



COUNTY OF EL PASO  
OFFICE OF THE COUNTY AUDITOR

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07-10

July 8, 2022

The Honorable Richard D. Wiles  
El Paso County Sheriff  
3850 Justice Drive  
El Paso, Texas 79938

Dear Sheriff Wiles:

The County Auditor's Internal Audit division in conjunction with the County Purchasing Department performed an audit of the collection and disposal of the El Paso County Sheriff's abandoned evidence property on June 14, 2022, to determine if internal controls are adequate to insure proper storage and disposal of monetary and physical abandoned evidence.

The audit report is attached. We tested one financial and reviewed six operational controls. There was one finding noted as a result of the audit procedures, which was a repeat finding from the prior audit. We wish to thank the management and staff of the Sheriff's Office and the Purchasing department for their assistance and courtesies extended during this audit.

Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our audit was performed with objectivity and due professional care.

Respectfully,

A handwritten signature in blue ink that reads "Edward A. Dion".

Edward A. Dion  
County Auditor

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cc: Ms. Betsy Keller, Chief Administrator  
Ms. Kimberly A. Johnson, Sheriff Property Evidence Supervisor  
Ms. Karen Davidson, Purchasing Agent



**The El Paso County Sheriff’s Department**  
**Abandoned Evidence**  
**June 13, 2022**  
**EXECUTIVE SUMMARY**



**BACKGROUND**

Abandoned evidence is stored by the El Paso County Sheriff’s office for at least six months. After this time period all non-monetary items are either transferred to the El Paso County Purchasing department for in-person auction or to the contracted company Propertyroom.com for online auction. Further, all monetary items are transferred to the Auditor’s office for deposit into the County’s general fund. Transfers and monetary deposits are monitored by an internal auditor and a purchasing agent. All transfers are documented through chain of custody vouchers or through Commissioners Court approved orders. In November 2020, the Abandoned Evidence Department implemented a new evidence inventory management system called OnCall RMS. This audit was performed by James O’Neal, internal audit manager – senior. The most recent prior audit report was issued on July 23, 2021.

**AUDIT OBJECTIVES**

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to the disposal of abandoned evidence held by the Sheriff’s Office. Following are the business objectives, related control assessment, and a summary of good and weak controls noted in the audit.

Business Objective	Control Assessment
1. Establish and document current policies and procedures	Needs Improvement
2. Appropriate controls during transfer of items from Sheriff’s Office to Purchasing department	Satisfactory
3. Functioning appropriate cash controls by Sheriff’s Evidence Room staff	Satisfactory
4. Proper securement and storage of monetary items by Sheriff’s Evidence Room staff	Satisfactory
5. Proper recording and chain of custody documentation for evidence accepted or transferred by Sheriff’s Evidence staff	Satisfactory
6. Proper recording and transfer of monetary items to the Auditor’s office	Satisfactory
7. Proper disposal of unusable items and storage of auction ready items by purchasing agents	Satisfactory

**SCOPE**

The scope of the audit includes abandoned evidence stored by El Paso County Sheriff’s Office submitted for transfer approval by Commissioners Court on May 16, 2022, and June 6, 2022, and physically transferred to the County Purchasing and County Auditor departments on June 13, 2022.

**METHODOLOGY**

To achieve the audit objectives, we:

- Requested and reviewed current policies and procedures
- Accompanied the purchasing agent to the Sheriff’s evidence warehouse to collect abandoned evidence and property.
- Verified all monetary and non-monetary items with inventory listing submitted by Sheriff’s evidence clerk.
- Tested a sample of case numbers to ensure proper chain of custody documentation for monetary and non-monetary items accepted and/or transferred by Sheriff’s Evidence department staff.
- Transported all non-monetary items to Purchasing warehouse for auctions to be held at a later date.
- Personal property such as clothing, pierced jewelry and items of no value were disposed of. Any items collected containing sensitive information (social security numbers, driver’s license numbers, dates of birth, etc.) were shredded.
- Monetary items were separated and delivered to the bank via a purchasing agent and the auditor.

**RESULTS**

On June 13, 2022, the El Paso County Sheriff’s abandoned evidence was turned over to the Purchasing department and this office for disposal. The abandoned evidence resulted in a monetary collection of \$805.08. However, several bills totaling \$200 were deemed as mutilated currency and not accepted by the local banking institution. The bills were mailed to the United States Bureau of Engraving and Printing, via certified mail, on June 21, 2022, for proper handling and a check will be issued to the County once reviewed and processed by the



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Bureau. Therefore, the amount deposited into the County's general fund on June 21, 2022, was \$605.08. Listed below are control and findings summaries, with findings listed from highest to lowest risk. Please see the *Findings and Action Plans* section of this report for details and management action plans and the status of the prior audit findings.

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> <li>• Transfer signatures acquired from all departments during transfer of property. (Obj. 2)</li> <li>• Functioning appropriate cash controls (Obj. 3)</li> <li>• Adherence to Sheriff's Evidence Room securement and storage policies and procedures (Obj. 4)</li> <li>• Documentation showing proper chain of custody for evidence items accepted by departmental staff (Obj. 5)</li> <li>• Transfer of monetary items to County Auditor's Office (Obj. 6)</li> <li>• Disposal of unusable items and storage of auction ready items by the Purchasing department. (Obj. 7)</li> </ul>	<ul style="list-style-type: none"> <li>• Adequate and up-to-date policies and procedures (Obj. 1)</li> </ul>
Findings Summary	
1. Current policies and procedures have not been updated (Repeat Finding)	

**INHERENT LIMITATIONS**

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County's assets from loss, theft, or misuse. The County's internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected.

**CONCLUSION**

The transfer and disposal of abandoned evidence has met six of the seven objectives of this audit. Implementation of the recommendation provided in this report should assist the Sheriff's Office improve their abandoned evidence storage and transfer procedures.



**The El Paso County Sheriff's Department**  
**Abandoned Evidence**  
**June 13, 2022**  
**FINDINGS AND ACTION PLANS**



**Prior Audit Findings Summarized with Current Status**

**Status**

**(M) Open**

**(See Current Finding #1)**

**Finding:** Outdated Policies and Procedures. While reviewing the current policies and procedures, we noted they did not include policies and procedures involving the transfer of property to the online auction process. Outdated policies and procedures may weaken the office internal controls, lead to non-compliance of new laws and regulations and fail to offer proper guidance to office staff members.

**Recommendation:** Office policies and procedures should be updated to address the operating process mentioned above. Further, management should periodically review and update the office policies and procedures as necessary.

**Action Plan:** Evidence supervisor agrees with recommendation and is in the process of reviewing and updating the current policies and procedures with staff and upper management. *Action plan not implemented due to various issues.*

**Current Audit Findings and Action Plans**

Finding #1		Risk Level (M)	
<p><b>Outdated Policies and Procedures</b> – The current policies and procedures have yet to be updated as previously recommended and are still in the planning and review stage. The following key operational procedures have yet to be addressed:</p> <ul style="list-style-type: none"> <li>• Procedures involving the transfer of property to the online auction process</li> <li>• Procedures involving the usage of the new evidence inventory management system (Oncall RMS) implemented November 10, 2020.</li> </ul> <p>Outdated policies and procedures may weaken the office internal controls, lead to non-compliance of new laws and regulations and fail to offer proper guidance to office staff members. (Previous finding)</p>			
<b>Recommendation</b>			
<p>Office policies and procedures should be updated to address the operating processes mentioned above. Further, management should periodically review and update the office policies and procedures as necessary. Such reviews and updates should be documented in the policies and procedures to indicate recommendation implementation.</p>			
<b>Action Plan</b>			
<b>Person Responsible</b>	<b>Sheriff's Property Evidence Department Supervisor</b>	<b>Estimated Completion Date</b>	<b>October 1, 2022</b>
<p>Sheriff's Property Evidence management and staff to work with upper management to address and incorporate key operational procedures mentioned above.</p>			