CITY OF HAMILTON

CITY MANAGER’S OFFICE
Audit Services Division

TO: Chair and Members
    Audit, Finance and Administration Committee

WARD(S) AFFECTED: CITY WIDE

COMMITTEE DATE: November 23, 2011

SUBJECT/REPORT NO:
Audit Report 2011-02 - Hamilton Police Service (HPS) - Property and Evidence Management Process (AUD11036) (City Wide)

SUBMITTED BY:
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PREPARED BY:
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SIGNATURE:

Discussion of Appendix “A” to Report AUD11036 in Closed Session is subject to the requirements of Section 8.1, sub-sections (a), (e) and (f) of the City’s Procedural By-law 03-301 and Section 239, sub-sections (a), (e) and (f) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to the security of the property of the municipality or local board, litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and, the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

RECOMMENDATION

(a) That Report AUD11036 and its Appendix, respecting Audit Report 2011-02 – Hamilton Police Service – Property and Evidence Management Process, be received;

(b) That Appendix “A” to Report AUD11036 remain confidential and not for public release.
EXECUTIVE SUMMARY

The 2011 Internal Audit work plan approved by Council included an audit of the property and evidence management process at the Hamilton Police Service (HPS). The audit focused on the various policies and procedures, records, files and other documentation pertaining to the processing, packaging, storage and destruction requirements of the high-risk items of currency (cash), firearms, liquor and drugs.

The results of the audit are presented in a formal audit report (2011-02) containing observations, recommendations and management responses, attached as a confidential Appendix “A” to Report AUD11036.

Alternatives for Consideration – Not Applicable

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial: The implementation of some of the recommendations as stated in Appendix “A” may require financial resources, the amount which cannot be determined at this time.

Staffing: A few staffing additions/changes are required to implement some of the recommendations. Positions are clearly identified in the body of the Management Actions Plans as noted in Appendix “A”, where required.

Legal: None.

HISTORICAL BACKGROUND (Chronology of events)

The Hamilton Police Service, Property Branch, processes all kinds of property whether the item is submitted as found, stolen or as evidence in criminal proceedings. Of the more high-risk items are cash, drugs, liquor and firearms, which were the areas of concentration for this audit. The entire process from processing, packaging, submission and storage to destruction of these physical properties was reviewed.

The audit was part of the 2011 Internal Audit work plan which was approved by Council. The fieldwork was completed in April, 2011. The report was received by the Police Services Board on September 19, 2011.
POLICY IMPLICATIONS

- Police Services Act (in particular, Section 13(1) and Part IX, Sections 132 & 133).
- Various HPS Policy and Procedure documents dealing with the different types of property.

RELEVANT CONSULTATION

The report includes management action plans which reflect the responses of senior management of the HPS. These responses were approved by the Police Services Board.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

The Property Branch is responsible for approximately 21,000 pieces of evidence. This includes drugs, firearms, cash and liquor which are considered items of high risk. This Branch receives property from HPS officers and records, stores and maintains the property and evidence in designated storage areas.

The primary audit objectives were to determine: that the property and evidence function was managed and operated effectively and efficiently with an adequate level of controls; that there was compliance with applicable laws and regulations as well as HPS policies and procedures; that all property and evidence were stored safely and adequately safeguarded; and that records of all property and evidence were complete and accurate.

The audit covered the entire “Seize to Finish” process, i.e. from seizure or retention by an officer, to submission, storage, destruction or dispersal of physical property. A sample physical inventory and testing of controls and processes were conducted.

The main areas identified for improvement, along with specific actions plans, are noted in Appendix “A” attached to Report AUD11036.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Not Applicable.
CORPORATE STRATEGIC PLAN  (Linkage to Desired End Results)


Financial Sustainability

- Delivery of municipal services and management of capital assets/liabilities in a sustainable, innovative and cost effective manner.

APPENDICES / SCHEDULES

Appendix “A” to Report AUD11036: Audit Report 2011-02

ap:dt