

Internal Audit Report



Aurora Police Department – Property and Evidence Change of Custodian Audit





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Auditor's Conclusion

June 28, 2021

Internal Audit has completed the Aurora Police Department – Property and Evidence Change of Custodian Audit. We conducted this engagement as an addition to our 2021 Annual Audit Plan and at the request of the new Property and Evidence Lieutenant.

The audit objectives were to:

- Ensure compliance with CALEA Standard 84 – Property and Evidence Control, Appendix I – Custodian Change Audits.

Internal Audit conducted the procedure for the engagement objective, as stated below.

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(b), an audit of property and evidence in compliance with Appendix I occurs whenever the property and evidence custodian is assigned to and/or transferred from the position is conducted jointly by the newly designated property and evidence custodian and a designee of the CEO to ensure that records are correct and property annotated.

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



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Internal Audit Manager

Audit Profile

Audit Team

Michelle Crawford, M. Acct, CIA, CFE, CRMA – Police Auditor, Engagement Manager

Wayne Sommer, CPA, CGMA – Internal Audit Manager

Sheree Van Buren, CIA – Engagement Lead Auditor

Laiba Saqib – Engagement Auditor

Background

Internal Audit conducted this engagement at the request of the Aurora Police Department Property and Evidence Unit as there was a change in the custodian. It is a requirement for the Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation.

Scope

The scope of our work covered all on-hand high-risk property as of May 12, 2021.

Appendix A – Additional Engagement Details

In accordance with CALEA sampling standards, we employed a two-tailed random sampling method using the Appendix I "Sample Size Table Evidence Custodian Change Audits". *If the exact number for "Pieces of High Risk Evidence/Property" is not listed, the next higher number should be used.* As of May 12, 2021, the Unit had 33,393 high risk items on-hand, therefore a two-tailed sampling of 1,045 items is required.

In the two-tailed test of high-risk items, a sampling error exceeding 4% would require a 100% inventory on all high-risk 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 discovered as part of our test work.

For purposes of our test work, exceptions are (*exceptions count toward error rate*):

- A selection not located on the property floor, with no supporting evidence of continuity during gap period (the gap period being from the day IA runs the query to the day we begin counting procedures);
- A selection not located in the Versadex system, with no supporting evidence of continuity during gap period;
- A selection materially mislabeled (i.e. the envelope states that it contains drugs, when it contains jewelry or other non-drug articles; the auditors use professional judgement in determining whether a mislabeling is "material"); or,
- A selection in the incorrect location or miscategorized within Versadex with no supporting documentation for movement or correction during the gap period.

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.

May 12, 2021 Inventory Data:

**Classified as high-risk items.

Item Type	Number of Items in Versadex
Securities**	3,206
Jewelry**	2,279
Firearms**	4,134
Drugs**	<u>23,774</u>
Total High-Risk Property	<u>33,393</u>

Internal Audit identified seven exceptions during the inventory procedures. However, the exceptions are below the acceptable sampling error rate (4% or 84 items), 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 – Appendix I.

Internal Audit provided Property and Evidence Management with the list of exceptions to address.