

CLERK OF CIRCUIT COURT  
COURT SERVICES DEPARTMENT

CRIMINAL EVIDENCE INVENTORY REVIEW, FOLLOW UP I  
AND CIVIL EVIDENCE INVENTORY REVIEW

DECEMBER 22, 2004

**HERNANDO COUNTY CLERK OF CIRCUIT COURT**

**AUDIT SERVICES DEPARTMENT**

**MEMORANDUM**

**TO:** Jana Murphy, Court Services Director  
Bonnie Andrian, Court Clerk Supervisor

**VIA:** Karen Nicolai, CPA, Clerk of Circuit Court

**FROM:** Peggy Prentice, CIA, CISA, Audit Services Director

**DATE:** December 22, 2004

**SUBJECT:** Criminal Evidence Inventory Review, Follow Up 1 and Civil Evidence Inventory Review

The Audit Services Department's Audit Projects Schedule included a follow up to the Criminal Evidence Inventory Review Report issued November 21, 2003. The Clerk of Circuit Court also requested Audit Services to: review the criminal evidence inventory since it was converted from ETS to the Total Recall System in March 2004; and to sample test the civil evidence inventory. Based upon testing, observations, and communications with key personnel, the Audit Services Department produced the attached report for your review.

Although the Audit Services Department did not identify employee fraud or abuse during this review, it should not be construed to mean that unreported noncompliance or irregularities do not exist. The deterrence of employee abuse is the responsibility of management. Audit procedures alone, even when carried out with professional care, do not guarantee that employee fraud/abuse will be detected.

The purpose of this report is to furnish management independent, objective analyses, recommendations, counsel, and information concerning the activities reviewed. This report is a tool to help management discern and implement specific improvements. It is not an appraisal or rating of management.

I would like to take this opportunity to extend my appreciation to the Court Services Department management and staff for the courteous treatment extended to the Audit Services Department during this review.

If you have any questions, concerns, or need additional information in regard to the above or the attached report, please do not hesitate to contact me at (352) 540-6235, or just stop by my office, Room 201.

## **ATTACHMENT**

**copy: BOARD OF COUNTY COMMISSIONERS:**

Commissioner Christopher “Chris” Kingsley  
Commissioner Hannah “Nancy” M. Robinson  
Commissioner Diane Rowden  
Commissioner Robert C. Schenck  
Commissioner Jeff Stabins  
Gary Adams, County Administrator  
George Zoettlein, Office of Management and Budget Director  
Kurt Hitzemann, Senior Assistant County Attorney

**CLERK OF CIRCUIT COURT:**

Amy Gillis, CPA, Finance Director

**OTHER:**

Chip Jones, KPMG  
Hernando County Public Library  
Hernando Today  
St. Petersburg Times - Hernando Edition  
WWJB Radio Station

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## **ACKNOWLEDGMENT**

## ACKNOWLEDGMENT

Other minor findings, not included in this report, have been communicated to management and/or corrected during fieldwork. I thank the management and staff for their cooperation.

Fieldwork was performed by:

Peggy Prentice, CIA, CISA, Audit Services Director

Barbara Fichter, Internal Auditor

This report was reviewed and authorized by Karen Nicolai, CPA, Clerk of Circuit Court, on December 21, 2004.

## **PURPOSE AND SCOPE**

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### **PURPOSE:**

The criminal evidence inventory's automated file maintenance system was enhanced during 2004 and the data was converted from ETS to Total Recall. The civil inventory is maintained in an Excel spreadsheet. Per management's request, the Audit Services Department provided some assurance that, based upon testing, the sampled inventory materially agrees with the Court Services' current Evidence Tracking - Detail Inventory Report or Lotus spreadsheet, as appropriate.

### **SCOPE:**

Audit Services interviewed key personnel. Audit Services addressed security and record keeping practices that safeguard the criminal and the civil evidence inventories. Audit Services physically counted samples of criminal and civil evidence inventories and compared the results of these counts to the Court Services Department's current Evidence Tracking - Detail Inventory Report or Lotus spreadsheet, as appropriate. The auditors reported whether these test samples materially agree with the current Evidence Tracking - Detail Inventory Report or Lotus spreadsheet at a specific point in time. Audit Services considered any new or revised evidence inventory policies or procedures developed since October 2003.

### **SCOPE LIMITATIONS:**

Audit Services did not address whether the Court Services Department's current Evidence Tracking - Detail Inventory Report and Lotus spreadsheet are all inclusive (lists the entire population). Testing was based upon the report and spreadsheet. Audit Services did not track individual inventory items from the appropriate case file through their life cycle and/or to the current Evidence Tracking - Detail Inventory Report or Lotus spreadsheet.

## **BACKGROUND**

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The Clerk of Circuit Court's, Court Services Department's, Court Clerk Division is responsible for securing and/or maintaining a record of inventoried evidence throughout the life cycle. Evidence is the physical exhibits submitted in a trial or hearing. Court Clerks are responsible for attending all court sessions relating to civil and criminal cases, receiving and maintaining evidence, and processing all court related paperwork.

Court Clerks generally pre-mark the evidence for identification purposes. Court Clerks prepare and maintain an Exhibit Evidence List for each party who presents exhibits or evidence during the progression of a trial or hearing. When the exhibit previously marked for identification is submitted in court, the court may or may not allow the exhibit to become evidence. If the exhibit is not allowed to become evidence, the item is not entered into inventory. The item is returned to the party who presented the exhibit. If the item is allowed to become evidence, it is said to have been "admitted into evidence." When the trial concludes, the Court Clerk forwards a copy of the Criminal or Civil Evidence List, as appropriate to the Court Clerk Supervisor. The Court Clerk forwards the original Exhibit Evidence List to the appropriate Division for docketing and filing. The evidence is placed in temporary storage.

The Court Clerk Supervisor data inputs the criminal inventory tracking information into Total Recall or the civil inventory tracking information into Lotus. When all criminal evidence has been entered for a case, the Court Clerk Supervisor prints a Detail Report by Case Report and prints bar code labels. These bar codes are affixed to the evidence. The evidence is stored temporarily in a locked Court Clerk file cabinet. When this temporary storage area is filled up, any two of the following personnel: Deputy Clerk, Court Clerk, Court Clerk Supervisor, obtain the keys to the locker and sign-out the evidence locker keys. These two individuals transport the evidence from temporary storage to the appropriate evidence locker. The evidence is placed into its storage location and the location is scanned via the bar code. These individuals return each evidence locker key to the appropriate key custodian and then indicate the return of the keys on the appropriate Evidence Access Log.

Inventory items can be removed from evidence lockers for trial, disposition, release, or review, but in all cases, the evidence must be tracked by location and by who possesses the item. Total Recall and Lotus are used to create and maintain a history of the activity involving each criminal or civil evidence item, respectively.

**COMMENTS,  
RECOMMENDATIONS AND  
MANAGEMENT'S RESPONSES**

## EVIDENCE POLICIES AND PROCEDURES

### SCOPE OF WORK

The Audit Services Department addressed whether policies and procedures appear to adequately safeguard the criminal and civil evidence inventories. This was a limited review in regard to security issues. Only those written policies that directly relate to physical security were compared to current practices.

### COMMENTS AND RECOMMENDATIONS

Audit Services' Comment, November 2003 - Overall, the Evidence Policies and Procedures appear to adequately address inventory record keeping and security practices. However, three control weaknesses were identified as follows:

1. The Evidence Locker key custodian, the Court Services Coordinator, is not referenced consistently throughout the manual. In some procedures the custodian is inaccurately referenced as the Criminal Supervisor or the Deputy Supervisor. Whereas in others, the custodian is accurately referenced as the Court Services Coordinator.

Recommendation, November 2003 - Consideration should be given to editing the manual so that the correct evidence locker key custodian(s) is consistent.

Management's Response, November 2003 - Management concurs. The Policy and Procedure is in the process of being revised to reference the Court Services Coordinator and the Court Clerk Supervisor as keepers of the evidence locker keys. The target date for this revision is December 15, 2003.

Management's Response, October 2004 - This recommendation was implemented. Policies and procedures were revised effective March 2004 to consistently reflect the Court Clerk Supervisor and Court Services Coordinator as the evidence locker custodians.

Audit Services' Comment, November 2004 - The revised policies (500.14 - 500.17) correctly reference the Court Services Coordinator and the Court Clerk Supervisor as evidence locker key custodians.

2. The policies do not consistently require joint access into the evidence locker.

Recommendation, November 2003 - Consideration should be given to updating the policies and procedures to ensure that joint access to the evidence locker(s) by two (2) deputy clerks is a departmental requirement and there are two key custodians who hold different keys.

Management's Response, November 2003 - Management concurs. The Policy and Procedure is being revised to consistently require joint access into the evidence locker(s) by two (2) Deputy Clerks. The target date for this revision is December 15, 2003.

Management's Response, October 2004 - This recommendation was implemented. Policy and Procedure 500.14 was revised to reflect that knob keys are maintained by the Court Clerk Supervisor in a key lockbox and the dead bolt key is maintained by the Court Services Coordinator in a key lockbox. Access is controlled by two deputy clerks checking out the keys via the Evidence Access Logs at each key lockbox location.

Audit Services' Comment, November 2004 - Revised Policies 500.14 - 500.17 now require joint access into the evidence lockers. There are two (2) key custodians, Court Services Coordinator and Court Clerk Supervisor, that hold and secure different keys.

3. Procedure 500.20 states that an inventory of the physical evidence is conducted annually by the Audit Services Department, assisted by the Criminal Supervisor and a Deputy Clerk. The Department is not in compliance with the policy.

Recommendation, November 2003 - It appears that a full physical evidence inventory count has not been performed since 1996. Audit Services recommends that a full physical count be performed immediately after the new software is implemented to ensure that the inventory records are complete and accurate. Consideration should also be given to performing annual physical inventory counts, and the Audit Services Department should be notified immediately after these counts. Audit Services will perform sample testing of the inventory to provide some assurance that inventory record keeping is accurate. The policy should be updated to address this process.

Management's Response, November 2003 - Management concurs. Audit Services should perform a full count audit within 30 days after the conversion and implementation of the new tracking software for evidence inventory records. The policy will be updated to address this process. The target date for this revision is June 30, 2004, after implementation of the new tracking software.

Management's Response, October 2004 - The annual audit was performed by the Audit Services Department on October 14, 2004, and yearly audits will be performed in compliance with Policy and Procedure 500.20.

Audit Services' Comment, November 2004 - The most recent full physical evidence inventory count was performed by Court Services management in September 2003. Since that time, Audit Services performed sample test counts in November 2003 and October 2004. (See the October 2004 physical evidence count test results on page 9.)

Policy 500.20 was revised and now states that, "An inventory of the physical evidence is conducted annually by the Audit Services Department, assisted by the Court Clerk Supervisor or a Court Clerk." To comply with this policy, Audit Services, per management's request, will schedule annual physical evidence inventory counts.

## PHYSICAL INVENTORY CONTROLS

### SCOPE OF WORK

The Audit Services Department reviewed a sample of Evidence Access Logs, interviewed key personnel, and identified control strengths and weaknesses, as applicable.

### COMMENTS AND RECOMMENDATIONS

Audit Services' Comment, November 2003 - Although the Department has taken measures to ensure that there is a historical record of who, when, and for what purpose the evidence lockers were accessed, there appears to be physical security control weaknesses.

1. The Evidence Access Log, used to sign-in/out locker keys, does not specifically identify if the keys were used to access the civil or the criminal evidence locker. A sample test of Evidence Access Logs revealed that these logs are not completed fully and/or legibly by the users.

Recommendations, November 2003 - Keeping in mind the objective of keeping a historical record of the conveyance of the keys from the key custodian to the user and of who, when, and why the evidence lockers were accessed, consideration should be given to requiring the Deputy Clerks to provide adequate and complete documentation as follows:

- a. Evidence Access Logs should be completed in their entirety (i.e., the date and the time the keys are checked-out, the time the keys are returned, the case number and name, an adequate explanation of why access was authorized, and the signatures as opposed to the initials of the Deputy Clerks). "Various" for the case number, case name, and/or explanation for access should not be used, as this provides little or no historical value. If, however, management determines that any of the columns of information on the Evidence Access Log provides no historical benefit, then these columns should be omitted from the log.
- b. A column should be added to the log for the Deputy Clerk to print his/her name by his/her signature. This will ensure that the identity of the signer can be made.
- c. The key custodians should ensure that their Evidence Access Log is prepared and completed accurately by the Deputy Clerk prior to authorizing usage of their key.

Management's Response, November 2003 - Management concurs. The Evidence Access Log will be revised to eliminate any columns that do not provide historical benefit. A

column will be added to ensure that the identity of the signer can be made. The key custodian will ensure that the Evidence Access Log is completed in its entirety. The target date for this revision is December 15, 2003.

Management's Response, October 2004 - The Evidence Access Log form was revised to reflect the recommended changes. The deputy clerks signing out a key must now designate which key they are signing out and both must print and sign their names.

Audit Services' Comment, November 2004 - Evidence locker key usage is recorded in Circuit Court Criminal/Civil Evidence Access Logs. Audit Services reviewed a sample of entries made in these logs for accuracy and completeness. Record keeping inconsistencies were identified such as timing differences, the individuals who signed out one key were not the same individuals who signed out the other key, and neither the case name/number nor the inventory number was recorded for an evidence retrieval from a locker.

The Circuit Court Criminal/Civil Evidence Access Log form was revised. The current log provides a space for each deputy clerk to print his/her name by his/her signature.

Recommendation, November 2004 - To provide for a reliable historical record, Circuit Court Criminal/Civil Evidence Access Logs should be complete and accurate. For example:

- Sign-in/out timing differences should be eliminated;
- When evidence is retrieved from a locker, the evidence case name/number should be documented and the evidence inventory item number should be recorded;
- The individuals who sign-out keys should be the same individuals that return those keys; and
- The same two (2) individuals who sign out one key should be the same individuals who sign out the other key.

Management's Response, December 2004 - Management concurs. The Evidence Access Log form was revised to reflect the recommended changes. The two deputy clerks signing out the keys must now also initial the appropriate box and the time when returning the keys. The key custodians are monitoring significant timing differences between when keys are checked out and when they are returned. Staff have been advised that they should not delay returning the keys for any reason. Key custodians are also monitoring that the same two deputy clerks who sign out one key are the same two deputy clerks who sign out the other key and that the

same two deputy clerks return the keys. When evidence is retrieved the case number is documented on the Evidence Access Log and the evidence inventory item number for criminal evidence is recorded in the Total Recall System. The Civil Evidence Inventory Control Sheet is updated when civil evidence is retrieved.

2. Physical security of the evidence locker keys is inadequate. All keys (two for each evidence locker) are maintained on a single key ring in the Court Services Coordinator's office. The keys are not secured in a locked area.

Recommendations, November 2003 - Since door locks are only as secure as the control over the keys, consideration should be given to the following internal control enhancements:

- a. Segregating the keys and corresponding Evidence Access Logs. For example, there should be two (2) key custodians. Each custodian is responsible for safeguarding one key to each of the evidence lockers. Each custodian maintains an Evidence Access Log. To gain authorized access to a locker, the two Deputy Clerks must obtain one key each from each of the two key custodians. Each Deputy Clerk records his/her access, on the appropriate Evidence Access Log.
- b. Securing access to the evidence locker keys in a controlled environment such as a locked cabinet or drawer is advisable. The key custodian (and/or his/her designated backup) should be the sole key-holder of the cabinet/drawer key.

Management's Response, November 2003 - Management concurs. The keys will be segregated by placing the key that controls both the Civil and Criminal Evidence Locker dead bolts in a locked box within the Court Services Coordinator's office. The keys for this box will be maintained by the Court Services Coordinator and the Court Services Director. The keys for the Civil and Criminal door knobs will be maintained by the Court Clerk Supervisor and her designated back-up. This will require the two (2) Deputy Clerks to sign out the keys in two (2) Access logs. The target date for this revision is December 15, 2003.

Management's Response, October 2004 - The keys are now kept in different locations in locked boxes. The knob key and corresponding Evidence Access Log are kept by the Court Clerk Supervisor. The dead bolt key and Evidence Access Log are kept by the Court Services Coordinator.

Audit Services' Comment, November 2004 - Based upon observations and interviews, it appears that the evidence locker keys are segregated. There is an assigned custodian for each key. Each custodian is responsible for safeguarding one key to each of the evidence lockers (dead bolts and door knobs). Each custodian maintains an Evidence Access Log.

Per Policies 500.14 - 500.17, to gain authorized access to a locker, two deputy clerks must obtain a key each from each of the two key custodians. Each deputy clerk must record his/her access, on the appropriate Evidence Access Log. Inconsistent with these policies, based upon a review of Evidence Access Log entries, on several occasions, only one individual signed out one of the keys. Since two individuals signed out for the other key, the preventative (dual access) control appeared to be enforced, but the record maintenance control failed.

Recommendation, November 2004 - The preventative control requires dual access to the inventory lockers and the recording of this access on Evidence Access Logs. Therefore, consideration should be given to requiring the key custodians to ensure that their Evidence Access Log is completed in its entirety by two deputy clerks prior to authorizing usage of their key. The keys should not be handed over to a single individual.

Management's Response, October 2004 - Management concurs.

## Physical Inventory Count

### SCOPE OF WORK

The Audit Services Department neither addressed whether the October 2003 and 2004, Evidence Tracking - Detail Inventory Reports and the October 2004 Lotus spreadsheet were all inclusive (listed the entire population) nor tracked individual inventory items from the appropriate case file through their life cycle and/or to the reports/spreadsheet. Testing was based upon these reports/spreadsheet. During fieldwork in 2003 and in 2004, the Audit Services Department selected random samples of inventory items for testing. The Audit Services Department physically counted these samples and compared the test results to inventory records. In 2003, the Audit Services Department also tested a sample of non-inventoried items by tracing these items to the corresponding authorization for sign-out or release document, as appropriate.

### COMMENTS AND RECOMMENDATIONS

Audit Services' Comment, November 2003 - Based upon testing, the ASD provides assurance that on the physical inventory count date, the sampled items listed in the Evidence Tracking - Detail Inventory Report, run date October 20, 2003, were located in the criminal evidence locker. However, some items listed on this report and on the automated non-inventory report have incorrect status codes such as signed-out or released when the items are located in the evidence locker. It appears that these coding errors are primarily due to either data being damaged during conversion or data input errors that cannot be corrected due to software limitations. Management was aware of at least some, if not all, of these errors prior to Audit Services bringing it to their attention. Per management, they identified coding errors when they performed a full physical inventory count. The documentation presented to Audit Services by management denotes explanations and/or corrective action. Audit Services tested a sample of these items from management's documentation. Based upon testing, it appears that management took the appropriate steps to ensure that, although the automated records contained some coding errors, the records were generally reliable.

### Audit Services' Recommendations, November 2003 -

1. After each data batch conversion, the automated records should be spot checked for accuracy and completeness. This will provide some assurance that the data input was converted completely and accurately.

Management's Response, November 2003 - Management concurs.

Management's Response, October 2004 - Spot checks were performed after the data batch conversions to ensure accuracy.

Audit Services' Comment, November 2004 - Unlike the prior criminal inventory file maintenance system, Total Recall does not require batch conversions, therefore, the November 2003 recommendation is now obsolete.

2. Since the Department anticipates converting to a more powerful inventory software program in FY 03/04, no corrective action is required to address the ETS software weaknesses. However, once the new software is implemented and the data is converted (including status coding error corrections), a comparison of the ETS records to the new system's records and a complete physical inventory count should be performed to ensure that the conversion is complete and accurate. Once the Department is comfortable with the reliability of the new system's records, Audit Services should be requested to spot check the physical inventory and corresponding record keeping as to provide assurance that the conversion and/or count was performed as desired.

Management's Response, November 2003 - Management concurs. The target date for the implementation of the Total Recall software is June 30, 2004.

Management's Response, October 2004 - After conversion to the Total Recall System on March 24, 2004, a Detail Report was run for both the old and new system and was audited line for line. There were no discrepancies, each report listing 4,590 items. Audit Services performed an audit on October 14, 2004.

Audit Services' Comment, November 2004 - Based upon communications with management, it appears that reasonable steps were taken to ensure that the data conversion from ETS to Total Recall was accurate and complete. A full physical inventory count has not been performed since the conversion.

No material physical evidence record keeping discrepancies were identified during Audit Services' October 2004 (sample) physical evidence counts. All the sample items could be traced to/from the physical item to/from the automated records (Total Recall or Lotus).

It is time consuming to locate certain criminal evidence items because the criminal inventory locker is not well-organized within individual locations. During fieldwork, management cited that this evidence locker is scheduled, in December 2004, for weeding and reorganization which should make it easier to locate items.