



CITY OF SAN ANTONIO

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August 19, 2009

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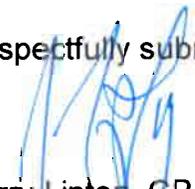
Mayor and Council Members:

SUBJECT: SAPD Firearm and Equipment Tracking Follow-up Audit Report

We are pleased to send you the audit report of the San Antonio Police Department. This audit began in April 2009 and concluded with an exit meeting with department management in July 2009. Management's verbatim response is included in Appendix B of the report. The San Antonio Police Department should be commended for its cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully submitted,


Barry Lipton, CPA, DABFA
Deputy City Auditor
City of San Antonio

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CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR



San Antonio Police Department
Firearms and Equipment Tracking Follow-Up Audit

Project No. AU09-014F1

August 19, 2009

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted a follow-up audit of the firearm related recommendations made in the San Antonio Police Department (SAPD) Firearm and Equipment Tracking Audit report dated March 13, 2007. The audit objective and conclusion follow:

Has SAPD management's action for recommendations been implemented sufficiently?

We determined that SAPD management and staff have sufficiently implemented or are working towards implementing all of the firearm related recommendations made in the report mentioned above. The status of each recommendation is in the table below. See **Appendix A** on page 6 for a summary of the original recommendations and their status.

Table 1: Recommendation Status Summary	
Implemented	4
In Process	2
Total Recommendations Reviewed	6

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Background

In 2006, the Chief of Police requested a review of the San Antonio Police Department (SAPD) firearm and equipment tracking systems. The main objective of this audit was to determine if internal controls over firearm and equipment tracking were adequate.

In March 2007, the Office of the City Auditor issued a report that disclosed that SAPD controls over firearm and equipment tracking were inadequate.¹ This audit identified opportunities to improve accountability, modernize processes, enhance controls, and reduce the potential for fraud, theft, and misuse of City assets.

Audit Scope and Methodology

We performed the follow-up audit in accordance with guidance from the Institute of Internal Auditors' (IIA) Professional Practices Framework (Practice Advisory 2500.A1-1) and included tests of records and procedures that we considered necessary. Our testing covered the period from April 2007 to the present. IIA standards require that we establish a follow-up process to monitor and ensure that management actions have effectively implemented our recommendations or that senior management has accepted the risk of not taking actions.

The audit methodology consisted of collecting computer-processed data extracted from SAPD's QuarterMaster system as well as COSA's SAP financial system. We also collected information by conducting interviews with COSA's Purchasing Department and SAPD management and staff, observing facilities and processes, performing selected tests and other procedures, and analyzing and evaluating the results of tests performed.

Our tests included taking random samples of firearms in the QuarterMaster system and determining if SAPD correctly recorded the firearm's status (i.e. "Issued", "In Stock", or "Lost/Stolen"). We also sampled the listing of firearms transferred from the old Downtown Armory to the Police Academy to verify the firearm's recorded disposition (i.e. In Stock, Destroyed).

Staff Acknowledgment

Barry Lipton, CPA, DABFA, Deputy City Auditor
Mark Bigler, CPA-Utah, CISA, CFE, Audit Manager
Gabe Trevino, CISA, Auditor in Charge

¹ Office of the City Auditor Audit Report AU06-011, *San Antonio Police Department Firearm and Equipment Tracking Audit*, March 13, 2007.

Prior Recommendations and Audit Results

A.1 Missing Firearms

OCA recommended that the SAPD:

- Perform a physical inventory of all firearms.
- Perform a reconciliation of all firearms actually held in inventory to PFAS² records.
- File the proper reports and make NCIC³ entries for all lost or stolen firearms identified during the course of the audit.

Status: Implemented

After our initial audit, SAPD stopped using the PFAS and RangeMaster systems in favor of using the QuarterMaster system to track firearms. We verified that prior to transferring records from those systems to the QuarterMaster system; SAPD Armory staff performed a physical inventory of all firearms. In addition, the Armorer performs a monthly inventory of all firearms in stock and keeps track of all firearms that enter or exit the Armory.

SAPD transferred all PFAS records for firearms available to officers as duty firearms to the QuarterMaster system. SAPD transferred all other PFAS firearm records to a spreadsheet in order to document their final disposition.

We also verified that recent firearms classified as “Lost/Stolen” included appropriate police reports and SAPD entered the information into the NCIC database.

A.2 Unreliable Firearm Tracking Data in PFAS and RangeMaster

OCA recommended that SAPD perform an audit of records in PFAS and RangeMaster to verify the status of all firearms.

Status: Implemented

Because of our prior review of the Armory, the SAPD decided to utilize the QuarterMaster system to track firearms. Use of RangeMaster is limited to recording qualification scores and personal firearm registration, and PFAS usage is limited to historical information.

² Police Firearms Acquisition System: The PFAS system is a legacy mainframe application implemented by the SAPD in March of 1993 to track firearms.

³ Federal National Crime Information Center.

The SAPD completed a physical inventory of all firearms. We reviewed the supporting documentation for firearms in stock (i.e. on hand) at the SAPD Training Academy and traced them back the QuarterMaster System.

In addition, in January 2009, SAPD initiated a program that requires a physical inspection of all firearms in use by all officers. SAPD management explained that at least once a year, every officer is required to attend an in-service session at the Academy. During the in-service, the Armorer inspects every firearm assigned to each officer. The goal is to physically inspect the firearm and verify that its serial number matches the serial number listed in the QuarterMaster System. The Armorer will investigate discrepancies between serial numbers, file the proper documentation, and make the correction in the QuarterMaster system. SAPD anticipates completing the in-service verification of all firearms by the end of 2009.

A.3 Inadequate Firearm Tracking Systems

OCA recommended that the SAPD select a single system to track firearms that should include adequate security and audit trail functionality.

Status: In Process

SAPD management staff provided a statement at the start of this follow-up audit indicating that SAPD IT staff is:

"...currently gathering requirements for a single, integrated system combining both the QuarterMaster and RangeMaster Systems. Currently, there is no security and/or audit trail functionality with either system. This new system will allow for tracking a weapon's history and will give the capability to know who made an entry and/or changed a record."

We reviewed documentation that supports SAPD's intent to include adequate security and audit trail functionality in the new integrated system. SAPD Information Systems anticipates beginning the implementation of the new system in May of 2010 with a completion date in the 3rd quarter of 2010.

Although the new integrated system is in its initial stages, SAPD implemented other systems and procedures to effectively track and record firearms/inventory held by all officers. SAPD IT staff created the "SAPD Inventory Control System" which is web-based and provides officers access to the QuarterMaster database. This system allows supervisors to view firearms and other items issued to their assigned personnel. Officer's have the capability to view equipment assigned to them. When an officer transfers or assigned duties change, supervisors should physically inspect their officer's firearm(s) and other issued items (e.g. tasers). This information is compared to the Inventory Control System database.

Supervisors forward discrepancies to the Armorer for investigation and corrective action. Documented policies and procedures exist for this review process and provided electronically to all SAPD staff.

The QuarterMaster System has the capability to produce reports on inventory values and historical transactions. Inventory Value reports are used to obtain a list of all firearms that are “In Stock” or that have been “Issued” to officers. Historical reports provide the detail of changes to the status of a firearm.

A.4 Lost/Stolen Firearms Not Properly Reported

OCA recommended that the SAPD:

- Perform required lost/stolen firearm procedures, as defined by SAPD Standard Operating Procedures.
- Include a procedure in the SOPs to require the registration of all lost/stolen firearms in the NCIC system.
- Perform an audit of all 144 firearms listed as “Lost/Stolen”, file required internal reports, and register firearms in the Federal NCIC database as necessary.

Status: In Process

In accordance with SAPD’s General Manual Procedure 309.15G, officers are required to provide a copy of the Police Report documenting a firearm loss or theft to the SAPD Armorer in order to have the firearm replaced.

SAPD Records Department data entry clerks enter lost/stolen firearms into the NCIC system when they receive the Police Report. Moreover, SAPD management staff is drafting procedures to be included in the General Manual Procedure 401.10 Reports Requiring Call-In Notification. These procedures require officers to immediately call in reported stolen firearms to the Service Agent in order to have the firearm entered into NCIC/TCIC.

Per SAPD Management, SAPD performed an audit of all 144 firearms listed as “Lost/Stolen” and accounted for all of the weapons. Test work for these firearms included a sample of ten. We concluded that these ten firearms are supported by internal reports and registered in the Federal NCIC database.

A.5 Downtown Armory Poses a Health Risk

OCA recommended that the SAPD implement a plan to clean up the downtown armory immediately.

Status: Implemented

The downtown armory and firing range no longer exist. SAPD converted the space to offices and storage facilities. A tour of the facility revealed no sign of mold or mildew.

A.6 Downtown Armory Firearms Not Inventoried

OCA recommended that the SAPD:

- Inventory all firearms in the downtown armory, including non-duty firearms.
- Transfer all firearms to the new Police Academy Armory and determine which ones are needed for duty and which ones can be disposed.
- Trade non-necessary firearms for new duty firearms or destroy them.

Status: Implemented

All firearms previously located at the Downtown Armory were accounted for and transferred to the Police Academy. During our tour of the Police Academy Armory, we noted that firearms transferred from the Downtown Armory were labeled with a tag number and appropriately organized.

The firearms from the Downtown Armory were not entered into to the QuarterMaster system since the SAPD does not consider them suitable for active duty. However, the Armorer tracks these firearms in a separate spreadsheet. The Armory intends to sell or trade these firearms for new duty firearms.

Since our initial audit, the Armory has only destroyed firearms on one occasion, October 5, 2007. We reviewed the "Request for Disposal" form used to support the destruction of older firearms received from the Downtown Armory. The SAPD did not consider these firearms to be suitable for duty or have any trade-in value. The Request for Disposal form properly included the description of firearms, serial number, date destroyed, witnesses to the destruction and their signatures, and the location of the destruction. We concluded that documentation for the 2007 firearms destruction was reasonable.

Appendix A – Recommendation Status Summary

No.	AU06-011 Recommendation	Status
A.1	The SAPD should perform a physical inventory of all firearms, including those located in the current Armory, the old downtown SAPD Armory, and the SAPD Firing Range vault. Reconciliation should be performed of firearms actually held in inventory to PFAS records. Also, the SAPD should file the proper reports and make NCIC entries for all lost or stolen firearms, including those identified during the course of this audit.	Implemented
A.2	The SAPD should perform an audit of records in PFAS and RangeMaster to verify the status of all firearms. Corrections should be made as necessary to ensure that any SAPD registered firearm can be located and retrieved if necessary.	Implemented
A.3	The SAPD should select a single system to track firearms. In doing so, it should determine the viability of using PFAS, RangeMaster, or an entirely new system suitable for the task. The selected solution should replace the current disjointed mainframe/RangeMaster scheme and should include adequate security and audit trail functionality.	In Process
A.4	SAPD Armory personnel should perform required lost/stolen firearm procedures, as defined in SAPD SOPs. SAPD should also include a procedure in the SOPs to require the registration of all lost/stolen firearms in the NCIC system. Finally, the SAPD should perform an audit of all 144 firearms listed in the PFAS system as “Lost/Stolen,” file required internal reports, and register firearms in the Federal NCIC database as necessary.	In Process
A.5	The SAPD should implement a plan to clean up the downtown Armory immediately.	Implemented
A.6	The SAPD should inventory all weapons in the downtown Armory, including non-duty firearms. The SAPD should transfer all weapons to the new Police Academy Armory and determine which ones are needed for duty and which ones can be disposed. Non-necessary weapons should be traded for new duty weapons or otherwise destroyed.	Implemented

Appendix B – Management Response



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

Barry Lipton, CPA, DABFA
Deputy City Auditor
San Antonio, Texas

RE: Management's Acknowledgment of the Firearms and Equipment Tracking Follow-Up Audit

Here are our comments to the subject report.

Fully Agree (provide detailed comments)

Agree Except For (provide detailed comments)

Do Not Agree (provide detailed comments)

Sincerely,

Handwritten signature of Erik J. Walsh in black ink.

Erik J. Walsh
Assistant City Manager
City Manager's Office

Handwritten signature of William McManus in black ink.

William McManus
Police Chief
San Antonio Police Department