

FOLLOW-UP REVIEW

CITY AUDITOR

Report Date: June 19, 2019
Department: Police
Subject: Supplies and Equipment
Lead Auditor: Karen Newman, Sr. Internal Auditor

OBJECTIVE

The objective of this review was to determine whether the action plans presented in response to our May 2018 audit of Mesa Police Department (MPD) supplies and equipment have been effectively implemented.

SCOPE & METHODOLOGY

To accomplish our objective, we interviewed staff members, reviewed processes and controls relating to inventory records and disposals, and performed other tests and procedures as needed.

BACKGROUND

On May 16, 2018 we issued a report on our audit of MPD supplies and equipment. The objective of that audit was to evaluate internal controls and processes related to storage, inventory and issuance of supplies, equipment and/or other MPD property. The audit report included several observations and recommendations. Due to MPD's highly decentralized management of supplies and equipment, separate responses were obtained from various individual MPD units, resulting in nine corrective action plans.

CONCLUSION






Six of the nine corrective action plans have been fully and effectively implemented. Two are on track to be implemented soon; and one is expected to be a long term project. For additional details, please see the attached Appendix. No additional follow up review is planned at this time.

Implementation Status (Summary)

✓ = Implemented ♦ = In Progress ✗ = Not Implemented		
Recommendation	Responding Unit	Status
1-1. Conduct periodic physical inventories; document and correct discrepancies.	Fiscal/Supply	✓
	SWAT	✓
	PDIT (Laptops)	✓
	Training (Tasers)	✓
1-2. Track issued and expiring ballistic helmets.	Training/Supply (Ballistic Helmets)	♦
2-1. Manage and track keys to secure areas.	Fiscal	♦
3-1. Dispose of obsolete and expired inventory properly and timely.	Fiscal (for WMD Warehouse)	✓
	Supply (Ballistic Helmets)	♦
	PDIT (e-Citation Devices)	✓






APPENDIX

Implementation Status (Detailed)

 = Implemented  = In Progress  = Not Implemented		
<u>Corrective Action</u>		<u>Implementation Status</u>
IAP#1: Inventory Records are not Complete and Accurate		
Recommendation 1-1: Each MPD location that maintains records of supplies and/or equipment should periodically conduct a full inventory to ensure those records are complete and accurate. This includes items issued to individuals as well as items in stock. Also, a process for appropriately documenting and correcting discrepancies should be implemented.		
Fiscal/Supply Response: <p>The Police Department's Financial Services Division agrees that a full inventory should be conducted periodically to ensure records are complete and accurate. The Supply Section Policy states that a physical inventory of stock items and forms is to be completed semi-annually at a minimum. Physical inventories were placed on hold during the audit so as not to interfere with the audit process. Monthly spot checks of stock items and forms were made in lieu of a complete inventory.</p> <p>The adjustments for spot checks of stock items and forms noted were additionally placed on hold during the audit. Since its conclusion, corrections have been made to the inventory records for the discrepancies noted. Additionally, monthly spot checks of Supply's inventory will be performed with any discrepancies researched and corrected. Forms will be streamlined to bundled quantities of 100 (or other appropriate measure) and distributed in the same quantity. Glitches in the software program have occurred, making it difficult to identify the reason for some discrepancies. We have worked with the software vendor and will continue to seek and evaluate alternative software programs as well.</p> <p>A full inventory for all stock items and forms will be completed by June 30, 2018. Discrepancies will be researched, and corrections will be completed as needed. Semi-annual inventories will be conducted after that.</p> <p>Estimated Completion Date: 12/31/18 for personnel inventory reconciliation and 6/30/18 for inventory of stock and forms</p>	Implemented Full inventory counts are performed semi-annually, and spot check counts are performed monthly. Additionally, a process to document and correct inventory discrepancies has been implemented.	
SWAT Response: <p>The Police Department's Special Operations Division agrees that a full inventory should be conducted periodically to ensure records are complete and accurate. For the inventory items no longer in</p>	Implemented Inventory counts are performed periodically and a process to document and	






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<p>stock, SWAT personnel will update the inventory records to reflect only those items on hand with documentation of adjustments made. Additionally, SWAT will continue to inventory items and equipment by location with a full cross check to the official book of record. Discrepancies will be researched, and corrections will be completed as needed.</p> <p>Estimated Completion Date: 10/1/18</p>	correct inventory discrepancies has been implemented.	
<p>PDIT (Laptops) Response:</p> <p>The Police Department's Technical Services Division agrees that a full inventory should be conducted periodically to ensure records are complete and accurate. For laptops assigned to vehicles, a system in which a second individual independently verifies the consistency of the entries between the manual spreadsheets and the SMART system will be implemented.</p> <p>Estimated Completion Date: 5/1/18</p>	<p>Implemented</p> <p>An inventory of the laptops is performed periodically, and a process is in place to ensure that the information in the SMART inventory system is accurate.</p>	
<p>Training (Tasers) Response:</p> <p>The Police Department's Training unit agrees that a full inventory should be conducted periodically to ensure records are complete and accurate. For tasers, the Training unit will reconcile the current inventory of equipment against inventory records to identify all assignment and service life concerns by physically inspecting applicable equipment and verifying records.</p> <p>Discrepancies identified with the serialized, issued equipment will be corrected by updating the records to reflect accurate information.</p> <p>The Training Unit's inventory management system will be utilized to track all equipment and the use of disparate inventory management systems will be discontinued where applicable.</p> <p>Additionally, quarterly inspections of applicable equipment will be conducted with the results added to the Quarterly Division Line Inspection report as outlined in policy.</p> <p>Estimated Completion Date: 7/2/18</p>	<p>Implemented</p> <p>An inventory of the tasers is performed annually and a process is in place to ensure that the information in the LEA inventory system is accurate.</p>	






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Recommendation 1-2: An effective process should be implemented for tracking issued and expiring ballistic helmets.		
Training Response: To accurately track issued and expiring ballistic helmets, the Training Unit's inventory management system will be utilized to track all equipment and the use of disparate inventory management systems will be discontinued where applicable. The Training unit will reconcile the current inventory of equipment against inventory records to identify all assignment and service life concerns. Online access will be provided to current equipment inventory sheets for all personnel and an audit of issued equipment will be conducted verifying accuracy through visual inspection and online audit tools. Additionally, annual inspections of applicable equipment will be conducted with verification through visual inspection and online audit tools. The City of Mesa's disposal process policy will be followed for removing expired equipment from the inventory system and to physically remove expired equipment from the training site and other locations as applicable. Estimated Completion Date: 7/2/18	In Progress The responsibility for inventorying ballistic helmets was transferred to the Supply unit in December 2018. Supply has established a process to keep track of issued and expiring ballistic helmets. The department intends to implement the new process as new helmets are received and issued.	
IAP#2: Inaccurate/Incomplete Data on Master Keys and Other Keys		
Recommendation 2-1: Management should implement a more effective process to appropriately manage and track keys to secured areas. At a minimum, they should know how many keys exist and who has them.		
Fiscal Response: The Police Department agrees that a more effective process needs to be implemented to manage and track keys to secured areas. Due to the enormity and multiple areas in which keys are issued for including alley, 2130, signal box, E and AA1 keys, a full assessment will need to be undertaken to determine the exact number, location (including pad locks), and type of key used.	In Progress <i>(Note: With an estimated completion date of Dec 2019, a status of "in progress" is appropriate at this time.)</i> A plan to appropriately manage and track the keys	




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<p>The assessment will need to additionally include a security review by the Department's Intelligence and Counterterrorism Unit. Determination will need to be made as to whether the entire department will be rekeyed or if C-Cure (additionally expanded to areas not currently being updated) will be sufficient (along with a significantly limited number of master keys for key personnel). At the conclusion of the project, the key inventory would be overseen by the Badging Unit under PDIT.</p> <p>Estimated Completion Date: 12/31/19</p>	has been discussed and added to the current PD Strategic Initiatives.	
IAP#3: Disposal of Obsolete/Expired Supplies and Equipment		
<p>Recommendation 3-1:</p> <p>Management should ensure that expired and obsolete inventory is disposed of properly and timely.</p>		
<p>WMD Warehouse (Masks) Response:</p> <p>168 gas masks and filters acquired in 2004 under a Homeland Security grant overseen by the Mesa Fire and Medical Department (MFMD) were located in a MFMD facility. The records relating to the acquisition of the gas masks have since been purged by MFMD. To properly dispose of these expired gas masks and filters, the Mesa Police Department's Intelligence & Counterterrorism Unit will complete the proper equipment disposal documents and dispose of the gas masks and filters in accordance with City of Mesa and Homeland Security policies. Documentation will be maintained by the Financial Services Division.</p> <p>Estimated Completion Date: 6/1/18</p>	<p>Implemented</p> <p>Police personnel have disposed of expired and obsolete masks at the MFMD warehouse; and the required City disposal documentation has been maintained.</p>	
<p>Training (Ballistic Helmets) Response:</p> <p>The Police Department's Training Unit agrees that additional internal controls should be in place to ensure that expired and obsolete items are disposed of properly and timely. For the expired ballistic helmets noted, these items will be disposed of in accordance with Department Policy.</p> <p>To accurately track issued and expiring ballistic helmets, the Training Unit's inventory management system will be utilized to</p>	<p>In Progress</p> <p>The responsibility for inventorying ballistic helmets was transferred to the Supply unit in December 2018. Supply has established a process to keep track of and dispose of obsolete/expired ballistic helmets. The new process</p>	

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<p>track all equipment and the use of disparate inventory management systems will be discontinued where applicable.</p> <p>The Training Unit will additionally reconcile the current inventory of equipment against inventory records to identify all assignment and service life concerns.</p> <p>The City of Mesa's disposal process policy will be followed for removing expired equipment from the inventory system and to physically remove expired equipment from the training site and other locations as applicable.</p> <p>Quarterly inspections of applicable equipment will also be conducted with the results added to the Quarterly Division Line Inspection report as outlined in policy.</p> <p>Estimated Completion Date: 7/2/18</p>	<p>involves a third party contractor in the disposal process and requires a new inventory system to be purchased and implemented. Procurement of the new system is currently in progress.</p>	
<p>PDIT (e-Citation Devices) Response:</p> <p>The Police Department's Technical Services Division agrees that additional internal controls should be in place to ensure that expired and obsolete items are disposed of properly and timely. For the expired unused/obsolete e-citation devices, a SMART ticket will be created for the non-functional units. The units will then be delivered to the ITD stockroom for disposal in accordance with City policy.</p> <p>Estimated Completion Date: 6/1/18</p>	<p>Implemented</p> <p>A process is in place to properly and timely dispose of expired or obsolete e-citation devices.</p>	