



**CUYAHOGA COUNTY  
DEPARTMENT OF INTERNAL AUDITING**

TO: Clifford Pinkney, Cuyahoga County Sheriff  
FROM: Cory Swaisgood, Director, Department of Internal Auditing  
DATE: November 27, 2018  
RE: Sheriff's Office Property Room Follow-Up Review Report

As required by the *International Standards for the Professional Practice of Internal Auditing*, the Department of Internal Auditing (DIA) has completed follow-up procedures on reported issues from the Sheriff's Office Property Room Audit Report issued on May 12, 2017. The objective of the follow-up was to determine with reasonable assurance whether management took effective action on the issues presented in the audit report.

**RESULTS**

There were 63 recommendations in the Sheriff's Office Property Room Audit Report; 89% of the recommendations were fully implemented. Each recommendation is addressed in the Follow-Up Results section on the following page. The below table is a summary of the recommendations.

Fully Implemented	Partially Implemented	Not Implemented	Withdrawn
56	7	0	0

DIA would like to express our appreciation for the cooperation of Sheriff Clifford Pinkney and the current management of the Cuyahoga County Sheriff's Office Property Room. We commend the hard work of the Property Room personnel and recognize significant improvements in the handling of property and evidence since DIA's audit that commenced in 2013.

Respectfully,

A handwritten signature in black ink that reads "Cory A. Swaisgood".

Cory A. Swaisgood, CPA  
Director of Internal Auditing

Cc: Audit Committee  
Cuyahoga County Council  
Earl Leiken, Chief of Staff  
Robert J. Triozzi, Law Director

## Follow Up Results Sheriff's Office Property Room

### Corrective Action Taken

- **Fully Implemented (F)** - The audit issue has been adequately addressed by implementing the original or corrective action.
- **Partially Implemented (P)** - The corrective action has been initiated but not completed.
- **Not Implemented (N)** - The audit issue has not been addressed and management has assumed the risk of not taking corrective action.
- **Withdrawn (W)** - The audit issue no longer exists because of changes in the auditee's operations.

*NOTE: Agency responses were extracted and unmodified from the Property Room Report issued on May 12, 2017. References to departments, offices, policies, etc. are not consistent with terminology used throughout the rest of this report. Some recommendations from the report were combined for reporting purposes and labeled appropriately. The Property Room Audit Report can be found on the [Audit Committee's website](#).*

<b>Finding (Policies and Procedures):</b> The Unit did not have a written policy and procedure manual on property and evidence procedures or written procedures for transferring evidence money to a bank for safekeeping prior to settlement of a case. (Page 8 in Audit Report)					
Recommendations 1-11	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Office should develop a policy and procedure manual on the submission, handling, storage, disposition, and security of all property and evidence.</p> <p>In addition, the Office should have formal written procedures to transfer money being held as evidence to a bank for safekeeping prior to learning the outcome of a case.</p> <p>Procedures for periodically reviewing activity in the evidence tracking system and surveillance cameras should be established.</p> <p>The manual should be reviewed and updated annually by a supervisor or Property Officer to ensure that policies and procedures are up to date, necessary, and feasible. The manual should be approved by the Sheriff.</p>	<p><i>The Sheriff's Department has created a Property and Evidence Procedure Manual for its personnel. The Sheriff's Department has set up a separate bank account for currency submitted into evidence. A policy and procedure manual is also being implemented for same. The policy should be in place by April 1, 2018.</i></p>	√			

**Property Room Department Follow-Up Review**

Finding (Overseeing the Property Rooms): The Unit did not have a full-time employee overseeing property and evidence. A Sergeant and Detective within the Unit were required to perform normal duties besides maintaining the Property Rooms. (Page 8-9 in Audit Report)					
Recommendations 12-27	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Sheriff should consider creating the position of Property Officer to oversee and monitor property and evidence. We also recommend the Property Officer become certified according to IAPE standards.</p>	<p><i>Currently the evidence unit is part of the Narcotics unit and is being managed by one Evidence personnel with multiple responsibilities and a Sergeant assigned to two different units. There have been discussions to make the evidence unit its own unit, separate and independent from other units in the Sheriff's Department with a full time Sergeant and two evidence technicians. A posting has been approved and posted to fill a position of evidence personnel.</i></p>	√			
Recommendation 28	Agency Response to 2017 Audit Report	F	P	N	W
<p>Ensure that all efforts are taken to make the Property Rooms as safe as possible for employees as well as property/evidence (i.e. compliance with environmental codes and installing fire suppression systems).</p>	<p><i>Management did not specifically address this recommendation in the Audit Report.</i></p>		√		
<p><b>Update:</b> Safety and security has been emphasized for employees of the Evidence Unit and security of the evidence rooms has improved. However, there is still no fire suppression system in any of the evidence rooms.</p>					

**Property Room Department Follow-Up Review**

**Finding (Closed Cases):** The Unit lacked decision making authority for the disposal of property and evidence, which is mostly decided by the courts. The Sergeant or a Detective with administrative authority over evidence was responsible for researching cases to determine when it was appropriate to dispose of evidence. There was a lack of internal controls on closing out cases. (Page 9 in Audit Report)

Recommendations 29 - 34	Agency Response to 2017 Audit Report	F	P	N	W
<p>We recommend the Unit seek opportunities to improve information flow regarding case status and therefore evidence disposition. The Unit should establish procedures to assure cases are reviewed in a timely manner. Specifically, the Unit should develop application controls in the BEAST to alert the case officer and/or Sergeant/Property Officer to research a case; continually monitor short-term cases to help reduce the amount of evidence in Property Rooms; communicate with the Prosecutor's Office and Courts to develop a system for receiving forfeiture journal entries and requests to release items; and assure all supporting documentation (signatures, identification, journal entries, empty evidence bags, etc.) is maintained with items designated as returned to owner, transferred to other agencies, signed out for review, deposited, destroyed, or disposed in any other way.</p>	<p><i>In regard to the Department having a written policy to establish a procedure for closed cases, the Department does not have one in place, however all required information is given to the Prosecutor's Office and final disposition is approved by the court. Once the judge has given his/her approval items can be destroyed, put into service or auctioned.</i></p> <p><i>A disposition tracker was created within the BEAST system to be distributed to case officers so they can inform evidence personnel that items can either be disposed of or returned to its owner.</i></p>	v			

**Property Room Department Follow-Up Review**

**Finding (Surveillance and Security):** During our review of physical security controls within the Unit’s Property Rooms, a camera and alarm system existed in only one out of five property rooms; however, the camera and alarm system was disconnected. DIA was informed that both had not been functional for many years. (Page 10 in Audit Report)

Recommendation 35	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Sheriff should install video surveillance cameras in all property rooms within the Office. All doors into a secure area should be equipped with cameras in addition to those areas where guns, money and drugs are stored.</p>	<p><i>Security cameras were installed outside of all five evidence rooms. The Department has received quotes which have not been finalized and will ultimately need approval for additional cameras to be installed within the evidence rooms and in the Narcotics supply room where the money drop chute is currently located. There also is some delay because the Department may relocate the evidence property rooms, possibly centralizing everything into one area. The Department implemented these changes before April 1, 2017.</i></p>	<p>√</p>			

**Update:** Cameras were not installed inside the property rooms, partially because evidence rooms may move in the future. However, DIA felt the recommendation was fully implemented due to the cameras outside the rooms and the increased security in the rooms.

**Property Room Department Follow-Up Review**

**Finding (Property Room Collections and Disposals):** The Office did not have one central location for the storage of property and evidence. Instead, six locations were utilized: five locations were scattered throughout the Office on the second and third floor along with the Office’s garage. The sixth property room is an off-site secured garage used to store vehicles. Individual packages (bags, envelopes, etc.) were tracked in the BEAST and items could be located within a given container or bin. However, the process of locating the exact item was time consuming because items were mixed together in a container or bin. (Page 14-15 in Audit Report)

Recommendation 36	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Sheriff should consider utilizing one centralized location for all evidence to help protect the chain of custody and prevent overcrowding of the Property Rooms. The centralized location should be highly secure and enclosed. Additionally, this location should be large enough to contain all evidence from the Office, including vehicles, if possible. A new location should be away from conditions causing damage to vehicles or other costly items.</p>	<p><i>Currently there are five evidence rooms; however, the Department is considering moving the evidence rooms to one centralized location. This move is contingent on space availability.</i></p>		√		

**Update:** *The Sheriff’s Office is still using multiple locations for evidence storage. However, the number of locations has been consolidated and there is some discussion of going to a centralized location in the future. Also, the vehicles have been moved to a different location where they are less prone to damage.*

Recommendation 37	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Unit should develop procedures to monitor and arrange evidence effectively to create a much faster turnaround. Specifically, we recommend the Unit arrange inventory by age, type of crime and how long the item is expected to be held. The Unit should also consider grouping like sized items together, so inventory can be monitored in terms of volume, not only number of items.</p>	<p><i>The unit is currently in the process of implementing a policy for case officers to turn in certified sentencing journal entries at the disposition of all cases. Items are currently stored by classification, i.e., misdemeanor and felonies. Misdemeanors are stored by year, and Sergeants overseeing the unit have discussed sorting felony cases by year. This would aid in locating evidence and in determining what types of evidence are contributing to the growth of inventory.</i></p>	√			

**Property Room Department Follow-Up Review**

**Finding (BEAST System Reports):** During our testing of property and evidence in the BEAST, DIA noted system reports were not fully utilized by supervisors and staff within the Unit. In particular, we noted the number of items on the BEAST drop bin report was greater than the number of items in the drop chutes. Also, the BEAST contains an audit log showing every transaction that occurred in a particular time period. This function of the BEAST is not utilized to its potential and was never reviewed by a supervisor familiar with Property Room procedures. A Detective and the Sergeant perform audits on each room to ensure all evidence is correctly labeled in the BEAST; however, this process is performed by an individual with administrative access to the BEAST and access to all Property Rooms. The Detective is a staff member who may have administrative access to the BEAST, as well. (Page 15-16 in Audit Report)

Recommendation 38	Agency Response to 2017 Audit Report	F	P	N	W
<p>The Unit should utilize all functions of the BEAST. Audit log reports should be reviewed on a regular basis, i.e. monthly, for transactions by individuals with administrative access. This review should be by a manager without administrative access to the evidence management system. In particular, all deletions or edits to data should be reviewed along with being approved at the time of the deletion.</p>	<p><i>Currently there is no audit made in reference to any transactions made by anyone with administrator access. Administrators do however make notations within the BEAST as to why any deletions or edits are made in the BEAST system. If errors are made in regard to currency and or duplicate items, deputies are asked to type a CS-35 (Report) to explain the discrepancy.</i></p>	√			
Recommendation 39	Agency Response to 2017 Audit Report	F	P	N	W
<p>Periodic surprise audits of the Property Rooms should be conducted by an individual independent from the BEAST and Property Rooms. A random sample of items should be selected by a Sergeant or higher rank from another Unit, or an independent auditor. The selected items should be traced from the BEAST to the items' location in the Property Rooms or to support, if disposed.</p>	<p><i>As of this date no surprise audit of the evidence rooms, utilizing a Sergeant or higher rank from another unit, has been conducted and no discussions have been made into the matter.</i></p>	√			

**Property Room Department Follow-Up Review**

**Finding (Property and Evidence Logging):** Property and evidence stored in the Property Rooms were not accurately accounted for in the BEAST and log books. Log books were used by the Unit prior to converting to the BEAST in 2008. In 2013, the Unit was attempting to locate all items in the log books that were still in the Property Rooms and record them in the BEAST. We performed tests on (1) currency and valuables (a count of all (100%) monies and valuables stored in the Unit's Property Rooms), (2) seized vehicles (risk of water, salt and snow exposure and disposition recordkeeping), and (3) other items stored in the Property Rooms (inventory). (Page 16-20 in Audit Report)

Recommendations 40-46	Agency Response to 2017 Audit Report	F	P	N	W
<p>Controls should be implemented to ensure the location of all items is accurately displayed in the BEAST. Major changes, such as deletions or case information edits of items, involving evidence in the BEAST should be reviewed with the Case Officer and Supervisor before the Property Officer makes a change.</p> <p>After items in the drop chutes are removed and scanned into a property room, a drop chute BEAST report should be reviewed, and further review should be done for items on the report that are not physically in the drop chute.</p> <p>A second officer or supervisor should be counting evidence monies and reviewing the BEAST and search warrant inventory list to ensure the correct amount was entered. Cases involving money should be reviewed regularly.</p> <p>All support should be maintained for items returned to owner, signed out to another agency, and monies deposited. All items in the log book should be signed off when put into the BEAST, returned to owner, deposited, forfeited to the Sheriff, or transferred to another agency.</p>	<p><i>Supervisors are reviewing the BEAST printouts and ensuring all statuses are updated. After all deposits are made into the Sheriff's LETF bank account a report is generated and forwarded to the Business Services Manager in the Sheriff's Fiscal Department along with certified journal entries showing the amount forfeited to the Sheriff's Department and copies of the evidence bags showing the amount that matches the journal entry. The Business Services Manager does not take part in the deposit process and is not an administrator with the BEAST program. The Business Services Manager reviews all reports and supporting documents to ensure all money has been deposited. Since the time of the audit, evidence unit personnel have been attempting to enter all pre-Beast evidence into the BEAST system. Once evidence is entered into the BEAST system, from the old log books, it is noted in the evidence log book that it was entered into the BEAST system, reflecting the date and personnel entering the data.</i></p>	v			



**Property Room Department Follow-Up Review**

<b>Finding (Property and Evidence Logging): Continued</b>					
<b>Recommendation 47</b>	<b>Agency Response to 2017 Audit Report</b>	<b>F</b>	<b>P</b>	<b>N</b>	<b>W</b>
A review should be periodically performed, i.e. monthly, on forfeited money deposited into the Sheriff's LETF bank account. This review should be done by a person independent of the bank deposit process. The reviewer should compare bank deposits to the total amount of empty evidence bags maintained to support the deposit. The empty evidence bags should be accompanied and agreed to forfeiture journal entries. The BEAST should be updated as "Deposited" with the deposit date, once the money has been taken to the bank.	<i>After all deposits are made into the Sheriff's LETF bank account a report is generated and forwarded to the Business Services Manager in the Sheriff's Fiscal Department along with certified journal entries showing the amount forfeited to the Sheriff's Department and copies of the evidence bags showing the amount that matches the journal entry. The Business Services Manager does not take part in the deposit process and is not an administrator with the BEAST program. The Business Services Manager reviews all reports and supporting documents to ensure all money has been deposited.</i>	√			
<b>Recommendations 48-49</b>	<b>Agency Response to 2017 Audit Report</b>	<b>F</b>	<b>P</b>	<b>N</b>	<b>W</b>
All items should be in the appropriate property room (i.e. all money in money vault or all vehicles in designated vehicle location). Also, "location" statuses should be updated that correspond to the item's current location in the BEAST (i.e. item put into service).	<i>In regard to items being placed into service that item is notated in the BEAST comment box to show where that item is placed into service.</i>	√			

**Property Room Department Follow-Up Review**

<b>Finding (Items Signed Out from Evidence):</b> The Unit has controls in place to ensure supporting documentation is maintained with signatures and photo identification for disposed items. However, no written policy and procedure manual is in place. (Page 20-22 in Audit Report)					
<b>Recommendations 50-53</b>	<b>Agency Response to 2017 Audit Report</b>	<b>F</b>	<b>P</b>	<b>N</b>	<b>W</b>
<p>The Unit should develop procedures to ensure all items signed out to be reviewed, returned to owner, forfeited to the Sheriff, deposited, and transferred to another agency are appropriately handled. Supporting documentation should be maintained for all vehicles towed, sold on GovDeals, and returned to owner. The evidence bag, if applicable, should be maintained with the signature of the Unit employee that opened it.</p> <p>In addition to towed vehicles, the BEAST should have a disposition code for sold and in-service items.</p>	<p><i>Currently all items signed out for reviews are documented in the BEAST system with signatures of the deputy receiving the item. A reason for the review may or may not have been always documented, however it can easily be implemented. No policy or procedure has been discussed until this audit regarding reviews of “signed out for review”. We will take the recommendations and discuss this matter further and possibly implement a policy and procedure in regard to the “signed out for review” evidence.</i></p>	✓			
<b>Recommendation 54</b>	<b>Agency Response to 2017 Audit Report</b>	<b>F</b>	<b>P</b>	<b>N</b>	<b>W</b>
<p>Supporting documentation should be signed by two employees in the Unit verifying the correct amount of money or correct item was given to the owner or agency.</p>	<p><i>Management did not specifically address this recommendation in the Audit Report.</i></p>		✓		
<p><b>Update:</b> Supporting documentation is usually not signed by the individuals releasing the property. It shows in the BEAST who released the item. Also, it is not required for two people to be present when returning property to the owner or agency, but that is often the case. The new Policies and Procedures for the Unit address this issue and will require two employees to sign for returned property or note why only one person was present.</p>					

**Property Room Department Follow-Up Review**

Finding (Items Signed Out from Evidence): Continued					
Recommendation 55	Agency Response to 2017 Audit Report	F	P	N	W
Items signed out for review should be properly documented in the BEAST with a signature and reason for the item being signed out.	<i>Currently all items signed out for reviews are documented in the BEAST system with signatures of the deputy receiving the item. A reason for the review may or may not have been always documented, however it can easily be implemented.</i>		√		
<i><b>Update:</b> The reason for the item to be signed out for review is not always recorded. The draft Evidence Room Policies states that Evidence Unit personnel should obtain a signature and reason for release.</i>					
Recommendations 56-57	Agency Response to 2017 Audit Report	F	P	N	W
Items should not be signed out for review for an unreasonable amount of time, i.e. more than six months. A review should be periodically performed, i.e. quarterly, on items signed out to ensure all items signed out for review are accounted for and timely returned.	<i>No policy or procedure has been discussed until this audit regarding reviews of “signed out for review”. We will take the recommendations and discuss this matter further and possibly implement a policy and procedure in regard to the “signed out for review” evidence.</i>		√		
<i><b>Update:</b> DIA noted that some items were still signed out for review for a long period of time, i.e. over six months. There had also not been a review conducted at the time of follow-up. However, the Evidence Unit contacted the case officers and some outstanding items were returned. The Evidence Unit will more closely monitor this listing.</i>					
Recommendation 58	Agency Response to 2017 Audit Report	F	P	N	W
Proper notification up the chain of command should be established for issues with missing evidence. If a Sgt cannot find a specific item in the property room, he should notify the Lieutenant and Captain. The Captain should decide on how to proceed and notify the Sheriff of the issue.	<i>Management did not specifically address this recommendation in the Audit Report.</i>	√			

**Property Room Department Follow-Up Review**

**Finding (DIA was Unable to Substantiate some Forfeited and Deposited monies, and Monies in the Log Books):** The amount of support was calculated to be \$203,994 more than actual bank cash deposits of forfeited monies, indicating a shortage in the bank deposits. We were unable to match journal entries to actual bank deposits due to the limited amount of support.

DIA noted stamps and signatures were used in the log book to determine disposition. We noted many instances of inaccurately marked monies.

DIA noted money items in the log books and BEAST that lacked supporting documentation of disposal and could not be found in evidence. These monies, in the amount of \$426,092, were from cases between 2001 and 2013. (Page 28-34 in Audit Report)

Recommendations 59-61	Agency Response to 2017 Audit Report	F	P	N	W
<p>Adequate supporting documentation should be maintained for all bank deposits, including evidence bags and forfeiture journal entries. All evidence bags should be signed by the individual opening the bag for deposit.</p> <p>The Unit should document the deposit in the BEAST with deposit date and an immediate supervisor should sign the deposit entry into the BEAST.</p>	<p><i>The Sheriff's Department has developed an Evidence and Property Policy, titled 301. The department is working on a written procedure covering the guidelines and documentations of money deposits. The unit currently has a procedure covering the documentation of all money deposits to include certified journal entries, two-man second count of all money before deposits, written reports, photo copies of evidence bags, changing status in BEAST and noting all parties involved with the deposit in the comment section within the BEAST system. The unit supervisor is usually the person who signs off on the change of status in the BEAST system.</i></p>	√			
<p><b>Update:</b> While evidence bags are no longer maintained, the individuals opening bags for deposit are noted in the BEAST and in an accompanying report.</p>					

**Property Room Department Follow-Up Review**

Finding (DIA was Unable to Substantiate some Forfeited and Deposited monies, and Monies in the Log Books): Continued					
Recommendation 62	Agency Response to 2017 Audit Report	F	P	N	W
Deposits should be reviewed and approved by an immediate supervisor, preferably not involved with the deposit.	<i>The unit supervisor will create a report on all money deposited and will forward the report along with all supporting documents to the independent designee, in our case it is currently the Business Services Manager.</i>		√		
<i><b>Update:</b> Deposit information and supporting documentation is sent to supervisors throughout the Sheriff's Office. However, there is no formal approval of deposits.</i>					
Recommendation 63	Agency Response to 2017 Audit Report	F	P	N	W
Formal written procedures should be in place to identify abandoned money and request approval from the Court for its forfeiture.	<i>A formal policy is not in place in regard to abandoned and found money; however procedures are in place to safeguard the process of such money from theft. Since the time of the audit the unit has implemented a new location within the money vault for abandoned and found money. Before any money is deposited in the bank account, two letters (one certified is sent to the owner –if known) will be sent to the owner giving individuals thirty days to pick up their property. If after thirty days the money is not picked up, the unit will post in the newspaper our intent to have the money forfeited to the Sheriff's Department. The ad will run in the paper for two consecutive weeks and if no one claims the property, the unit will petition the court for approval of its forfeiture. A report is generated and forwarded to the independent designee along with supporting documentation.</i>		√		