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February 19, 2009

FINAL REPORT TRANSMITTAL LETTER

Honorable Wayne County Commissioners:

Enclosed is our final copy of the Operation ACTION Unit, Sheriff's Office, Evidence Disposal, Agreed-Upon Procedures Report dated December 9, 2008, DAP No. 2008-57-833. The contents of this final report did not change from the draft report previously issued. The report was accepted by the Audit Committee at its meeting held on February 10, 2009 and formerly accepted by the Wayne County Commission on February 19, 2009.

We are pleased to inform you that officials and staff of the Operation ACTION Unit, Sheriff's Office offered their full cooperation during the review. If you have any questions, concerns, or desire to discuss the report in greater detail, we would be happy to address these matters with you at your convenience. This report is intended for your information and should not be used for any other purposes. Copies of all Office of Legislative Auditor General's final reports can be found on our website: http://www.waynecounty.com/commission/agAuditReports.asp.

Willie Mayo, CPA, CICA
Auditor General

REPORT DISTRIBUTION

Wayne County Sheriff's Office
Warren C. Evans, Sheriff
Darryl Fordham, Chief of Staff
Lieutenant Sam Milanovich, Operation ACTION Unit

Wayne County Department of Management and Budget
Carla E. Sledge, Chief Financial Officer
Terry L. Hasse, Director, Grants and Contract Administration

County Executive

RESOLUTION

No. 2009-078

By Commissioner Woronchak and Co-sponsored by Commissioner Varga

RESOLVED, by the Wayne County Commission this 19th day of February, 2009 that approval be, and is hereby, granted approving the Agreed-Upon Procedures Report on the Sheriff's Office, Operation "ACTION" Auto Theft Task Force Unit, Evidence Disposal. The report is dated December 9, 2008.

(2008-57-833)

DAP: 2008-57-833

County of Wayne

SHERIFF'S OFFICE
Operation "ACTION" Auto Theft Task Force Unit

EVIDENCE DISPOSAL

An Agreed-Upon Procedures Report

December 9, 2008

REPORT SUMMARY

At the request of Operation ACTION (Arresting Car Thieves In Our Neighborhoods), Auto Theft Task Force, Sheriff's Office, to assist in the disposal of items no longer required to be held as evidence for adjudication purposes, the Office of Legislative Auditor General (OAG) performed certain agreed-upon procedures related to the evidence identified for disposal. The agreed-upon procedures were conducted in accordance with applicable Generally Accepted Auditing Standards issued by the American Institute of Certified Public Accountants and Government Auditing Standards issued by the Comptroller General of the United States.

The seized/confiscated evidence identified for disposal involved a single criminal case that began in 2007. The evidence identified for disposal involved a fencing operation, including thousands of items. The items included vehicle rims and tires, tools, clothing, household items, cigarettes, alcohol and over-the-counter medications with an estimated market value of about $450,000.

The specific procedures performed were designed to assess the following objectives: 1) whether the criminal case related to the evidence identified for disposal was closed; 2) whether the evidence identified for disposal was removed from the warehouse; and 3) whether the evidence identified for disposal was transported and fully disposed of at the landfill site. Based on the procedures performed, no exceptions were noted. However, our procedures were not designed, and did not determine whether all evidence seized/confiscated related to the single closed case was disposed of because a comprehensive or catalog listing of all items was not provided nor does it exist.

The procedures performed for this engagement do not constitute an audit, the objective of which is to express an opinion. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. This report is intended solely for the Wayne County Sheriff's Office, County

management, the County Commission, and other county stakeholders. This restriction is not intended to limit the distribution of the report, which is a matter of public record. ■

Detailed Report

OBJECTIVES

In response to a request from Operation ACTION (Arresting Car Thieves In Our Neighborhoods) Auto Theft Task Force, Sheriff's Office to assist in the disposal of evidence no longer required to be held for adjudication purposes, the Office of Legislative Auditor General (OAG) performed certain agreed-upon procedures on the evidence identified for disposal. The specific objectives were:

1. Determine whether the criminal case related to the evidence identified for disposal was closed.

2. Determine whether the evidence identified for disposal was removed from the warehouse.

3. Determine whether the evidence identified for disposal was transported and fully disposed of at the landfill site.

SCOPE

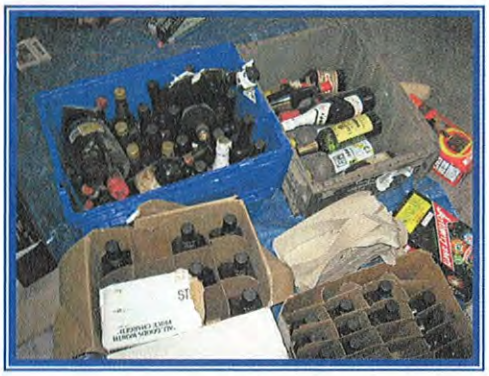
The agreed-upon procedures performed by the OAG were limited to the closed case evidence identified by the Sheriff's Office for disposal. The scope of our procedures did not include determining whether all evidence items seized/confiscated related to the closed case was included in the items to be disposed. A catalog or comprehensive listing of seized/confiscated evidence from the case was not provided nor does one exist because of the significant volume of items. The agreed-upon procedures were performed in accordance with attestation standards promulgated by the American Institute of Certified Public Accountants and Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States.

METHODOLOGY

The agreed-upon procedures included performing certain procedures to assess the assertions made by Sheriff officials regarding the evidence identified for disposal. The agreed-upon procedures involved reviewing and observing certain processes performed by Sheriff Deputies to ensure the identified evidence related to a closed case was removed from the warehouse intact, transported and completely disposed of at the landfill site.

BACKGROUND

The evidence from the single closed criminal case identified for disposal resulted from a seizure/confiscation conducted by the Sheriff's Office in 2007. The various types of evidence included, but was not limited to vehicle rims and tires, tools, clothing, household items, cigarettes, alcohol, and over the counter medications. The seized/confiscated evidence was stored at a warehouse owned by Home Depot located in Livonia. Home Depot's security personnel assisted the Task Force in its criminal investigation. Officials indicated that some items confiscated were utilized by the Sheriff's Office. In addition, Home Depot took possession of items they identified as stolen from their stores. Also, we inquired of the Sheriff officials why the items were not being auctioned off and they indicated there could be potential liability to the county from the manufacturers and purchasers if something adverse occurred while using the items. According to Task Force officials, the estimated market value of the evidence was about $450,000. Photographs of some of the seized/confiscated evidence is below:



Cases of Alcoholic Beverages

Packs of seized cigarettes

Cartons of miscellaneous evidence at the warehouse.

Mounds of clothing evidence at warehouse.

Other miscellaneous evidence at warehouse

More clothing and vehicle rims/tires

DETAILED AGREED-UPON PROCEDURES PERFORMED

Determine whether the criminal case related to the evidence identified for disposal was closed

The Task Force provided us with a general list and description of evidence that was seized/confiscated related to the case that was no longer needed for adjudication purposes. They also provided a report from the Criminal Management Information System (CMIS) which is a computer system in the Wayne County Circuit Court. The CMIS system is independently maintained by court personnel, and among other things contains the status of each criminal case in the Wayne County Court system. The report confirmed that the criminal case was closed. In addition, officials indicated that no correspondence from the Wayne County Office of the Prosecuting Attorney existed indicating that an appeal had not been filed relative to the case. Therefore, it appears the criminal case related to the evidence identified for disposal was closed, and no known appellate actions were pending.

Determine whether the evidence identified for disposal was removed from the warehouse

Upon arrival at the warehouse, we physically observed the evidence identified for disposal. The warehouse is used by the Task Force for storing evidence no longer required to be held for adjudication purposes. However, we were not able to perform specific procedures to ensure that all evidence seized/confiscated relating to this single closed case was included in the evidence identified for disposal because no detailed evidence listing of seized/confiscated items was provided. Items to be disposed of were those identified by the Task Force officials. The evidence identified for disposal was located in a separate section of the Home Depot warehouse.

We observed the evidence identified for disposal being moved from the warehouse to the dumpster outside the building for transport to the landfill. As the evidence items were moved from the warehouse and placed into the dumpster an auditor from the OAG observed and noted all items were properly removed from the warehouse and placed in the dumpster. Therefore, it appears the evidence identified for disposal was fully removed from the warehouse without exception. Below is a photograph of the evidence being loaded into the dumpster.

Evidence being loaded into dumpster

Determine whether the evidence identified for disposal was transported and fully disposed of at the landfill site.

An official from the Task Force rode in a vehicle directly behind the truck that transported the dumpster and the audit team traveled in a car directly behind the sheriff's vehicle. The audit team never lost sight of the truck transporting the dumpster and all evidence items remained in the dumpster during transport.

When the dumpster containing the evidence identified for disposal arrived at the landfill site a Task Force official accompanied the dumpster into the site where the evidence was actually dumped into the landfill. The audit team inspected the dumpster for any remaining evidence, noting none was present. No exceptions were noted. A photograph of the empty dumpster taken after the evidence was dumped is below.

Empty dumpster after evidence was disposed of

OAG OBSERVATIONS

No exceptions were noted as a result of performing the agreed-upon procedures.

CONCLUSION

We performed the agreed-upon procedures described in detail on pages 4, 5 and 6 of this report, which were agreed to by the Operation ACTION Unit, Auto Theft Task Force, Sheriff's Office, with respect to assistance in the disposal of evidence no longer required to be held for adjudication purposes. The Sheriff's Office is responsible for maintaining records related to the evidence. The sufficiency of these procedures is solely the responsibility of the Sheriff's Office. Consequently, we make no representation regarding the sufficiency of the procedures described for the purpose for which this report has been requested, or for any other purpose. However, no exceptions or findings resulted based on the agreed-upon procedures performed.

We were not requested to and did not conduct an audit, the objective of which would be the expression of an opinion on the controls over the disposal of the evidence identified as no longer required to be held for adjudication purposes. Accordingly, we do not express an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. ■

This report is intended solely for the information and use of the Sheriff's Office, County management, the County Commission and other County stakeholders, and it should not be used for any other purpose. This restriction is not intended to limit the distribution of the report, which is a matter of public record.

Willie Mayo, CPA, CICA
Auditor General