	0.27	Staff perception is that they often can do what they do best every day.
49		In the last seven days, have you received recognition or praise for doing good work?	<i>New Question</i>	Yes: 50% No: 50%	Yes: 67% No: 33%		Recognition efforts require the Leadership Team's attention.

50	Is there someone at work who encourages your development?	<i>New Question</i>	Yes: 75% No: 25%	Yes: 67% No: 33%	Majority of staff have someone at work who encourages their development. The Leadership Team can focus on ensuring all staff is encouraged because 33% of staff responded 'No'.
51	Does the mission/purpose of the City make you feel your job is important?	<i>New Question</i>	Yes: 50% No: 50%	Yes: 67% No: 33%	This is an area Management can continue to focus. Even in an intrinsically motivating job, connecting the job to the overall mission and purpose of the City is important.
52	In the last six months, has someone at work talked to you about your progress?	<i>New Question</i>	Yes: 91.7% No: 8.3%	Yes: 100% No: 0.0%	100% of responders has had someone talk to them about their progress in the last six months.
53					

		In the last year, have you had opportunities to learn and grow?	<i>New Question</i>	Yes: 100% No: 0%	Yes: 100% No: 0%		100% of responders has had opportunities to learn and grow in the last year.
--	--	---	---------------------	---------------------	---------------------	--	--