

Drug Exhibit Audit

Halifax Regional Police

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Executive Summary

In the second quarter of 2015, the Office of Oversight and Risk Management of the Halifax Regional Police (HRP) was asked to conduct an audit in relation to drug exhibits. In particular, we were tasked to assess:

-The relevant policy and procedure

-Training and supervision

-Management, review and continuity of files

-Whether the current infrastructure meets legal obligations and policy requirements

This document reports the results of the audit. It also describes Oversight and Risk Management Section project scope, the audit approach (preparation, investigation, analysis, conclusions and recommendations), findings, surveys, and questionnaire results.

The findings of the audit indicate that although we are able to meet some of the requirements of processing drug exhibits, it also points out that we fall short in others.

By way of summary, Oversight and Risk Management has made recommendations in these key areas:

- 1. Continuity*
- 2. Misplaced Exhibits*
- 3. Currency*
- 4. Policies*
- 5. Training*
- 6. Infrastructure*

The above recommendations have been provided to offer efficient and effective alternatives to current practices.

Recommendations

1. Ensure that primary and secondary locations listed on the evidence continuity screens are filled in correctly.
2. To improve search capabilities, reduce the number of location choices that investigators have to enter exhibits. Designate the three primary drug vaults to DV1-Drug Vault 1 (Drug Office Vault), DV2-Drug Vault 2 (Headquarters (HQ) Garage) and MV-Money Vault (HQ Safe). Also reduce and standardize the number of secondary location choices.
3. Establish diary dates to track exhibits that are sent out for review. This would ensure the file is kept current and help prevent exhibits from being lost or forgotten.
4. The disposal review portion of Versadex is properly filled out to identify the disposal authority and the Versadex file is properly closed off by both the investigator and NCO. This will be included in proposed training manual.
5. Conduct a supplementary audit of non-disposed exhibits in Versadex for each of the three vaults.
6. Due to the high risk associated with drug exhibits it is imperative that at least yearly audits and inventories be conducted on drug exhibits.
7. Reduce the number of drug exhibits sitting on the shelves and bring the number of exhibits being handled by Drug Unit NCOs down to a more manageable level. In order to accomplish this Drug Unit NCOs either need to be able to generate an exhibit pick list or turn over this responsibility to HRP's evidence custodians. There are approximately 2000 drug exhibits currently on the pick list to be disposed.
8. Move the responsibility of managing drug storage from Drug Unit NCOs to the Evidence Custodians, as they are the subject matter experts in relation to HRP evidence storage. This would not only bring best practices (proper packaging, labelling, records management) into play, it would also free up the Drug Unit NCOs to perform more of their supervisory responsibilities.

Note - At least one more evidence custodian would needed to perform this work and it is estimated that it would take the best part of a year to clean up the present back log.

9. Minimize the inherent risk of securing a large number of currency exhibits. Monetary totals over \$1000 will be transferred to a public trustee (SPMD) or IPOC (FSOC/PPOC).
10. Use breakdown function on PC screen.
11. HRP Money account to be audited.
12. All drug exhibits are sealed according to policy and the use of Zip-Lock bags ceases.
13. The disposal of drug exhibits follows HRP policy section 5.5(a) (1.)"Disposed with consent of Minister

of Health or a Judge” or is amended so that it fits with current practices.

14. The policy be reviewed to ensure outdated sections, such as section 5.4(a)(3.) “The evidence location sheet”, are removed.
15. Policy sections should be added to assist in the area of Versadex property documentation. A property user guide/manual shall also be drafted and provided to members.
16. A review take place to determine why disposal review dates are not being generated and determine if a standardized diary date could be established (ex. three years from the seizure date). Without the disposal review date these exhibits will never be reviewed and never purged.
17. The two person rule (whereby two people weigh and count drugs and money, respectively) shall be used for both the counting of money and weighing of drugs, as recommended by the IAPE, and be documented to the file. The two person rule should also be used for burn box exhibit disposal.
18. A one-way drop is installed for burn box storage. The burn box should be double keyed.
19. Standardize the burning process by entering into a standing offer/agreement with a contractor or obtaining equipment capable of destroying drug exhibits.
20. Itemized exhibits lists (including currency) from forfeiture orders should be added to Versadex to centralize and improve records management of these high risk exhibits.
21. Retrain drug members on the proper way to store exhibits, including exhibit seals, labelling, and recording within Versadex. Provide this information in policy and user guides/manuals. Note: Only drugs are to be stored in drug vaults, all other exhibits should be treated as general exhibits and stored as such.
22. Develop a procedure and train members on the proper method of sending drug exhibits to the lab by registered mail and maintain continuity.
23. That one drug policy/procedure is used for both HRP and RCMP members.
24. Include training and policy which refers to safe handling practices. Health Canada, IAPE and RCMP (recent Fentanyl alert) all have comparable policy which refer to double gloving, respirators and two person rule.
25. If NCOs are to continue to process exhibits this job function needs to be added to their job descriptions.
26. The practice of saving time by performing batch electronic transfer shall stop immediately. Batch electronic transfer may be a quicker option but could easily lead to misplaced and/or lost exhibits.
27. NCOs must ensure that quality assurance review is not only completed for case management but

also for property management.

28. Re-key entrance doors to DV1 and DV2 and have them taken off the HRM/HQ master keying systems.
29. Install new intrusion alarms in each of the three vaults. Include third party monitoring, secure wiring, individualized access codes and better coverage where needed.
30. CCTV cameras to be installed at all drug/money vault access points.
31. Security metal entrance door and frame to be installed in DV2.
32. Two-level access authentication (pin/prox) to be used for DV1 and DV2. Vault access authorization is to be recorded on individualized access forms which should include the approver's name as well as an expiry date. The list of authorized members should be reviewed every six months.
33. Due to the high risk that is associated with the money vault the combination should be changed as staff change.
34. Ensure regular mold testing (specifically Aspergillus), proper storage of drug exhibits (dried) is enforced and regular inspection and cleaning of drug vaults occurs.

Introduction and Statement of Purpose

This audit was conducted by the HRP Oversight and Risk Management Section to analyze current practice and procedure for HRP drug exhibits currently stored at HRP Headquarters (HQ) and the HRP CID building and compares those to industry best practices. The Oversight and Risk Management Section of HRP is designed to audit and review policies and procedures and to ensure that HRP establishes systems and processes that are functioning as intended for the benefit of the organization.

It is intended that this review will assist HRP to develop quality assurance within the agency and demonstrate organizational integrity through an objective review.

Date(s) of on-site Review: June 18, 2015 and May 18, 2016

Report Authors: Sgt. Randy Stoddard and Sgt. Steve Gillett

Current Site Authority: S/Sgt. Mark Hobeck

Overview / Background

Drug exhibits are one of the “big three” (drugs, money, firearms) high risk property and evidence exhibits to store. The International Association of Property and Evidence (IAPE) state that they are the most frequently stolen or mishandled exhibits. This leads to elaborate internal investigations, a loss of credibility, criminal charges and allegations of corruption.

INTERVIEW QUOTES

“Should have fulltime exhibit officer, NCO will handle 5-7000 exhibits a year.”

“Should be a set of guidelines and posted in the exhibit room.”

“There is only time to glance over exhibits, they need to be dealt with all day, every day, and done properly.”

“Exhibits [have been] destroyed prior to completion of judicial process, changes plea and goes to trial, [therefore the] evidence no longer available.”

“We need common “GO Guides” for processing exhibits.”

“We handle money with just one person, I feel exposed when it comes to weights and cash counts.”

“Dealing with property negates the NCO’s ability to properly perform other supervisor functions like case management, personal development and investigation coordination.”

“Crown has stated that we are “one step away” from serious continuity issues.”

“Insufficient time/focus to process exhibits and follows procedures.”

“No SOPPs. HRP way/RCMP way/Integrated way.”

Audit Objectives

The objectives of this audit are:

- a) Assess the effectiveness of the current policies and procedures with respect to the audited drug files and exhibit control
- b) Determine if current training and supervision of exhibit processing is sufficient
- c) Determine if current drug exhibit process, file management, file review, and continuity is sufficient
- d) Determine if existing infrastructure (hardware/software, storage, facilities) enables HRP to meet legal obligations and policy requirements

Audit Scope

Based on a risk analysis, the scope of this audit will be an examination of HRP drug exhibits with respect to:

- Policy
- Procedure
- Infrastructure
- Personnel

Scope, in relation to physical exhibits audit, will be those currently in HRP Drug Vault #1 (HRP CID Building), HRP Drug Vault #2 (HRP HQ Building) and HRP Money Vault (storage vault, HQ Building in Public Relations).

Audit Methodology

The methodology used to undertake this audit consisted of exploring research journals, conducting a literature and document review, key interviews, infrastructure assessment and data analysis in order to illustrate within the audit the current state of HRP's Drug Exhibit facilities and processes.

The literature review consists of external documents concerning relevant policy and procedure manuals from our policing partners, IAPE (International Association of Property and Evidence), Nova Scotia Department of Justice (DOJ) directives, Health Canada Drug Analysis Service (DAS) Client Manual, ASIS Security Surveys and other police agency external audits.

Our internal document review consisted primarily of HRP policy and procedure manuals, Versadex entries, job descriptions, court documents, HRP/RCMP Evidence Processing and Exhibit Log sheets, and Professional Standards reviews.

The key interviews consisted of internal interviews with HRP members and external interviews with the Federal Crown Prosecutor, HRM Solicitor, and a case officer for the Seized Property Management Directorate.

Drug/money vault locations were assessed and compared against industry best practices.

Data analysis consisted of a random audit of over 500 exhibits located in each of the three primary drug vault locations (Drug Vault 1 - DV1, Drug Vault 2 - DV2, and Money Vault - MV). Samples were obtained from two different data sets. The first sample set was taken from what was located on the drug vault shelves and the second sample set was taken from location searches conducted within Versadex. The statistical sample size used supports a 95% confidence level, plus or minus 5%.

Exhibit samples were checked against the HRP Drug Policy, standard Versadex procedures well as industry best practices.

Audit Observations

Observation 1 – Continuity

HRP exhibits are tracked within our records management system (Versadex) from the time they are seized until their final disposal. Versadex “Evidence Continuity Reports” provide a chronological list of who, what, when, where and why of evidence storage. A review of continuity reports showed that the reports are often missing important details and are rarely accurate.

A) Observation – In Versadex, primary and secondary locations are rarely filled in correctly

Recommendation: Ensure that primary and secondary locations listed on the evidence continuity screens are filled in correctly.

Action Taken: Drug Unit NCOs were briefed on the importance of correctly filling out the both the evidence continuity screens and property exhibit screens, and how this relates to the final evidence continuity report. This will be added to the proposed training manual.

B) Observation – There are dozens of primary locations for drugs listed in Versadex

Recommendation: To improve search capabilities, reduce the number of location choices that investigators have to enter exhibits. Designate the three primary drug vaults to DV1-Drug Vault 1 (Drug Office Vault), DV2-Drug Vault 2 (Headquarters (HQ) Garage) and MV-Money Vault (HQ Safe). Also reduce and standardize the number of secondary location choices.

Action Taken: Pending

C) Observation – When sent out for analysis at the Crime Lab or to court exhibits are not tracked well

Recommendation: Establish diary dates to track exhibits that are sent out for review. This would ensure the file is kept current and help prevent exhibits from being lost or forgotten.

Action Taken: Pending

D) Observation – Property control screens are rarely filled out correctly

Recommendation: The disposal review portion of Versadex is properly filled out to identify the disposal authority and the Versadex file is properly closed off by both the investigator and NCO. This will be included in proposed training manual.

Action Taken: Pending

Observation 2- Inaccurate Recording of Exhibit Location

A random audit was conducted in Versadex (RMS) on exhibits identified as being in one of the three main vaults. It was found that 24% of DV2 exhibits could not be located where indicated by RMS, 90% of DV1 exhibits could not be located where indicated by RMS and 55% of MV exhibits could not be located where indicated by RMS. Exhibit locations were generated within Versadex. The RMS defined location was then compared to the physical exhibit shelf location. Exhibits were not in the locations RMS indicated.

A) Observation – Exhibits are often listed in Versadex as destroyed when, in fact, they are not

Recommendation: Conduct a supplementary audit of non-disposed exhibits in Versadex for each of the three vaults.

Note: Exhibits are often shown in Versadex as destroyed when they are in fact awaiting destruction. This is a poor, high risk, practice and one which the IAPE (International Association of Property and Evidence) stresses must be avoided. This will be a time consuming task as there are roughly 10,000 exhibits in total listed.

Action Taken: Pending

B) Observation – Annual audits and inventories are not taking place

Recommendation: Due to the high risk associated with drug exhibits it is imperative that at least yearly audits and inventories be conducted on drug exhibits.

Note: There are approximately 1000 exhibits in the burn box waiting destruction. Destruction of these exhibits should be made a high priority.

Action Taken: Drug Unit NCOs have burnt most of the exhibits that were in the burn box. They have been instructed on how to properly dispose of exhibits. Only disposed exhibits will be listed as such.

C) Observation – There are approximately 2000 drug exhibits to be purged

Recommendation: Reduce the number of drug exhibits sitting on the shelves and bring the number of exhibits being handled by Drug Unit NCOs down to a more manageable level. In order

to accomplish this Drug Unit NCOs either need to be able to generate an exhibit pick list or turn over this responsibility to HRP's evidence custodians. There are approximately 2000 drug exhibits currently on the pick list to be disposed.

Action Taken: Pending

D) Observation: A significant amount of the Drug Unit NCO's day is spent processing drug exhibits

Recommendation: Move the responsibility of managing drug storage from Drug Unit NCOs to the Evidence Custodians, as they are the subject matter experts in relation to HRP evidence storage. This would not only bring best practices (proper packaging, labelling, records management) into play, it would also free up the Drug Unit NCOs to perform more of their supervisory responsibilities.

Note - At least one more evidence custodian would needed to perform this work and it is estimated that it would take the best part of a year to clean up the present back log.

Action Taken: Pending

Observation 3 – Currency

Currency, for the most part, is recorded inaccurately/inconsistently in Versadex Evidence Continuity. The Seized Property Management Directorate (SPMD) has forfeiture orders for currency that is recorded in HRP's possession yet we are unable to locate it.

A) Observation – High risk amounts of cash (over \$100,000) are often found stored within the Money Vault.

Recommendation: Minimize the inherent risk of securing a large number of currency exhibits. Monetary totals over \$1000 will be transferred to a public trustee (SPMD) or IPOC (FSOC/PPOC).

Action Taken: Pending

B) Observation – Money counts do not always include their denomination. This leads to errors.

Recommendation: Use breakdown function on PC screen.

Action Taken: Pending

C) The current process dealing with money deposited in the HRP exhibit bank account is not easily understood or recorded. Also, it is an interest-bearing account.

Recommendation: HRP Money account to be audited.

Action Taken: Pending

Observation 4 – Policies

In reviewing HRP's Drug Enforcement Policy it appears that there are several sections that are not being followed (ex. regarding the sealing of exhibits and the disposal of exhibits), other sections of the policy appear to be outdated (ex. use of the evidence location sheet) and yet other sections should be added to assist members proper processing of exhibits.

- A) Observation – Drug exhibits are often stored in Zip-Lock bags and not sealed as stated in policy

Recommendation: All drug exhibits are sealed according to policy and the use of Zip-Lock bags ceases.

Action Taken: Pending

- B) Observation – The disposal authority for drug exhibits is often listed as “Non-Returnable Property” rather than noting the court order as stated in policy

Recommendation: The disposal of drug exhibits follows HRP policy section 5.5(a) (1.) “Disposed with consent of Minister of Health or a Judge” or is amended so that it fits with current practices.

Action Taken: Pending

- C) Observation – There are several policy sections that need to be reviewed to ensure the policy is current.

Recommendation: The policy be reviewed to ensure outdated sections, such as section 5.4(a)(3.) “The evidence location sheet”, are removed.

Action Taken: Pending

- D) Observation – There are very few policy sections dealing with property documentation within Versadex

Recommendation: Policy sections should be added to assist in the area of Versadex property documentation. A property user guide/manual shall also be drafted and provided to members.

Action Taken: Pending

Note: A property user guide/manual could expand to included guidance for all HRP exhibits

- E) Observation – Approximately 60% of all drug files lack disposal review date.

Recommendation: A review take place to determine why disposal review dates are not being generated and determine if a standardized diary date could be established (ex. three years from

the seizure date). Without the disposal review date these exhibits will never be reviewed and never purged.

Action Taken: Pending

- F) Observation – The two person rule is not practiced for both the counting of money and the weighing of drugs exhibits

Recommendation: The two person rule should (whereby two people weight and count drugs and money, respectively) shall be used for both the counting of money and weighing of drugs, as recommended by the IAPE, and be documented to the file. The two person rule shall also be used for burn box exhibit disposal.

Action Taken: Pending

- G) Observation – Burn box exhibits are not tightly secured

Recommendation: A one-way drop is installed for burn box storage. The burn box should be double keyed.

Action Taken: Pending

- H) Observation – Consistent burn box disposal methods are not established and exhibits are not destroyed in a timely manner

Recommendation: Standardize the burning process by entering into a standing offer/agreement with a contractor or obtaining equipment capable of destroying drug exhibits.

Action Taken: Pending

- I) Observation – Forfeiture order lists are not currently added to Versadex.

Recommendation: Itemized exhibits lists (including currency) from forfeiture orders should be added to Versadex to centralize and improve records management of these high risk exhibits.

Action Taken: Pending

Observation 5- Training

Training for drug members needs to be standardized, both in terms of handling exhibits and in the way they are recorded within Versadex. This would include hands-on training and the creation of an exhibit user guide/manual.

- A) Observation – Review of current drug exhibit processing uncovered numerous errors

Recommendation: Retrain drug members on the proper way to store exhibits, including exhibit seals, labelling, and recording within Versadex. Provide this information in policy and user

guides/manuals. Note: Only drugs are to be stored in drug vaults, all other exhibits should be treated as general exhibits and stored as such.

Action Taken: Pending

- B) Observation – Drug exhibits are not shipped using a secure method and are currently left in the outgoing mail at HQ

Recommendation: Develop a procedure and train members on the proper method of sending drug exhibits to the lab by registered mail and maintain continuity.

Action Taken: Pending

- C) Observation – HRP and RCMP follow combined and individual policies and procedures

Recommendation: That one drug policy/procedure is used for both HRP and RCMP members.

Action Taken: Pending

- D) Observation – Members are not trained in the proper and safe handling of drug exhibits

Recommendation: Include training and policy which refers to safe handling practices. Health Canada, IAPE and RCMP (recent Fentanyl alert) all have comparable policy which refer to double gloving, respirators and two person rule.

Action Taken: Pending

Observation 6 – Supervision

Interviews conducted with Drug Unit NCOs indicate that they do not have adequate time to devote to exhibits. This not only hampers their ability to fulfill the evidence custodian duties but it also affects their ability to perform their supervisory roles.

- A) Observation – Exhibit processing is currently not listed in NCO daily duties and responsibilities

Recommendation: If NCOs are to continue to process exhibits this job function needs to be added to their job descriptions.

Action Taken: Pending

- B) Observation: Exhibits are disposed using bulk disposal methods

Recommendation: The practice of saving time by performing batch electronic transfer shall stop immediately. Batch transfer may be a quicker option but could easily lead to misplaced and/or lost exhibits.

Action Taken: Pending

- C) Observation – NCOs are not reviewing property submissions for accuracy

Recommendation: NCOs must ensure that quality assurance review is not only completed for case management but also for property management.

Action Taken: Pending

Observation 7 – Infrastructure

Drug vaults that are presently being used have not been purpose built. This results in a number of security and health concerns.

- A) Observation – Vault door locks are currently on master key system with no electronic access

Recommendation: Re-key entrance doors to DV1 and DV2 and have them taken off the HRM/HQ master keying systems.

Action Taken: Pending

- B) Observation – Our current vault alarm system uses a single code for all users and records limited information

Recommendation: Install new intrusion alarms in each of the three vaults. Include third party monitoring, secure wiring, individualized access codes and better coverage where needed.

Action Taken: Pending

- C) Observation – The drug and/or money vaults have no cameras to record ongoing, high risk activity.

Recommendation: CCTV cameras to be installed at all drug/money vault access points.

Action Taken: Pending

- D) Observation – DV2 has a wood door

Recommendation: Security metal entrance door and frame to be installed in DV2.

Action Taken: Pending

- E) Observation – Door access not tightly controlled or monitored. High-risk security areas do not have two-level authentications.

Recommendation: Two-level access authentication (pin/prox) to be used for DV1 and DV2. Vault access authorization is to be recorded on individualized access forms which should include the approver's name as well as an expiry date. The list of authorized members should be reviewed every six months.

Action Taken: Pin/prox readers have been installed on DV2

F) Observation – Entry combinations are not tightly controlled and changed as required

Recommendation: Due to the high risk that is associated with the money vault the combination should be changed as staff change.

Action Taken: Pending

G) Observation – Drug exhibits are not stored in a safe and healthy manner

Recommendation: Ensure regular mold testing (specifically Aspergillus), proper storage of drug exhibits (dried) is enforced and regular inspection and cleaning of drug vaults occurs.

Action Taken: Pending

Appendix

On May 9, 2016 the Internal Oversight Service was tasked by the Chief's Office with a further spot audit, "to ensure all exhibits presently in the three main vaults are properly accounted for." The original diary date of May 25 was changed to May 20.

Methodology

In order to complete this task we did the following:

- Went back to the three original browses generated by random sample (Observation 2-Page 6.)
- Re-examined each Property EC/PC screen for potential changes from originally recorded status
- Contacted the Seized Property Management Directorate (SPMD) who was able to locate some of our currency exhibits
- Reviewed currency log books from past Drug NCOs
- Reviewed bank records
- Re-examined all three vaults, with Drug NCOs, for original locations and possible newly-recorded ones.

Observations

- SPMD was able to locate some of the mislabelled currency exhibits
- The Drug NCO currency log books were found to have an inconsistent recording format with no way to verify information electronically or physically
- Sgt Mark MacDonald, signing authority for interest bearing account, provided a current bank record. It is found to have no substantive use as it only shows interest adjustments and large withdrawals with no itemization of individual transactions or linkage to individual GOs

We were able to locate a substantial number of exhibits which were originally inaccurately recorded. The changes are reflected below:

DV1

GO to Shelf Original Browse - 90% not located (66 of 73)

Current-52% not located (38 of 73)

DV2

GO to Shelf Original Browse - 24% not located (18 of 75)

Current-12% not located (9 of 75)

MV

GO to Shelf Original Browse - 55% not located (34 of 62)

Current-32% not located (20 of 62)

Note: Some of the files are pre-Versadex and were not migrated to the new system.

Recommendations

- Liaise with Provincial and Federal Court exhibit personnel to determine whether HRP exhibits are in their custody without being recorded as such on our RMS
- Perform a full, itemized (physical and electronic) examination of all exhibits in all three vaults
- Perform a full forensic audit of HRP interest-bearing account and forfeiture transactions with SPMD

It is my opinion as the reviewer of this audit that many of the exhibits were unable to be located due to “clerical” errors in the individual files. As mentioned in the Audit Observations, the Evidence Continuity Reports in Versadex were not being modified to accurately reflect the current location of exhibits. This results in the exhibits showing as “unable to locate”.

Staff Sergeant Mark Hobeck