



THE CITY OF SAN DIEGO

DATE: July 20, 2016
TO: Audit Committee Members, Honorable Mayor and Members of the City Council
FROM: Eduardo Luna, City Auditor
SUBJECT: Audit of the City's Implementation of San Diego County Grand Jury Recommendations Related to Property and Evidence Management

Results in Brief

In 2015, the San Diego County Grand Jury (Grand Jury) investigated the San Diego Police Department's (SDPD) management of its property and evidence room facility at SDPD Headquarters. The Grand Jury identified program management concerns related to security, employee training, quality assurance practices, and interdepartmental communication between SDPD and the San Diego Office of the City Attorney. The Grand Jury made five recommendations to SDPD intended to address program management concerns, and made one recommendation to the Office of the City Attorney intended to improve interdepartmental communication.

We conducted this review to evaluate whether SDPD and the Office of the City Attorney have implemented the Grand Jury's recommendations, and to compare the City's property and evidence procedures with recognized best practices.

We found that SDPD has made several program improvements since the publication of the Grand Jury Report. We also determined the implementation status of the five Grand Jury recommendations to SDPD to be the following:

- two are fully implemented;
- one is partially implemented;
- one is in progress; and
- one has not been implemented.

The Office of the City Attorney does not intend to implement its recommendation. However, to address Grand Jury concerns related to communication, the Office of the City Attorney is developing a new information sharing process to improve communication with SDPD. The information sharing process, once fully implemented, will satisfy the intent of the Grand Jury recommendation by helping to facilitate the timely disposition of evidence.

For Grand Jury recommendations that are not fully implemented, we made recommendations designed to ensure department actions satisfy the intent of Grand Jury recommendations. We also made recommendations to ensure the City's property and evidence procedures align with recognized best practices. We made eight additional recommendations, and management agreed to implement all eight recommendations. Management's responses to our audit recommendations can be found after page 18 of this report.

We would like to thank SDPD and Office of the City Attorney staff for their assistance and cooperation during this audit. All of their time and effort spent providing us with information is greatly appreciated. The audit staff responsible for this report are Nick Ketter and Kyle Elser.

Background

The police evidence and property function is vital to the criminal justice process. The effective and efficient management of evidence and property operations is essential to providing high quality service to the community. Within the San Diego Police Department (SDPD), the Property Unit manages the property room and its operations. The Property Unit is responsible for storing impounded property, and ensuring the integrity of evidence for court action.

San Diego County Grand Jury Review of SDPD Property and Evidence Operations

In 2015, the San Diego County Grand Jury (Grand Jury) investigated SDPD's management of its property and evidence room facility at SDPD Headquarters following news reports that items in SDPD custody were lost, stolen, or unaccounted for. In light of those reports, the Grand Jury sought to determine whether SDPD was managing property and evidence room operations in an efficient and professional manner. The Grand Jury identified program management concerns related to security, employee training, and quality assurance practices. The Grand Jury also reported that poor communication between SDPD, the custodian of evidence, and the San Diego Office of the City Attorney and the San Diego County District Attorney's Office, the prosecutorial bodies, hindered SDPD's ability to dispose of and release evidence in a timely manner.

The Grand Jury made five recommendations to SDPD intended to address program management concerns, and made one recommendation to the Office of the City Attorney intended to improve interdepartmental communication. In its formal response to the Grand Jury, SDPD reported that it had fully implemented four of the recommendations and partially implemented one recommendation. The Office of the City Attorney reported in its formal response to the Grand Jury report that further analysis was necessary to determine whether implementation of its recommendation was possible.

Status of the City's Implementation of Grand Jury Recommendations

We conducted this review to evaluate whether SDPD and the Office of the City Attorney have implemented the Grand Jury's recommendations. We determined SDPD had fully implemented two recommendations, partially implemented one recommendation, and had not implemented one recommendation. The department's implementation of one recommendation is in progress. The Office of the City Attorney does not intend to implement its recommendation. However, to address Grand Jury concerns related to communication, it is developing a new information sharing process to improve communication with SDPD.

To determine whether SDPD and the Office of the City Attorney have implemented recommendations, we evaluated the departments' programs against California Commission on Peace Officer Standards

and Training (POST)¹ best practices, International Association for Property and Evidence Inc. (IAPE)² best practices, and the departments' formal responses to the Grand Jury, which included the departments' implementation plans. The Grand Jury's recommendations and our determinations on whether the departments have implemented the recommendations are outlined in **Exhibit 1** below.

Exhibit 1

OCA's Determinations on the Status of the City's Implementation of Grand Jury Recommendations

Rec. Number	City Dept.	Grand Jury Recommendation	Status
15-50	SDPD	Perform a management review to identify deficiencies in the Property and Evidence Room operation and implement corrective action.	Implemented
15-51	SDPD	Establish written procedures and protocol for when SDPD will review files for disposal of evidence.	Implemented
15-52	SDPD	Initiate annual audits of the Property and Evidence Room operations as outlined in the Peace Officers Standards and Training publication: <i>Law Enforcement Evidence and Property Management Guide</i> .	Partially Implemented
15-53	SDPD	Determine the amount of space needed for permanent Property and Evidence Room storage and work with the San Diego Mayor and City Council to build new facilities or relocate into existing city owned property.	In Progress
15-54	SDPD	Perform a review of the Headquarters Property and Evidence Room facility addition to ensure it meets building code standards.	Not Implemented
15-57	City Attorney	Implement a Memorandum of Understanding with SDPD to include a standard procedure for proper and timely disposal of evidence.	Will Not Implement

Source: OCA analysis.

¹ The Commission on Peace Officer Standards and Training is a state commission which sets minimum selection and training standards for California law enforcement.

² The International Association for Property and Evidence Inc. is a membership based professional association serving property and evidence professionals within the law enforcement community.

For Grand Jury recommendations that are not fully implemented, we made recommendations designed to ensure department actions satisfy the intent of Grand Jury recommendations, and to ensure the City's property and evidence procedures align with recognized best practices. We make eight recommendations in this report.

Grand Jury Recommendation 15-50

City Dept.	Grand Jury Recommendation	Status
SDPD	Perform a management review to identify deficiencies in the Property and Evidence Room operation and implement corrective action.	Implemented

We determined that SDPD has implemented this recommendation. The Grand Jury did not specify in its recommendation the type of management review SDPD should conduct, or whether the department should produce a written report documenting the management review. According to Property Unit management, the unit's supervisors review policies, procedures, and operations on an ongoing basis, and incorporate any policy and procedural changes into either the department wide Police Procedures, or the Property Unit Operations Manual. The Property Unit has also implemented several corrective actions to address Grand Jury concerns. The Property Unit has installed security cameras, and now uses logbooks to document when visitors access the property and evidence room, and to document when staff access safes. Property Unit managers have also obtained professional certifications for property and evidence management.

Improvements to Property Unit Security and Supervisor Training

SDPD has installed security cameras in the main property and evidence room at SDPD Headquarters. Property Unit staff placed cameras in locations that ensure coverage of entrances and exits, safes, gun rooms, the property auction area, and the property disposal area. **Exhibit 2** below shows examples of the Property Unit's security cameras.

Exhibit 2

Security cameras covering property and evidence room safes (left) and a gun storage area (right)



Source: OCA.

The Property Unit has also implemented a logbook system to record when visitors access the property and evidence room, and to record when employees access Property Unit safes, which store high value items. As an additional security control, access to a safe requires a witness. The witness signs off on the entry log, listing their name and employee identification number.

Separate from the Property Unit's security enhancements, Property Unit Managers obtained professional certifications in property and evidence room management. The Property Unit's three managers, a Senior Property and Evidence Supervisor and two Property and Evidence Supervisors, obtained "Certified Property and Evidence Specialist" certifications from the IAPE. To obtain the "Certified Property and Evidence Specialist" certification, association members must complete a required IAPE property and evidence management training course, have served at least one year as a full time property and evidence custodian, and pass a written, multiple choice examination on the IAPE *Professional Standards*.³

³ IAPE's *Professional Standards, Version 2.5.1*, is intended to assure that police agencies which adhere to the standards are taking reasonable steps for the management of a secure and efficient property and evidence management system.

Grand Jury Recommendation 15-51

City Dept.	Grand Jury Recommendation	Status
SDPD	Establish written procedures and protocol for when SDPD will review files for disposal of evidence.	Implemented

We determined that SDPD has implemented this recommendation. SDPD has a department wide procedure that specifically addresses processes by which investigators review records in order to determine whether to hold or release impounded items. The Property Unit also maintains an internal manual which covers property release authorizations and the physical destruction of impounded items.

SDPD Procedure 3.02, *Impound, Release, and Disposal of Property, Evidence, and Articles Missing Identification Marks*, is a department wide policy establishing guidelines for the processes and responsibilities related to impounding, releasing, and disposing of property and evidence. The procedure's effective date was September 25, 2014, superseding a previous version of the same policy. Specifically, Section XI of Procedure 3.02 establishes retention guidelines and timeframes for determining whether or not to release impounded items. The policy includes retention and release guidelines for multiple types of impounded property and evidence.

Generally, during the property and evidence disposition process, investigators, not Property Unit staff, decide whether or not to release impounded items. Section XI of Procedure 3.02 also outlines investigator responsibilities related to tracking and reviewing property and evidence associated with their assigned cases. Per the policy, the EvidenceOnQ⁴ system automatically assigns a retention period to impounded items based on Property Unit retention criteria. EvidenceOnQ then generates a monthly email for individual SDPD investigators listing the impounded items of assigned cases for which the retention period has expired. Procedure 3.02 stipulates that investigators review each listed item and enter a request to retain the impounded item, or enter a request to release the item.

Supplementing SDPD Procedure 3.02 is the Property Unit's Operations Manual. The manual serves as an internal operating procedures guide for the impounding and processing of property and evidence, and provides guidance to employees on issues ranging from work schedules to the handling of biohazards. The manual also addresses Property Unit procedures for obtaining investigator authorization to release impounded items, and guidance on how to dispose of impounded items once disposal is authorized by investigators.

⁴ EvidenceOnQ is SDPD's property and evidence management and tracking system.

Grand Jury Recommendation 15-52

City Dept.	Grand Jury Recommendation	Status
SDPD	Initiate annual audits of the Property and Evidence Room operations as outlined in the CA Peace Officers Standards and Training publication: <i>Law Enforcement Evidence and Property Management Guide</i> .	Partially Implemented

We determined that SDPD has partially implemented this recommendation. POST recommends that police departments conduct regular audits, inventories, and inspections of the property and evidence facility. Effective audits, inventories, and inspections help to ensure a high degree of evidentiary integrity and the preservation of the chain of custody. SDPD has implemented a quality assurance program that includes audits of property and evidence transactions, and inventories of impounded items. However, SDPD should revise certain aspects of its quality assurance program to ensure it aligns with POST *Law Enforcement Evidence and Property Management Guide* best practices, and IAPE's *Professional Standards*.

Property Unit Audits

The Property Unit's Property and Evidence Supervisors currently conduct quarterly quality assurance audits to verify the accuracy of Property Unit clerk transactions. Property Unit supervisors then consider the audit results during the clerks' annual performance reviews. During the audit, supervisors sample and review for accuracy clerk transactions for prisoner bulk property, evidence, property and evidence releases, and evidence checkouts. As part of the quality assurance audits of clerk transactions, managers conduct quarterly walkthrough inspections of the evidence disposal station, and of the area stations located in the field.

The Property Unit conducts audits of the gun room in addition to quarterly quality assurance audits of Property Unit clerks. The Property Unit's Senior Property and Evidence Supervisor conducts monthly audits of the property and evidence room's gun rooms by reviewing gun property tags and incident numbers, and verifying that guns are in the appropriate storage bin. Management retains the gun room audit results in a Property Unit share drive.

The Property Unit should revise certain aspects of its audit program to ensure it aligns with recognized best practices. POST's *Law Enforcement Evidence and Property Management Guide* recommends that agencies create or amend a written directive to address procedures for conducting audits. While POST guidelines do not specifically address who should conduct audits, the IAPE *Professional Standards* states that, when practical, a person that does not have responsibility within the property unit should conduct internal audits. POST recommends that audits include, at a minimum, quarterly review of selected stored items and corresponding completed property transactions, with a special emphasis on sensitive items like firearms, currency, jewelry, and other valuables. The audits should also include a

review of packaged evidence seals for evidence of tampering, and a requirement that audit results be documented and directed to the agency head.

We identified the following Property Unit audit practices which do not align with POST or IAPE best practices:

- The Operations Manual, which calls for monthly audits of property and evidence files, does not reflect the Property Unit's current audit procedures;
- The Operations Manual does not account for monthly gun room audits performed by the Senior Property and Evidence Supervisor;
- The Property Unit retains quality assurance reports as part of the Property Unit clerks' performance records, and does not retain the reports beyond the time of the clerks' annual performance review;
- No office outside of the Property Unit is conducting quality assurance reviews or audits of property and evidence operations; and
- The Property Unit does not direct the documented results of quality assurance audits to the agency head.

Property Unit Inventories

The Property Unit conducts annual inventories cyclically using its EvidenceOnQ evidence management system. One staff member will be responsible for a specific section or room. Using a handheld scanning device, the employee scans each bin item to determine whether the item is in the correct location and accounted for. The employee will inventory as much of the room as possible for one month. If the assigned employee does not complete the section within the month, the next employee assigned to inventory the section will pick up where the previous employee left off. The Property Unit has established an inventory schedule for employees.

The Property Unit should revise certain aspects of its inventory program to ensure it aligns with recognized best practices. POST's *Law Enforcement Evidence and Property Management Guide* recommends that agencies create or amend a written directive addressing procedures for conducting inventories. The directive should contain procedures that include, but are not limited to, a process and timeline that ensures accountability of all impounded items, an inventory schedule, routine inspection of "unable to locate" files, and procedures for the use of evidence management software, if the agency uses such software. The results of inventories should be documented and directed to the agency head.

We identified the following Property Unit inventory practices which do not align with POST best practices:

- The Operations Manual does not reflect Property Unit procedures for instances in which an employee is unable to locate a file; and
- The Property Unit does not direct the documented results of the inventories to the agency head.

The Property Unit Does Not Conduct Facility Inspections

The Property Unit does not conduct routine inspections of property and evidence facilities. POST's *Law Enforcement Evidence and Property Management Guide* recommends that agencies create or amend a written directive addressing procedures for conducting inspections. The directive should contain procedures addressing inspection frequency, inspectors, and the review of the health, safety, cleanliness, and functionality of facilities. Inspection results should be documented and transmitted to the agency head. While the POST guidance does not specifically address who should conduct inspections, the IAPE *Professional Standards* states that supervisors or managers should conduct inspections.

The Property Unit Is In the Process of Revising Policies and Procedures for Audits, Inventories, and Inspections

During the course of our audit, the Property Unit provided us with draft revisions to the Property Unit Operations Manual which would establish distinct audit, inventory, and inspection processes. The draft revisions also describe how the unit will report audit, inventory, and inspection results to the Chief of Police and other senior managers. In addition to proposed revisions to the Operations Manual, the Property Unit provided draft reporting templates which supervisors will use to report audit, inventory, and inspection information. Once SDPD fully implements its revised quality assurance processes, we will review those programmatic changes as part of the Office of the City Auditor's semiannual recommendation follow up process.

Recommendation 1: SDPD should revise policies and procedures for quality assurance audits to ensure alignment with POST best practices. Revisions should include:

- Updates to the Property Unit Operations Manual so that it reflects current audit processes and guidelines;
- Updates to the Property Unit Operations Manual so that it reflects current processes and guidelines for monthly gun room audits;
- A requirement that the Property Unit retain audit reports separately from employee personnel files to allow for the compilation and reporting of audit results;
- Establishment of an audit report retention schedule; and
- A requirement that audit results be directed to the agency head. (Priority 3)

Recommendation 2: SDPD should revise policies and procedures for inventories to ensure alignment with POST best practices. Revisions should include:

- Updates to the Property Unit Operations Manual to include procedures for rectifying discrepancies if staff is unable to locate an item; and
- A requirement that inventory results be directed to the agency head. (Priority 3)

Recommendation 3: SDPD should conduct formal inspections of Property Unit facilities, as recommended by POST. Inspections should be documented, and results should be directed to the agency head. (Priority 3)

Recommendation 4: The Chief of Police should direct an appropriate office which does not have responsibilities in the Property Unit to conduct regular quality assurance audits of Property Unit operations. The reviews should assess the systems in place to locate, track, and account for impounded items in SDPD custody. (Priority 3)

Grand Jury Recommendation 15-53

City Dept.	Grand Jury Recommendation	Status
SDPD	Determine the amount of space needed for permanent Property and Evidence Room storage and work with the San Diego Mayor and City Council to build new facilities or relocate into existing city owned property.	In Progress

We determined that SDPD's implementation of this recommendation is in progress. In order to expand the Property Unit's storage capacity, SDPD plans to identify an additional storage site for property and evidence. The Grand Jury determined in its report that use of a temporary warehouse facility leased from a private owner is an inefficient use of taxpayer money. SDPD has identified three potential City owned sites since 2007. However, an SDPD manager responsible for facilities management explained that the department suspended those plans due to either budget concerns or City Council concerns. SDPD is not currently pursuing a City owned site to expand the property and evidence room, but plans to lease an additional storage site that will meet the long term needs of the department.

While SDPD Administrative Services Division management, which oversees SDPD facilities, and Property Unit management acknowledge a permanent, City owned facility would be an ideal site for future expansion plans, SDPD is currently pursuing a facility for lease. The City's *FY 2017-2021 Five Year Financial Outlook*, which serves as the framework for the 2017 Adopted Budget, includes \$500,000 in annual funding for FY 2018-2021 in order to lease a facility that will meet the Property Unit's long term operational needs. SDPD said it is working with the City's Real Estate Assets Department, which manages the City's real estate portfolio, to locate an appropriate facility. The new facility would replace a leased warehouse that the Property Unit is currently using.

One of the most important aspects of the property and evidence function is proper storage of property and evidence, and the POST *Law Enforcement Evidence and Property Management Guide* states that police departments should consider security and safety when designing property and evidence storage facilities. Specifically, departments should consider the placement and design of the facility, facility security, and the health and safety of employees. Departments should implement enhanced security measures for any high risk items stored at a facility.

Recommendation 5: SDPD, in consultation with the Real Estate Assets Department, should develop a formal plan for obtaining a property and evidence storage site that will meet long

term operational needs. The plan should include the department's square footage, design, security, and staff safety requirements for the facility. The plan should also assess the benefits of using a City owned site compared to leasing a private facility. (Priority 3)

Grand Jury Recommendation 15-54

City Dept.	Grand Jury Recommendation	Status
SDPD	Perform a review of the Headquarters Property and Evidence Room facility addition to ensure it meets building code standards.	Not Implemented

We determined SDPD has not implemented this recommendation. SDPD has not conducted a formal assessment of the Headquarters property and evidence room facility addition to ensure it meets building code standards. Furthermore, during a walkthrough of SDPD's leased warehouse, we observed standing water on the floor of the facility. We also observed indications that water can leak into the facility from the roof. This may affect the department's ability to ensure the integrity of items stored in the facility.

SDPD's 2014 Code Compliance Review

The Grand Jury recommended that SDPD assess the facility addition to the Headquarters property and evidence room, which is a portion of the Headquarters parking garage that the department modified for property and evidence storage. In its formal response to the Grand Jury, SDPD reported that its Facilities Management Division confirmed the Headquarters property and evidence room passed an inspection in June 2014. The City's Development Services Department (DSD), which provides review, permit, inspection, and code enforcement services for the City, performed the inspection of SDPD's Headquarters building in conjunction with SDPD's completion of several building upgrades. The building upgrades did not include modifications to a portion of the parking garage for property and evidence storage. DSD Inspectors reviewed electrical, plumbing, and mechanical upgrades, and approved a preliminary certificate of occupancy on June 11, 2014. However, SDPD did not schedule a final inspection, which was required by DSD following a construction change associated with the building upgrades.

Furthermore, SDPD upgrades to its Headquarters building were not specific to the property and evidence room. While DSD approved the preliminary certificate of occupancy for work associated with the 2014 building upgrades, the scope of DSD's inspection was limited to permitted building upgrades, and does not indicate specifically whether the property and evidence room facility complies with building codes.

Water Damage Risks at SDPD's Leased Warehouse Facility

During a walkthrough of the Property Unit's leased warehouse space, which is separate from SDPD's Headquarters building, we observed that the roof, including a skylight, appeared to be in poor condition. As a precaution, Property Unit staff had placed a tarp over a shelving unit containing evidence bins. We also observed standing water on the floor of the facility. Property Unit management explained that the standing water is runoff from a business located in a neighboring warehouse, and that they have notified the property owner of the problem. **Exhibit 3** below shows water damage risks at SDPD's lease property and evidence facility.

Exhibit 3:

Water Damage Risks at SDPD's Leased Property and Evidence Facility

(Left: As a precaution against roof leaks, Property Unit staff had covered a shelving unit containing impounded items with a tarp; Right: Standing water on the floor of the leased warehouse)



Source: OCA.

Water damage risks could affect the department's ability to ensure the integrity of items stored in the facility. The POST *Law Enforcement Evidence and Property Management Guide* stresses the need to design and construct facilities that consider staff safety, security, and the integrity of property and evidence.

Recommendation 6: To ensure the Headquarters property and evidence room facility addition complies with applicable building codes, SDPD should ensure it has obtained required permits and inspections for the facility addition project. (Priority 3)

Recommendation 7: SDPD, in consultation with the Real Estate Assets Department, should direct the warehouse owner to address water damage risks at SDPD's leased warehouse. (Priority 2)

Grand Jury Recommendation 15-57

City Dept.	Grand Jury Recommendation	Status
City Attorney	Implement a Memorandum of Understanding with SDPD to include a standard procedure for proper and timely disposal of evidence.	Will Not Implement

The Office of the City Attorney does not intend to develop a memorandum of understanding (MOU) with the SDPD regarding evidence disposal. However, the Office of the City Attorney is developing a new process where it will periodically refer to SDPD lists of closed cases in which property and evidence is eligible for release or disposal. SDPD can then decide whether or not to release or dispose of items associated with those cases. Full implementation of the new information referral process will satisfy the intent of the Grand Jury recommendation by helping to facilitate the timely disposal of evidence.

The Office of the City Attorney Does Not Intend to Develop an MOU

According to a senior manager within the Office of the City Attorney, a memorandum of understanding between the City Attorney and SDPD is not an appropriate medium for clarifying roles and responsibilities because SDPD is best suited to develop evidence management policies and procedures that suit SDPD operations. A representative from the San Diego County District Attorney's Office expressed a similar view, explaining that county law enforcement agencies vary in how they manage property and evidence operations. The representative also noted that local law enforcement agencies can refer to POST guidelines for a standardized set of best practices related to property and evidence management.

The Office of the City Attorney Is Developing a New Information Sharing Process

The Office of the City Attorney is developing a new process for communicating to the SDPD Property Unit cases that are ready for property and evidence disposal determinations. Using search parameters such as case status, defendant booking information, case results, and pending or future case events, City Attorney staff will query CMS⁵ case information and generate reports identifying closed cases where SDPD can make an evidence disposition determination. The Office of the City Attorney can provide the information to the Property Unit in a spreadsheet.

According to the Property Unit, it will be able to import Office of the City Attorney report data into the EvidenceOnQ evidence management system, which will automatically update EvidenceOnQ retention information. Investigators will then review those cases as part of the evidence disposition review process outlined in SDPD Procedure 3.02. Property Unit management is supportive of the Office of the City Attorney's planned reporting system. The Property Unit has already implemented a similar system with the San Diego County District Attorney's Office. District Attorney staff generate reports

⁵ CMS is the criminal case management system used by the Office of the City Attorney and the San Diego County District Attorney's Office.

using CMS which list cases where SDPD can make an evidence disposition determination, and the Property Unit uses the information to update the EvidenceOnQ system.

The Office of the City Attorney also plans to use a new CMS evidence waiver feature allowing the office to report to the Property Unit cases in which a defendant pleads guilty or no contest to a misdemeanor crime and has waived their interest in non-biological property and evidence impounded by a police agency. According to the Office of the City Attorney, SDPD's Property Unit can proceed with making evidence disposition determinations for cases with those waivers.

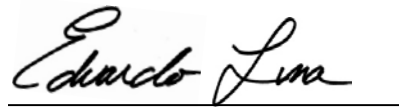
The Office of the City Attorney reported it is in the process of developing policies and procedures to formalize the CMS case information referral processes. The Office of the City Attorney General Trial Unit has already provided instructions to City Attorney staff regarding the evidence disposal waiver feature in CMS, which include step by step instructions for processing and documenting the waivers. Office of the City Attorney management reported that office staff began using the new waiver feature in June 2016.

Recommendation 8: The Office of the City Attorney should establish formal policies and procedures for identifying closed cases where SDPD can make an evidence disposition determination. The policies and procedures should establish a process and schedule for referring the information to SDPD. (Priority 3)

Conclusion

In response to the Grand Jury's report, SDPD has implemented several programmatic changes to improve property and evidence facility security, and improve quality assurance processes related to property and evidence management. However, additional actions are necessary to ensure the department satisfies the intent of three Grand Jury recommendations that are not yet fully implemented, and to ensure the City's property and evidence procedures align with recognized best practices. The Office of the City Attorney is also developing a new information sharing process to improve communication with SDPD related to evidence disposition. We made eight recommendations in this report.

Respectfully submitted,



Eduardo Luna
City Auditor

cc: Shelley Zimmerman, Chief of Police
Jan Goldsmith, City Attorney
Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Mary Lewis, Chief Financial Officer
Rolando Charvel, City Comptroller
Andrea Tevlin, Independent Budget Analyst
Robert Vacci, Director, Development Services Department
Cybele Thompson, Director, Real Estate Assets Department
Ken So, Deputy City Attorney

Recommendations

Recommendation 1: SDPD should revise policies and procedures for quality assurance audits to ensure alignment with POST best practices. Revisions should include:

- Updates to the Property Unit Operations Manual so that it reflects current audit processes and guidelines;
- Updates to the Property Unit Operations Manual so that it reflects current processes and guidelines for monthly gun room audits;
- A requirement that the Property Unit retain audit reports separately from employee personnel files to allow for the compilation and reporting of audit results;
- Establishment of an audit report retention schedule; and
- A requirement that audit results be directed to the agency head. (Priority 3)

Recommendation 2: SDPD should revise policies and procedures for inventories to ensure alignment with POST best practices. Revisions should include:

- Updates to the Property Unit Operations Manual to include procedures for rectifying discrepancies if staff is unable to locate an item; and
- A requirement that inventory results be directed to the agency head. (Priority 3)

Recommendation 3: SDPD should conduct formal inspections of Property Unit facilities, as recommended by POST. Inspections should be documented, and results should be directed to the agency head. (Priority 3)

Recommendation 4: The Chief of Police should direct an appropriate office which does not have responsibilities in the Property Unit to conduct regular quality assurance audits of Property Unit operations. The reviews should assess the systems in place to locate, track, and account for impounded items in SDPD custody. (Priority 3)

Recommendation 5: SDPD, in consultation with the Real Estate Assets Department, should develop a formal plan for obtaining a property and evidence storage site that will meet long term operational needs. The plan should include the department's square footage, design, security, and staff safety requirements for the facility. The plan should also assess the benefits of using a City owned site compared to leasing a private facility. (Priority 3)

Recommendation 6: To ensure the Headquarters property and evidence room facility addition complies with applicable building codes, SDPD should ensure it has obtained required permits and inspections for the facility addition project. (Priority 3)

Recommendation 7: SDPD, in consultation with the Real Estate Assets Department, should direct the warehouse owner to address water damage risks at SDPD's leased warehouse. (Priority 2)

Recommendation 8: The Office of the City Attorney should establish formal policies and procedures for identifying closed cases where SDPD can make an evidence disposition determination. The policies and procedures should establish a process and schedule for referring the information to SDPD. (Priority 3)

Attachment A: Audit Recommendation Priorities

DEFINITIONS OF PRIORITY 1, 2, AND 3

AUDIT RECOMMENDATIONS

The Office of the City Auditor maintains a priority classification scheme for audit recommendations based on the importance of each recommendation to the City, as described in the table below. While the City Auditor is responsible for providing a priority classification for recommendations, it is the City Administration's responsibility to establish a target date to implement each recommendation taking into considerations its priority. The City Auditor requests that target dates be included in the Administration's official response to the audit findings and recommendations.

Priority Class ⁶	Description
1	<p>Fraud or serious violations are being committed.</p> <p>Significant fiscal and/or equivalent non-fiscal losses are occurring.</p> <p>Costly and/or detrimental operational inefficiencies are taking place.</p> <p>A significant internal control weakness has been identified.</p>
2	<p>The potential for incurring significant fiscal and/or equivalent non-fiscal losses exists.</p> <p>The potential for costly and/or detrimental operational inefficiencies exists.</p> <p>The potential for strengthening or improving internal controls exists.</p>
3	<p>Operation or administrative process will be improved.</p>

⁶ The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation which clearly fits the description for more than one priority class shall be assigned the higher number.

ATTACHMENT B: Objectives, Scope, and Methodology

In accordance with the Office of the City Auditor's FY 2016 Audit Work Plan, we conducted a performance audit of the City's implementation of San Diego County Grand Jury (Grand Jury) recommendations related to property and evidence management. The objective of this audit was to evaluate the City's implementation of recommendations set forth in the FY 2015 San Diego County Grand Jury report, *San Diego Police Department Property and Evidence Room Review of Operations*. We also reviewed whether corrective actions implemented by the San Diego Police Department (SDPD) aligned with recognized best practices for property and evidence management. The Grand Jury made a total of six recommendations in its report. It directed five of the recommendations to SDPD, and one recommendation to the Office of the City Attorney.

To achieve our audit objective, we:

- Interviewed SDPD, Office of the City Attorney, and San Diego County District Attorney staff regarding property and evidence management;
- Interviewed Development Services Department staff regarding SDPD's property and evidence facilities;
- Conducted on-site observations of SDPD property and evidence facilities;
- Analyzed SDPD and Office of the City Attorney written responses to the Grand Jury report;
- Analyzed California Commission on Peace Officer Standards and Training, and International Association for Property and Evidence best practices for property and evidence management; and
- Analyzed SDPD and Office of the City Attorney corrective actions implemented in response to the Grand Jury report.

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.



**The City of San Diego
M E M O R A N D U M**

DATE: July 20, 2016

TO: Eduardo Luna, City Auditor

FROM: Albert Guaderrama, Assistant Chief of Police, Neighborhood Policing

SUBJECT: San Diego Police Department's Response to the City's Implementation of San Diego County Grand Jury Recommendations Related to Property and Evidence Management

Attached is the San Diego Police Department's Response to the City's Implementation of San Diego County Grand Jury Recommendations Related to Property and Evidence Management. The Police Department agrees with the majority of the audit recommendations and has established action plans and timeframes for completion as specified in our response.

A handwritten signature in black ink, appearing to read "Albert Guaderrama".

Albert Guaderrama

Attachment: San Diego Police Department's Response

cc: Shelley Zimmerman, Chief of Police
Jan Goldsmith, City Attorney
Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Mary Lewis, Chief Financial Officer
Rolando Charvel, City Comptroller
Andrea Tevlin, Independent Budget Analyst
Robert Vaccì, Director, Development Services Department
Cybele Thompson, Director, Real Estate Assets Department
Ken So, Deputy City Attorney

The following summarizes the recommendations contained in this report and the Police Department's responses to these recommendations.

Recommendation 1: SDPD should revise policies and procedures for quality assurance audits to ensure alignment with POST best practices. Revisions should include:

- Updates to the *Property Unit Operations Manual* so that it reflects current audit processes and guidelines;
- Updates to the *Property Unit Operations Manual* so that it reflects current processes and guidelines for monthly gun room audits;
- A requirement that the Property Unit retain audit reports separately from employee personnel files to allow for the compilation and reporting of audit results.
- Establishment of an audit report retention schedule; and
- A requirement that audit results be directed to the agency head.

Response: Agree with recommendation.

The Operations Manual is being revised to not only include additional information on the current audit processes and guidelines, but to include details on all new audits, inventories and inspections being implemented.

The monthly gun room random sampling inventories have ceased. The gun room is be fully inventoried every six months and subject to random inventories. The inventory results will be included in the quarterly management reports.

The Property Unit will conduct separate random audits from the employee quality control audits. Those will be included in the quarterly management reports, which will be forwarded directly to the Chief of Police or designee.

The Property Unit will retain the audit reports for a minimum of two years.

The quarterly management report, which will include audit, inventory and inspection results will be forwarded directly to the Chief of Police or designee.

Date to be completed: August 1, 2016

Recommendation 2: SDPD should revise policies and procedures for inventories to ensure alignment with POST best practices. Revisions should include:

- Updates to the *Property Unit Operations Manual* to include procedures for rectifying discrepancies if staff is unable to locate an item; and
- A requirement that inventory results be directed to the agency head.

Response: Agree with recommendation.

The Operations Manual will include procedures for rectifying discrepancies if staff is unable to locate any impounded item(s).

Date to be completed: August 1, 2016

Recommendation 3: SDPD should conduct formal inspections of Property Unit facilities, as recommended by POST. Inspections should be documented, and results should be directed to the agency head.

Response: Agree with recommendation.

The current form will be modified to reflect quarterly inspections and list additional areas to be reviewed. This document will be included in the quarterly management report, which will be forwarded directly to the Chief of Police or designee.

Date to be completed: August 1, 2016

Recommendation 4: The Chief of Police should direct an appropriate office which does not have responsibilities in the Property Unit to conduct regular quality assurance audits of Property Unit operations. The reviews should assess the systems in place to locate, track, and account for impounded items in SDPD custody.

Response: Agree with recommendation.

Agree with recommendation. The Research and Planning Unit will be responsible for performing quality assurance audits of the Property Room.

Date to be completed: August 1, 2016

Recommendation 5: SDPD, in consultation with the Real Estate Assets Department, should develop a formal plan for obtaining a property and evidence storage site that will meet long term operational needs. The plan should include the department's square footage, design, security, and staff safety requirements for the facility. The plan should also assess the benefits of using a City owned site compared to leasing a private facility.

Response: Agree with recommendation.

Agree with recommendation. The Department has been working with READ on identifying sites that meet the operational needs of the PD/Property Room. According to READ staff, at this time, there are no suitable city-owned sites available for this purpose. We have identified a site that will meet our needs and READ staff is currently negotiating with the property owner.

Date to be completed: November 1, 2016

Recommendation 6: To ensure the Headquarters property and evidence room facility addition complies with applicable building codes, SDPD should ensure it has obtained required permits and inspections for the facility addition project.

Response: Agree with recommendation.

SDPD has reached out to DSD and will attempt to locate any permits and inspection records for the facility addition project.

Date to be completed: September 1, 2016

Recommendation 7: SDPD, in consultation with the Real Estate Assets Department, should direct the warehouse owner to address water damage risks at SDPD's leased warehouse.

Response: Agree with recommendation.

The property management representative and property owner of the leased warehouse has committed to addressing the standing water issue. However, there have been no reported roof leaks coming from the skylight in the facility; therefore, no property/evidence has been damaged.

Date to be completed: September 1, 2016

Recommendation 8: The Office of the City Attorney should establish formal policies and procedures for identifying closed cases where SDPD can make an evidence disposition determination. The policies and procedures should establish a process and schedule for referring the information to SDPD.

Response: Agree with recommendation.

The Property & Evidence Unit will work with the City Attorney's Office to establish a process similar to that of the District Attorney's Office in order to obtain timely disposition of evidence.

Date to be completed: September 1, 2016

July 20, 2016

**Office of
The City Attorney
City of San Diego**

**MEMORANDUM
MS 61**

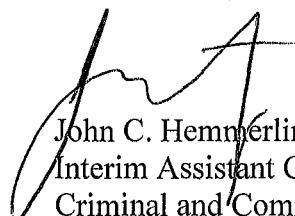
(619) 533-5500

DATE: July 18, 2016
TO: Eduardo Luna, City Auditor
FROM: City Attorney
SUBJECT: City Attorney's Office Response to Property Room and Evidence Audit

The City Attorney's Office has reviewed the Auditor's Report – "The City's Implementation of San Diego County Grand Jury Recommendations Related to Property and Evidence Management." The report specifically refers one item to the Office of the City Attorney – Recommendation 8 – which states the following: "*The Office of the City Attorney should establish formal policies and procedures for identifying closed cases where SDPD can make an evidence disposition determination. The policies and procedures should establish a process and schedule for referring the information to SDPD. (Priority 3).*" Management agrees with the recommendation and has already taken steps to implement procedures. Evidence disposal waivers are entered into the Case Management System (CMS). Additionally, a monthly report will now be generated from CMS for all cases that have a final disposition and that report will be transmitted, imported, and incorporated as part of the Police Department's EvidenceOnQ system. This procedure is fully implemented and an initial report will be ready for transmission on August 1, 2016.

Jan I. Goldsmith, City Attorney

By


John C. Hemmerling
Interim Assistant City Attorney
Criminal and Community Justice
Division

JCH:vj