UCLA POLICE DEPARTMENT

EQUIPMENT INVENTORY AND EVIDENCE MANAGEMENT

AUDIT REPORT #22-2205

Audit & Advisory Services

August 2022

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# Background

In accordance with the UCLA Administration fiscal year 2021-22 audit plan, Audit & Advisory Services (A&AS) conducted a review of the UCLA Police Department’s (UCPD) equipment inventory and evidence management activities. UCPD is dedicated to providing a safe and secure environment for teaching, research, and public service through patrol, rapid response to calls for service, investigations, education, and implementation of preventative strategies. UCPD police officers are duly sworn peace officers under section 830.2(b) of the California Penal Code, and patrol the campus 24 hours a day, 365 days a year.

*Equipment Inventory*

Equipment inventory activities are regulated by both University systemwide and local policies and procedures. UC Business and Finance Bulletin BUS-29, “Management and Control of University Equipment” (BUS-29), defines *inventorial equipment* as “equipment for which the University holds title, which is non-expendable, tangible, personal property acquired for $5,000 or more, and which has a normal life expectancy of more than one year.” *Other inventorial items* are items that may require the safeguards afforded by the inventorial process, but that are not normally categorized as inventorial equipment. Items in this classification have either a unit acquisition value of less than $5,000, or an expected normal life of one year or less, and are not listed as capital assets; however, these items are integrated into the local campus inventory. Firearms are included in the category of “other inventorial items.” Systemwide guidance for the disposal of equipment is established in UC Business and Finance Bulletin BUS-38, “Disposition of Excess Property and Transfer of University-Owned Property” (BUS-38). UCLA Procedure 720.2, Acquisition and Disposal of Surplus and Salvage University Property, further clarifies campus requirements for equipment disposals.

UCLA’s Asset Management System (AMS) tracks all equipment and allows equipment custodians to manage department inventorial items online. According to UCLA Equipment Management, equipment custodians are responsible for:

* Controlling, maintaining, and monitoring inventorial equipment
* Locating and tagging new equipment with barcodes
* Processing inventories
* Recording and reporting changes in equipment and disposition transactions
* Controlling agency equipment

As of December 16, 2021, UCPD’s equipment list contained 131 firearms (69%) and 59 inventorial items (31%) for a total of 190 entries. Firearms are tracked and monitored by the UCPD Range Master and the range staff, who are responsible for making periodic inspections of all duty weapons carried by UCPD officers, and repairing or modifying department-owned weapons. Inventorial equipment is administered directly by the equipment custodian. Although oversight of weapons and inventorial items is separated for operational purposes, the UCPD equipment custodian is still ultimately responsible for all items recorded in the official University records.

*Evidence Management*

UCPD evidence management business practices are in place to ensure the integrity of property and evidence by maintaining the chain of custody, securing items in custody from contamination or loss, and releasing or disposing property and evidence in a manner prescribed by law. Besides abiding by state and local regulations, UCPD has established its own policy and procedures for the proper collection, storage, and security of evidence and other property. The policy also describes standards for the protection of the chain of evidence, and for the removal and destruction of property.

UCPD relies on a Computer Aided Dispatch and Records Management System (CAD/RMS) to manage and dispatch emergency calls, and to collect, store and access incident or investigation information. The CAD/RMS also has a built-in property and evidence module that generates a property report for each processed item.

Reporting to the Administrative Vice Chancellor, the Chief of Police oversees the entire department. The Property and Evidence unit is staffed by two civilian full-time employees who report to the Investigations Division Lieutenant.

Purpose and Scope

The primary purpose of the review was to ensure that UCPD’s controls, and the related systems and procedures for equipment inventory and evidence management are conducive to accomplishing the department’s and University’s business objectives. The secondary purpose of the review was to evaluate the adequacy and efficiency of internal controls. Where applicable, compliance with University policies and procedures was also evaluated. The scope of the audit focused on the following:

Equipment Inventory

* Inventory Management
* Weapons System User Access Controls

Evidence Management

* Documentation and Recording
* Monitoring and Physical Storage
* Disposals and Releases

The review was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* and included interviews, tests, and other procedures considered necessary to achieve the objective.

Summary Opinion

Based on the results of the work performed within the scope of the audit, internal controls over equipment inventory and evidence management are generally adequate and effective. However, controls and business practices could be further strengthened by implementing the following:

*Equipment Inventory*

* Management should ensure that AMS records are updated to accurately reflect all equipment items and firearms. Physical inventory verifications should also continue to be conducted at least every two years in accordance with University policy. In addition, UCPD should adhere to UCLA Equipment Management guidelines when conducting its biennial inventory by physically locating and viewing each piece of equipment listed on the AMS inventory report. This includes confirming the property number, description, building and room number, serial number, current user, utilization/condition codes and title. Further, UCPD should affix the University property tags, when practical, to the physical assets.
* Management should ensure that a reconciliation between the internal UCPD record of weapons and AMS records is periodically performed to identify any discrepancies. After the reconciliation has been completed, both records should be updated to ensure that they agree and reflect the most current information. Also, the department should coordinate with UCLA Equipment Management to obtain property numbers for the recently acquired firearms.
* Management should review AMS records and update any missing or erroneous information. The department should continue to ensure that AMS records are complete and up-to-date as part of the regular departmental physical inventory.
* Management should update AMS more frequently than once a year to improve the accuracy of the weapons recorded in the official University records.
* Management should consider implementing a new software or inventory management system to help reduce errors, improve accountability, increase efficiency, and streamline the weapons inventory process.

*Evidence Management*

* Property and evidence personnel should review property reports for accuracy and completeness when items are booked into the CAD/RMS system so that officers can be notified promptly if additional information needs to be completed.
* Property and evidence personnel should ensure that information recorded in the property reports match the property labels to prevent the item being misplaced or misidentified.
* Property and evidence personnel should review the chain of custody reports to ensure all information is complete and accurate prior to the release of items. By adequately documenting items being transferred to/from outside entities, accountability over chain of custody activities is strengthened.
* Management should ensure that quarterly UCPD internal audits of property and evidence are performed in a timely manner. The UCLA Police Department Policy Manual, Section 802.8.c, should also be updated to reflect the current quarterly audit procedures if that frequency aligns with management’s expectations.

* The combination to the gun safe should be changed whenever a person who knows the combination leaves the unit and on an annual basis.
* Property and evidence staff should verify that the authorization to release or dispose of evidence is documented prior to releasing items to help prevent the erroneous disposal of evidence.

The audit results and corresponding recommendations are detailed in the following sections of the report.

Audit Results and Recommendations

Equipment Inventory

The Lead Property Officer performs the role of the Equipment Custodian while a Sergeant is in the Range Master position, which is responsible for monitoring and issuing firearms. The Lead Property Officer and the Range Master work in conjunction with one another to maintain a complete listing of inventorial equipment. The inventory certification was last completed in June 2019 because the biennial inventory requirement has been waived until December 2022 due to the COVID-19 pandemic.

Audit work included discussions with the Lead Property Officer and the Range Master, and a review of 20 pieces of equipment and 20 firearms. Where applicable, property numbers, serial numbers, locations, and other attributes were reviewed. In addition, a sample of ten pieces of equipment that were disposed of in fiscal year 2020 - 21 were selected for review.

Further, an analysis of the AMS records was performed, as of December 16, 2021, to identify missing information, and the weapons listed in AMS were compared to the weapons listed in UCPD’s internal records, as of January 18, 2022. Also, the system used to maintain the internal record of weapons was reviewed.

1. Inventory Management
   1. *Physical Inventory*

A&AS performed a physical inventory test for 20 non-firearm equipment items and 20 firearms in January and February 2022 for each item selected for review.

*Equipment*

A judgmental sample of 20 pieces of equipment was selected to perform a physical inventory test. Ten items were selected from AMS, as of December 16, 2021, to verify the existence of the assets, and ten items were selected from various areas within UCPD to verify that inventorial equipment was accurately recorded in AMS. Two items were not available to be physically verified by A&AS because they have not been installed in their respective locations. Therefore, the following was noted based on a review of 18 items:

* Property stickers were not affixed to three items.
* The serial number was recorded incorrectly in AMS for one item.
* The serial number for one item was not recorded in AMS, although a serial number was identified on the device.
* The information on the property sticker of one item matched what was in AMS for that item but there was no serial number in AMS and a serial number could not be located on the item itself. Notably, the Lead Property Officer indicated he believed that the item had a serial number and that he needed help finding it.
* The serial number for one item was in AMS although the item itself did not have a serial number.
* One item could not be physically located.
* Oneitem did not have a property sticker and the serial number on the device was not identified in AMS, therefore the item could not be verified in AMS.

*Firearms*

A judgmental sample of 20 firearms was selected to perform a physical inventory test. Ten firearms were selected from AMS, as of December 16, 2021, to verify the existence of the assets, and ten firearms were selected from various areas and officers present within UCPD to verify that the assets were accurately recorded in AMS. The firearms selected for testing were also compared to the internal weapons listing to verify the accuracy of records. The following were noted:

* The manufacturer for ten firearms is recorded incorrectly in AMS. AMS lists the manufacturer as Deftech but the correct manufacturer is LMT Defense.
* The location ("room") of the firearms is recorded incorrectly for ten firearms in AMS.
* The assigned user is recorded incorrectly for two firearms in AMS.
* One firearm is not listed in AMS. Management indicated that this firearm was purchased recently and there has been trouble adding it to AMS (as noted in the “weapons records” section below).

Asset record inaccuracies in AMS can lead to inaccurate financial reporting. Maintaining accurate records also allows the campus to better detect shrinkage caused by theft, damage or other types of loss.

Recommendation: Management should ensure that AMS records are updated to accurately reflect the items noted above. Physical inventory verifications should also be conducted at least every two years in accordance with University policy. In addition, UCPD should adhere to UCLA Equipment Management guidelines when conducting its biennial inventory by physically locating and viewing each piece of equipment listed on the AMS inventory report. This includes confirming the property number, description, building and room number, serial number, current user, utilization/condition codes and title. Further, UCPD should affix the University property tags, when practical, to the physical assets.

Response: Concur. With the understanding that some items do not fit neatly within the strict requirements of AMS, such as firearms possessed by individual employees, management will strive to have applicable information updated for AMS records.

1. *Weapons Records*

A&AS obtained the internal UCPD record of weapons, as of January 18, 2022, and utilized data analytics to compare the internal list of weapons to the weapons recorded in AMS, as of December 16, 2021, by serial number. Based on data analyzed of the 131 weapons recorded in AMS and the 174 weapons recorded in the internal weapons listing (34 of which are not required to be recorded in AMS), the following were noted:

* The serial number for one weapon was recorded incorrectly in the internal records due to a typo.
* UCPD has 14 weapons that were purchased in February and November 2021 that have yet to be recorded in AMS due to an issue with Purchasing and Equipment Management recognizing firearms as equipment inventory and getting them into AMS. UCPD has advised Purchasing and Equipment Management of the issue and continues to work with them to ensure that the firearms are inputted into AMS.

Recommendation: Management should ensure that a reconciliation between the internal UCPD record of weapons and AMS records is periodically performed to identify any discrepancies. After the reconciliation has been completed, both records should be updated to ensure that they agree and reflect the most current information. Also, the department should coordinate with UCLA Equipment Management to obtain property numbers for the recently acquired firearms.

Response: Concur. Management will periodically perform reconciliations. Management will continue to work with UCLA Equipment Management to resolve AMS issues.

1. *Completeness of Records*

A&AS utilized data analytics to review all 190 inventorial equipment records associated with UCPD in AMS, as of December 16, 2021. Based on the work performed, equipment inventory information in AMS is not always complete. Specifically, the results of the data analytics showed the following:

* In four instances, items were missing a room number;
* In five instances, items were missing a serial number; and
* In one instance, a duplicate entry was identified based on the serial number. The Lead Property Officer indicated that Equipment Management issued two different asset numbers to the same item.

According to BUS-29, Section III.B.7, the official records of inventorial equipment are required to include the information noted above, along with a list of other data recorded in the policy.

Complete and accurate records ensure proper accounting of inventorial equipment, and allows items to be quickly located for use, inspection, or inventorial purposes.

Recommendation: Management should review AMS records and update any missing or erroneous information. The department should continue to ensure that AMS records are complete and up-to-date as part of the regular departmental physical inventory.

Response: Concur. With the understanding that some items do not fit neatly within the strict requirements of AMS, such as firearms possessed by individual employees, management will strive to have applicable information updated for AMS records. Management will continue to work with UCLA Equipment Management to resolve AMS issues.

1. *Weapons Inventory*

Audit work included discussion with the Range Master and staff to determine how often UCPD inventories firearms. The process of checking the weapons is set for once every six months. Additionally, at least once per year, all officers undergo a uniform inspection after weapons qualifications. The uniform inspection, performed by the patrol sergeants, includes a match of each officer’s firearm serial number to the information recorded in AMS and the internal weapons listing. The inspection is documented and maintained by a member of the range staff. Further, every time the officers go to the range, the weapons are verified against the records on file to make sure the serial numbers match.

Range staff update the internal weapons records as changes are made. The Excel document used to maintain the weapons listing is updated each time a change is made and is considered a living document. However, the records in AMS are updated once a year so AMS does not always reflect current details. A&AS identified numerous instances throughout the course of the audit where AMS did not reflect current details for firearms, while the internal weapons listing was accurate.

In accordance with BUS-29, Section V.F.1, the equipment custodian shall "maintain up-to-date departmental records that reconcile to the official records maintained by Equipment Management" and "update the equipment database records to reflect the current building location and room number of inventorial equipment as soon as any movement occurs". The current procedure of updating AMS once a year results in AMS being frequently inaccurate.

Recommendation: Management should update AMS more frequently than once a year to improve the accuracy of the weapons recorded in the official University records.

Response: Concur. With the understanding that some items do not fit neatly within the strict requirements of AMS, such as firearms possessed by individual employees, management will strive to have applicable information updated for AMS records.

1. *Equipment Disposals*

A&AS obtained the AMS equipment disposals report for UCPD and found that ten items had been disposed of in fiscal year 2020-21. Of these ten items, A&AS selected two firearms and three vehicles to verify that the disposals were performed and accounted for in accordance with University policy (BUS-38). Where applicable, disposal documentation was reviewed. Based on audit testing performed, one item was found not to be an equipment disposal; it was the removal of a duplicate entry. However, for the remaining four items, equipment disposals appeared to be properly completed, reviewed, and approved, as well as adequately documented.

There were no significant control weaknesses noted in this area.

1. Systems Controls

A&AS held discussions with the Range Master and staff to identify the system used to maintain the internal record of weapons and to determine whether user access is appropriate. A Microsoft Excel spreadsheet is used to maintain the internal weapons inventory. The spreadsheet is stored on a shared drive that is accessible by the Range Master and seven range staff. All eight employees have the ability to update the spreadsheet because they are all assigned different parts of the weapons inventory to conduct.

Discussion with management revealed that a new spreadsheet is created/saved each day that an update is made to the internal records so it is difficult to track when changes are made and by whom. A new software will help enhance the tracking of weapons, provide better audit trail, and allow ease of entry to enable the team to update weapons records in real-time. A new system could also better integrate with other systems utilized in the department. A cost effective solution would be to implement Box software to manage the shared file so that all changes are tracked and the file can be restricted to read-only, when necessary. Box at UCLA is a secured cloud-based file sharing and storage service. Box will enable management to identify personnel that make changes to the file and when, thus increasing accountability.

Recommendation: Management should consider implementing a new software or inventory management system to help reduce errors, improve accountability, increase efficiency, and streamline the weapons inventory process.

Response: Concur. Management will consider implementing new software or cloud-based file sharing.

Evidence Management

Audit work included discussions with the Lead Property Officer, and a review of 21 pieces of property and evidence. Where applicable, property tags, property reports, assigned locations, and other attributes were reviewed and tested.

Also, a sample of five property and evidence items were selected for review to verify chain of custody activity, and a separate sample of ten property and evidence items released or disposed were reviewed through audit testing.

Further, two recent internal audits of the property room conducted by UCPD personnel were reviewed, and physical security surrounding property and evidence was assessed. The following were noted:

A. Documentation and Recording

1. *Property Records*

In order to test the completeness and accuracy of records, A&AS selected a judgmental sample of five cases with items that were booked into CAD/RMS in fiscal year 2020-21, and traced the 11 pieces of property or evidence associated with these cases to the corresponding items in custody. A&AS reviewed the property report and property sticker for each item.

Based on the review performed, A&AS was able to locate all 11 items in the recorded locations and verified that the property tags matched the property reports. However, for one case with one item, the involved party's name was not completed in the property report. A&AS recognizes that officers are responsible for completing the property reports, however, this information is pertinent to the property and evidence function and should be reviewed when items are received.

Recommendation: Property and evidence personnel should review property reports for accuracy and completeness when items are booked into the CAD/RMS system so that officers can be notified promptly if additional information needs to be completed.

Response: Concur. UCPD processes over 1,600 items of property in a typical year and all records are connected to other trackable documents in the Records Management System, even when some data may be missing from one module. Nevertheless, UCPD will remind personnel to review property reports for accuracy and completeness.

1. *Property Labels*

In order to determine if controls over property and evidence adequately ensure that items are accounted for, A&AS selected a judgmental sample of ten items from the various storage areas of the UCPD Property Room and compared the property tags to the associated property reports. The storage locations included the high-density shelves, gun safe, money safe, refrigerator, freezer, narcotics bin, and pipe cabinet.

Based on testing performed, the property tags were complete and affixed to each item; however, for one item, the location listed on the property tag and the property report do not match. The tag lists the location as the narcotics bin and the property report lists the location as the high-density shelves. The item was found in the high-density shelves, as recorded in the property report, not the narcotics bin.

Recommendation: Property and evidence personnel should ensure that information recorded in the property reports match the property labels to prevent the item being misplaced or misidentified.

Response: Concur. UCPD processes over 1,600 items of property in a typical year and all records are connected to other trackable documents in the Records Management System, even when some data may be missing from one module. Nevertheless, UCPD will remind personnel to review property labels for accuracy.

1. *Chain of Custody*

A&AS selected a judgmental sample of five property or evidence items with chain of custody activity from CAD/RMS that were booked into the system in fiscal year 2020-21 to verify that the chain of custody and accountability for property and evidence was adequately documented. The chain of custody report and the property report were reviewed for each item.

Based on the review performed, chain of custody and accountability was adequately documented for four items. For one item, the chain of custody report indicates that the item is currently out with UCLA’s High Tech Task Force, as of May 5, 2021, however, the case supplemental and disposition reports indicate that the item was released to the owner on June 9, 2021. The chain of custody report does not show that the item was ever returned to the property room in order for it to be released so it is unclear when the item was returned to UCPD and by whom.

Recommendation: Property and evidence personnel should review the chain of custody reports to ensure all information is complete and accurate prior to the release of items. By adequately documenting items being transferred to/from outside entities, accountability over chain of custody activities is strengthened.

Response: Concur. UCPD processes over 1,600 items of property in a typical year and all records are connected to other trackable documents in the Records Management System, even when some data may be missing from one module. Nevertheless, UCPD will remind personnel to ensure the chain of custody is complete before releasing items.

B. Monitoring and Physical Storage

1. *Audits and Inventories*

Internal audits of the property and evidence room are not completed in a timely manner. Audit test work included a review of the two most recent UCPD internal audits performed of the property and evidence room, which focused on narcotics and cash, and were both conducted on October 7, 2021. These internal audits correspond to the 2nd and 3rd quarters of calendar year 2021, however, they were performed as a result of the A&AS audit.

The POST Law Enforcement Evidence & Property Management Guide, Guideline 5.1, indicates that at a minimum, a “quarterly review of selected stored items and their corresponding completed property transactions” should be performed as a recommended best practice. The quarterly audit protocol is also based on correspondence from senior UCPD personnel, indicating that conducting audits on a quarterly basis is standard operating procedure. However, the UCLA Police Department Policy Manual, Section 802.8.c states, "an annual audit of evidence held by the Department shall be conducted by a supervisor, as appointed by the Chief of Police, not routinely or directly connected with evidence control."

Recommendation: Management should ensure that quarterly internal UCPD audits of property and evidence are performed in a timely manner. The UCLA Police Department Policy Manual, Section 802.8.c, should also be updated to reflect the current quarterly audit procedures if that frequency aligns with management’s expectations.

Response: Concur. Management will remind personnel to complete internal audits as scheduled. Management will review the Policy Manual for modifications.

1. *Physical Storage and Security*

A&AS reviewed controls surrounding the storage and security of the UCPD Property Room to determine whether property and evidence is appropriately stored and safeguarded. Overall, the Property Room appeared secure and controls over access into the area were adequate. However, A&AS noted that controls surrounding the gun safe warrants improvement.

Based on a review of the safe combination log, the combination has not been changed since April 17, 2019. According to the UC Business and Finance Bulletin BUS-49, “Policy for Cash and Cash Equivalents Received” (BUS-49), Policy IX.11, a safe's combination must be changed whenever a person who knows the combination leaves the employ of a unit. In addition, the combination must be changed at least once a year.

Recommendation: The combination to the gun safe should be changed whenever a person who knows the combination leaves the unit and on an annual basis.

Response: Concur. Management will change the gun safe combination whenever a person who knows the combination leaves the unit and on an annual basis.

C. Disposals and Releases

Property and evidence can be destroyed, donated, sold, auctioned, or released to its rightful owner or agency. In order to verify that the disposition of property and evidence was authorized and documented, A&AS selected a judgmental sample of ten items that were booked into CAD/RMS in fiscal year 2020-21.

Based on testing performed of ten cases with dispositions, the release of property and evidence was disposed/released by two people and was performed in a timely manner. However, for one piece of evidence, the release of the item was not adequately documented because there was no documented approval authorizing the release of the item.

Recommendation: Property and evidence staff should verify that the authorization to release or dispose of evidence is documented prior to releasing items to help prevent the erroneous disposal of evidence.

Response: Concur. UCPD processes over 1,600 items of property in a typical year and all records are connected to other trackable documents in the Records Management System, even when some data may be missing from one module. Nevertheless, Management will remind personnel to verify release or disposal authorization before releasing items.

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