

Audit Report

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**Police Department**

**Firearms Inventory**

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Office of the County Auditor  
Baltimore County, Maryland  
March 2007



BALTIMORE COUNTY, MARYLAND  
OFFICE OF THE COUNTY AUDITOR

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MARY P. ALLEN, CPA  
DEPUTY COUNTY AUDITOR

March 30, 2007

Honorable Members of the County Council  
Honorable James T. Smith, Jr., County Executive  
Baltimore County, Maryland

We have audited the Police Department's internal controls over its firearms inventory. As of July 24, 2006, the Department's inventory records listed approximately 4,400 firearms.

Our audit disclosed that the Department's firearms inventory records were incomplete, inaccurate, and unreliable; physical access to firearms was not adequately restricted; a physical inventory of firearms had not been performed since FY 2003; adequate segregation of duties over the firearms inventory had not been established; and uniform written policies and procedures over the firearms inventory maintained at the precincts had not been established.

A response to our findings from the Police Department is included as an appendix to this report.

Our audit reports and responses thereto are available to the public and may be obtained on-line at "[www.baltimorecountymd.gov](http://www.baltimorecountymd.gov)" or by contacting the Office of the County Auditor, 400 Washington Avenue, Towson, Maryland, 21204.

We wish to express our appreciation to the Police Department for the cooperation and assistance extended to us during our audit.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Brian J. Rowe".

Brian J. Rowe, CPA  
County Auditor

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## **Background**

The Baltimore County Police Department is the primary law enforcement agency in the County. The Department is responsible for enforcing laws; safeguarding life and property; preventing and detecting crime; preserving peace; and protecting the rights of citizens. As of July 2006, the Department employed 1,867 sworn officers, including those assigned to the 10 precincts and other specialized units (e.g., Tactical, Special Response Team).

In fulfilling its mission, the Department maintains an inventory of firearms that includes handguns assigned to sworn officers, patrol rifles issued to officers who meet specific qualification standards, and other firearms (e.g., shotguns, beanbag munition weapons, tactical firearms) secured in 16 armories located throughout the County (i.e., in the 10 precincts, the headquarters building and special unit locations).

The Department's Materials and Facilities Management Unit (MFMU), which is located in the headquarters building, is primarily responsible for the firearms inventory. MFMU purchases, receives, stores, assigns, and disposes of most firearms. MFMU has established and maintains a database of the firearms inventory. Certain specialized units (e.g., Tactical) also purchase firearms and maintain separate inventory records. As of July 24, 2006, the Department's combined inventory records listed approximately 4,400 firearms.

## Findings and Recommendations

### **1. The Department's inventory records of its firearms were incomplete, inaccurate and unreliable.**

In accordance with the Department's Standard Operating Procedures (99-02), the Materials and Facilities Management Unit (MFMU) is responsible for maintaining the records of the Department's firearms. However, our review of the MFMU's central firearms database disclosed that the records were incomplete, inaccurate and unreliable. Specifically, our review disclosed the following:

- All firearms were not properly recorded in the central database. For example, the central database did not list 50 service side arms that were listed in purchase documents or 16 Honor Guard rifles, 15 Training Academy firearms, and 7 shotguns that were listed in the subsidiary records at precincts or special units.
- Firearms recorded in the central database could not be immediately located or otherwise accounted for. For example, five firearms were listed as destroyed without supporting documentation for the destruction of the firearms; one firearm was listed as a loaner to the Secret Service without supporting documentation for the loan; one service side arm that was listed in the database as assigned to an armory could not be immediately located; and four firearms were listed with serial numbers that did not agree to the corresponding firearm at the designated location.
- Information contained in the central database was incorrect and inaccurate. For example, we noted 84 instances where the same serial number was recorded for two or more service side arms; 2 firearms were listed as destroyed but were in service; and there were over 100 discrepancies in firearm serial numbers and locations due to typographical errors and employee/firearm transfers.

- Documentation to evidence purchases and conversions (seized/donated) of firearms was not always maintained.

Additionally, our review disclosed inventory records for certain firearms were separately maintained (e.g., Tactical Unit, Special Response Team, Firearms Identification Unit) and were not accounted for in the MFMU central database. For example, the MFMU records did not list approximately 100 Tactical Unit firearms. Further, we noted two automatic weapons listed in the Firearms Identification Unit's database could not be immediately located. Consequently, the Department lacked a complete and accurate comprehensive, centralized database of its firearms, which increases the risk that a firearm could be lost or stolen without timely detection.

**To ensure the inventory records of its firearms are complete, accurate and reliable, we recommend that the Department perform an immediate physical inventory of all of its firearms. This inventory should become the master database of the Department's firearms. To help ensure the accuracy of the inventory records, we also recommend that the Department maintain documentation supporting the purchases, conversions, and relocation of firearms (e.g., precinct reassignment of officers with patrol rifles).**

## **2. The Department lacked adequate controls over the physical access to firearms.**

The precincts and specialized units are responsible for maintaining the firearms stored in secured armories (e.g., a vault or safe with combination lock, locked rooms with key access, or locker with padlock) at their locations with access limited to authorized personnel (e.g., qualified to use weapon). However, our review disclosed that physical access to the firearms was not adequately restricted. Specifically, our review disclosed that keys to armories at three precincts were kept in a common area (e.g., on a ring hanging at the front desk) accessible to non-sworn employees (e.g., custodial or administrative personnel) and firearms requiring specific qualification were accessible to non-qualified individuals at all precincts. Our review also disclosed that the Department does not require countersignatures on logs to evidence the

issuance/return of firearms to/from the armories. Our review further disclosed that the Department does not have a policy that requires combination locks to be changed when an authorized individual transfers, retires, or is terminated. These conditions increase the risk that a firearm could be lost or stolen without timely detection.

**We recommend that physical access to firearms be limited solely to authorized individuals. We also recommend that the Department require logs to be countersigned when firearms are issued/returned to/from the armory. We further recommend that a policy be established that requires combination locks to be changed when individuals transfer, retire or are terminated.**

**3. The Department had not conducted an annual physical inventory of its firearms.**

As of July 24, 2006, the Department's records listed approximately 4,400 firearms. However, our review disclosed no documentation was maintained to evidence the Department had conducted an annual physical inventory of all of its firearms since FY 2003. Consequently, there is an increased risk that a firearm could be lost or stolen without timely detection.

**We recommend the Department perform annual physical inventories, which should be reconciled to the related database records on a timely basis and all differences should be promptly investigated. Appropriate adjustments to inventory records should be made only after proper review and supervisory approval. Additionally, physical inventories should be performed by individuals who do not have custodial responsibilities over the firearms being inventoried.**

**4. Adequate segregation of duties was not established over the firearms inventory.**

Our audit disclosed that employees (e.g., assigned to the MFMU, precincts, Tactical Unit) responsible for maintaining the central and subsidiary firearms inventory records

also had physical access to the related firearms and participated in periodic inventory verifications at their respective locations. This condition precluded effective internal control since firearms could be diverted or removed from inventory without timely detection.

**To improve internal control, we recommend that the Department utilize existing personnel to segregate these incompatible duties.**

**5. Uniform written policies and procedures were not established over the firearms inventory maintained at the police precincts.**

The Department's 10 precincts are responsible for maintaining their assigned firearms. However, our review disclosed that the Department has no uniform written policies and procedures to control the inventory of firearms assigned to each precinct. Specifically, our review disclosed the following:

- Control logs documenting when shotguns and beanbag munition weapons are removed from and returned to the armories were maintained inconsistently. For example, our review disclosed that of the 10 precincts, 8 did not maintain shotgun control logs and 4 did not maintain beanbag munition weapon control logs.
- Physical verification of the firearms inventory records varied among the precincts, ranging from no physical verification to a documented monthly verification.
- Periodic verifications of firearms inventory records at the precincts to the MFMU central inventory database were not performed.

**We recommend the Department establish uniform written policies and procedures to ensure proper accountability and safeguarding of firearms maintained at the precincts.**

## **Audit Scope, Objectives and Methodology**

We have audited the procedures and controls for firearms inventory maintained by the Baltimore County Police Department as of July 24, 2006. The audit was conducted in accordance with generally accepted government auditing standards, except for the requirement of an external quality control review.

In accordance with the Baltimore County Charter, Section 311, the objectives of our audit were to evaluate the adequacy of internal control practices and procedures over the Department's firearms inventory. In planning and conducting our audit, we focused on firearms controlled and managed by the Department based on assessments of materiality and risk.

Our audit procedures included inquiries of appropriate personnel, inspections of documents, records, and firearms on hand, and observations of the Department's operations. We also tested transactions and performed other auditing procedures that we considered necessary to achieve our objectives.

The Department's management is responsible for establishing and maintaining effective internal control to safeguard its firearms inventory. Internal control is a process designed to provide reasonable assurance that objectives pertaining to the reliability of financial records, effectiveness and efficiency of operations including safeguarding of assets, and compliance with applicable laws, rules and regulations are achieved.

Because of inherent limitations in internal control, errors or fraud may nevertheless occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

Our reports on fiscal compliance are designed to assist the Baltimore County Council in exercising its legislative oversight function and to provide constructive recommendations for improving County operations. As a result, our reports do not

address activities we reviewed that may be functioning properly.

This report includes findings and recommendations relating to conditions that we consider to be significant deficiencies in the design or operation of internal control that could adversely affect the Department's ability to maintain reliable financial records, operate effectively and efficiently, and/or comply with applicable laws, rules or regulations.

## **APPENDIX A**

### **Police Department's Response**

**TERRENCE B. SHERIDAN**  
Chief of Police



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Integrity . . . Fairness . . . Service

March 28, 2007

Brian J. Rowe, CPA, County Auditor  
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Baltimore County, Maryland  
Courthouse, Room 221  
Towson, Maryland 21204

Dear Mr. Rowe:

In July 2006 the Police Department initiated an internal audit of agency firearms and related policies. Coincidentally, your office began a similar review shortly thereafter. I would like to take this opportunity to thank you and your staff for thoroughly reviewing inventory records, physical controls, and firearm accountability and, consequently, validating the findings of our own internal audit.

As a result of the efforts of police personnel and the Auditor's staff, the following actions have, or are, being taken:

**Auditor Recommendation #1** – To ensure the inventory records of its firearms are complete, accurate and reliable, we recommend that the Department perform an immediate physical inventory of all of its firearms. This inventory should become the master database of the Department's firearms. To help ensure the accuracy of the inventory records, we also recommend that the Department maintain documentation supporting the purchases, conversions, and relocation of firearms (e.g., precinct reassignments of officers with patrol rifles).

Department Action – In November 2006 police personnel completed a physical inventory of all Department firearms, simunitions and less lethal weapons, creating a complete, accurate and reliable master database. This database will be updated as weapons are added, deleted or relocated within the inventory, regardless of source.

**Auditor Recommendation #2** – We recommend that physical access to firearms be limited solely to authorized individuals. We also recommend that the Department require logs to be countersigned when firearms are issued/returned to/from the armory. We further recommend that a policy be established that requires combination locks to be changed when individuals transfer, retire or are terminated.

Department Action – To accommodate the physical differences between precinct stations, each Precinct Commander has been directed to develop policies to restrict access to their respective armories and the control of weapons stored within. This is to include periodic changing of locking mechanisms.



Brian J. Rowe, CPA, County Auditor  
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**Auditor Recommendation #3** – We recommend the Department perform annual physical inventories, which should be reconciled to the related database records on a timely basis and all differences should be promptly investigated. Appropriate adjustments to inventory records should be made only after proper review and supervisory approval. Additionally, physical inventories should be performed by individuals who do not have custodial responsibilities over the firearms being inventoried.

Department Action – Quarterly inventories are now being conducted at the command level and the results are reported to the Materials and Facilities Unit for comparison against the master database. Discrepancies are investigated by the Materials and Facilities Commander and / or the Internal Affairs Section depending on the type and extent of the discrepancy. The Materials and Facilities Unit will augment the quarterly inventories with weekly audits of weapons assigned to individuals when they are in attendance at firearms training.

**Auditor Recommendation #4** – To improve internal control, we recommend that the Department utilize existing personnel to segregate these incompatible duties.

Department Action – The Department's Quality Control Team, an existing and independent entity that has no custodial responsibility over our firearm inventory, will include a verification component of the Department's firearms inventory when they conduct their annual command staff inspections. These are unannounced, random inspections and are in addition to those described in the response to recommendation #3. Additional, unscheduled audits will be conducted as directed by the Chief of Police.

**Auditor Recommendation #5** – We recommend the Department establish uniform written policies and procedures to ensure proper accountability and safeguarding of firearms maintained at the precincts.

Department Action - Written policies for safeguarding and accounting for weapons stored at the precincts are to be completed within thirty (30) days. In addition, new and revised policies and procedures regarding uniform inventory and control practices as outlined above are being drafted. The policies should be complete for dissemination to command staff for implementation in the next 90 days. Since the Department formally updates its Department policy and procedure manuals on a biannual basis, the new policies will be found in those resources after the next printing this Fall.

Sincerely,



Terrence B. Sheridan  
Chief of Police

TBS:dfh