

This document is a text-only reovery of the original PDF file. Any graphics that were in the original PDF are not included here.
If you need the original document, please contact the Commission Clerk at the Port of Seattle.

INTERNAL AUDIT REPORT
Operational Audit
Police Department Seizures and Evidence Room

Source: Port of Seattle
January 2022 – June 2023
Issue Date: November 30, 2023
Report No. 2023-14

This report is a matter of public record, and its distribution is not limited. Additionally, in accordance with the Americans with Disabilities Act, this document is available in alternative formats on our website.

Police Department Seizures and Evidence Room

TABLE OF CONTENTS

Executive Summary	3
Background	4
Audit Scope and Methodology	6
Schedule of Findings and Recommendations	7
Appendix A: Risk Ratings	9

2

Police Department Seizures and Evidence Room

Executive Summary

Internal Audit (IA) completed an audit of the Port of Seattle Police Department (POSPD) for the period January 2022 through June 2023. The audit was performed to primarily determine whether seized property and forfeitures were accounted for and processed in compliance with federal, state, and local laws.

Established in 1972, the POSPD provides the primary law enforcement service to the Seattle-Tacoma International Airport (SEA) and all of the Port of Seattle (Port's) seaport properties. Per the Port of Seattle Police 2022 Annual Report, the POSPD is comprised of 152 employees, representing 106 commissioned personnel and 46 civilian personnel. The department, led by Chief Michael Villa, is divided into two major bureaus: Operations and Services.

The Operations Bureau is the most visible representation of the department and is assigned to fight crime, while also protecting and serving the local communities. These professionals patrol the airport and seaport jurisdictions to ensure the safety of the traveling public, airline and seaport workers, and Port employees. Units that make up the Operations Bureau include the Marine Patrol Unit, Dive Team, Bomb Disposal Unit, K-9 Unit, and Traffic Support Specialists.

The Services Bureau is responsible for performing all the non-uniform functions of the department. This includes criminal investigations, 911 Fire and Police communications, and administrative duties like training, fleet and supply, and finance and budget. The Services Bureau

consists of the Criminal Investigations Division, Communications Division, and Administrative Services Division.

In general, Port management's internal controls aligned with policies and procedures. However, our audit identified an opportunity where internal controls could be enhanced or developed. This opportunity is listed below and discussed in more detail, beginning on page seven of this report.

1. (Low) – There is no formal process established relating to the disposal of items within the Evidence Room. During our audit, we determined that the most recent disposal was performed over two years ago, in 2021.

Glenn Fernandes, CPA
Director, Internal Audit

Responsible Management Team
Karen Goon, Deputy Executive Director
Michael Villa, Chief of Police
Sean Gillebo, Deputy Chief of Police
Mark Thomas, Deputy Chief of Police

3

Police Department Seizures and Evidence Room Background

The Port of Seattle Police Department (POSPD) provides primary law enforcement services to the Seattle-Tacoma International Airport (SEA) and all of the Port of Seattle (Port's) seaport properties. Initially created in 1972, the POSPD now has 152 total employees as of December 31, 2022. These employees are comprised of 106 commissioned officers and 46 noncommissioned / civilian personnel. Commissioned officers provide professional law enforcement services by protecting the rights of individuals, preventing crime, and building community partnerships. These commissioned officers are the primary first responders for all reported crimes and incidents within the Port's jurisdiction. On the other hand, non -commissioned/ civilian personnel primarily provide administrative and support services. These include communications specialists, 911 dispatchers, traffic support, and administrative assistants.

Seizures and forfeitures of contraband, primarily currency, drugs and drug paraphernalia, and weapons like guns, occur at SEA on a regular basis. When police officers seize these items from passengers, there is a well-documented process that is followed in accordance with RCW 69.50.505. Before a seizure occurs, the officers, usually in pairs or groups of three, already have a strong reasoning for approaching passengers. Once an individual is brought in for questioning, the lead officer/ detective completes a seizure form that is served at the time of seizure. This notice must be sent via certified mail within 15 days of the seizure to the relevant party, also known as the claimant. Within 45 days, a hearing request must be received and has to commence within 90 days. During this period, the officer/ detective gathers evidence to present at the hearing and follows up on the case as necessary. Depending on the particular circumstances of each case, the POSPD may opt to settle with the claimant for a negotiated amount or the seized property can be returned to the owner if there is no basis for forfeiture. However, if no request for hearing is received from the claimant within the 45 days, this results in an automatic default.

All seized property and cash are stored in the Evidence Room, which is located roughly 2 miles south of the airport. The Evidence Room is a fully secure facility, with an armed alarm system and numerous keys to the different areas (i.e. gated area with high-value items, kitchen with refrigerated human specimen to be sent to laboratories for testing, and safes containing guns) within the space. Only three employees have their own set of keys and full access to the room. Lastly, there is also a sign in and out system that is required for all visitors who need access to the room, including POSPD employees and personnel.

For all property and cash seized, 10% of the net proceeds must be remitted to the Washington Department of Revenue. Every quarter, a report is prepared and submitted by the Port's Tax Analyst to the Forfeiture Administrator of Washington State. Additionally, the amount due for the year must be remitted to the state on or before January 31 of the following year. With regards to the forfeited property, there are a variety of methods that the POSPD can employ depending on the property type. They may choose to retain the item for official use, sell anything that is not harmful to the public via auction, forward to the Drug Enforcement Administration (DEA) for disposition, or take custody themselves and dispose as necessary.

4

Police Department Seizures and Evidence Room

The table below reflects the total cash seized value, gross proceeds, net proceeds, and 10% of net proceeds submitted to the state every quarter during our audit period:

Time Seizure Value / Net Sale / 10% of Net

Period Gross Proceeds Proceeds * Proceeds

Q1 2022 \$ 238,622.00 \$ 231,622.00 \$ 23,162.20

Q2 2022 \$ 51,000.00 \$ 51,000.00 \$ 5,100.00

Q3 2022 \$ 468,030.00 \$ 463,030.00 \$ 46,303.00

Q4 2022 \$ 225,300.00 \$ 225,240.00 \$ 22,524.00

Q1 2023 \$ 79,210.00 \$ 79,210.00 \$ 7,921.00

Q2 2023 \$ 137,200.00 \$ 137,200.00 \$ 13,720.00

Total: \$1,199,362.00 \$ 1,187,302.00 \$ 118,730.20

* Net of fees

Source: Port of Seattle Police Department documents

5

Police Department Seizures and Evidence Room

Audit Scope and Methodology

We conducted the engagement in accordance with Generally Accepted Government Auditing Standards and the International Standards for the Professional Practice of Internal Auditing.

Those standards require that we plan and conduct an engagement to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our engagement objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our engagement objectives.

In some cases, we used a judgmental method to determine the samples selected for our audit test work. In those cases, the results of the work cannot be projected to the full population as we did not select a statistical based random sample.

The period audited was January 2022 through June 2023 and included the following procedures:

Seizures and Forfeitures:

- Reviewed RCW 69.50.505 Seizure and forfeiture policy from the Washington State Legislature website and how it is being implemented within the POSPD.
- Conducted inquiries and performed walkthroughs to gain an understanding of the chain of custody process.
- Tested the accuracy and completeness of various reports, including the Forfeited Property Status Reports and Quarterly Seizure Reports, being completed, and submitted to state agencies, as required.
- Reviewed the POSPD Seizure Report for the audit period and randomly selected 3 items to test for completeness and accuracy of information.
- Reviewed and tested federal (1) and state (10) payments made from forfeitures to test whether they are deemed permissible and allowable based on the Department of Justice Asset Forfeiture Program by obtaining a copy of the respective invoice with a brief description and/or purpose. For a full list of permissible uses, refer to Section IV of the US Department of Justice – Guide to Equitable Sharing.

Evidence Room:

- Conducted inquiries and performed walkthroughs with key employees to gain an overall understanding of internal controls present.
- Obtained the listing of different user groups for the evidence management system (EvidenceOnQ) used by the POSPD and reviewed user roles and access for employees, verifying appropriateness and reasonableness.
- Obtained the 2022 Property and Evidence Audit report conducted internally by the POSPD and reviewed the associated memo for procedures conducted and results, noting no exceptions.
- Performed detailed testing to test the completeness, existence, and accuracy of the items within the Evidence Room (Traced 20 items from the List Report to the Evidence Room and 20 additional items from the Evidence Room to the List Report, noting no exceptions.)

6

Police Department Seizures and Evidence Room

Schedule of Findings and Recommendations

1) Rating: Low

There is no formal process established relating to the disposal of items within the Evidence Room. During our audit, we determined that the most recent disposal was performed over two years ago, in 2021.

When items are ready for disposal, they are stored in boxes marked for destruction in the Evidence Room. On our walkthrough, IA noted that there is no specified and required timeline as to the actual disposal of items. Certain areas within the space are primarily dedicated for items ready for disposal but the POSPD only performs a clean out whenever possible, given their staffing capacity. In compliance with EPA regulations, disposals cannot be done locally in Seattle. As such, the POSPD fills up a U-Haul truck with items for destruction, primarily guns, drugs, and contraband items, and drives to Spokane, WA for proper disposal.

As part of our audit, we obtained the full listing report of the Evidence Room. Out of 6,371 total items per the report, 1,464, or 23% are pending destruction. The items are a combination of general destruction (guns, drugs, and contraband) and unclaimed safekeeping items (suitcases, backpacks, etc.). They are primarily located in various "Destruction Boxes" while some are in the "Pending Auction" and/or "Pending Donation" bins.

We noted that the different items are all segregated into different areas and marked clearly. However, as mentioned above, items that are pending destruction represent 23% of the full population. Additionally, evidence such as guns, drugs, and contraband are inherently risky and susceptible to loss. Therefore, the timely destruction reduces this risk and allows for easier reconciliation. Overcrowding of a property and evidence room can lead to disorganization or contamination of property.

Recommendations:

A formal policy should be adopted regarding the timely disposal of items within the Evidence Room. This will ensure that the room remains as organized and tidy as possible. This will also prevent any possible cases of mishandling and commingling of items inappropriately (i.e., mixing of legitimate items being kept for legal purposes with items that have been approved for destruction). Additionally, adopting a standardized policy will also free up space within the actual room itself, to store more items as time goes on.

Having considered relevant factors such as staffing shortages, we recommend that the disposal process be performed on an annual basis. The drive to the disposal facility in Spokane, WA can be treacherous and greatly affected by weather conditions, accordingly, once a year during the summertime would be ideal. We believe that this is an attainable and reasonable goal that can be achieved by the POSPD. Establishing an annual disposal requirement will assure that the Evidence Room continues to remain as clean and organized as possible.

7

Police Department Seizures and Evidence Room

Management Response/Action Plan:

Management has reviewed Audit Report No. 2023-14 and concur with the findings and recommendations that evidence disposal should occur at least annually and that the requirement should be contained in policy. We have created a department directive (05-2023) that puts into policy a requirement to dispose of evidence at least annually. While there were reasons for the more than 2 years since our last evidence disposal, the timely disposal of evidence is important and deserving of the new annual requirement being adopted into our policy manual.

DUE DATE: 12/31/2023

8

Police Department Seizures and Evidence Room

Appendix A: Risk Ratings

Findings identified during the audit are assigned a risk rating, as outlined in the table below. Only one of the criteria needs to be met for a finding to be rated High, Medium, or Low. Findings rated Low will be evaluated and may or may not be reflected in the final report.

Financial Internal Commission/

Rating Compliance Public

Stewardship Controls Management

High probability

Non-compliance

Missing or not for external audit Requires

with Laws, Port

High Significant followed issues and / or immediate

Policies,

negative public attention

Contracts

perception

Moderate

Partial

Partial controls probability for

compliance with

external audit Requires

Medium Moderate Laws, Port

Not functioning issues and / or attention

Policies

effectively negative public

Contracts

perception

Low probability

Functioning as Mostly complies Does not

for external audit

intended but with Laws, Port require

Low Minimal issues and/or
could be Policies, immediate
negative public
enhanced Contracts attention
perception