

IAPE STANDARDS SECTION 10 - MONEY

Standard 10.1: Money - Packaging

Standard: Money should be packaged in uniquely colored envelopes or in containers with unique labels attached. Information on the label or package should provide sufficient data to identify the case, submitting and verifying employees, persons involved, contents and money listed by denomination and total.

Definition: Money packaging refers to the manner in which money is preserved, documented, and labeled.

Reasoning: Based upon audits, direct observations, and feedback from numerous property officers, there is a significantly high error rate in money counts by booking officers. Often, these errors can be related to simple arithmetic calculations. One method to reduce this error rate is to document the number and type of coins and bills for each denomination, e.g. $3 \times .25 = .75$, $4 \times \$1 \text{ bill} = \4.00 . There should be a subtotal for each denomination as well as a total for the money within the package. Additionally, double checking the math will help to reduce the error rate.

The package or label used should have prompts that document the date and time, case number, tracking number, denominations, sum, and the signatures of the booking and verifying parties. Verification by a second party should occur regardless of the dollar amount. The package or label should contain the booking and verifying officer's name printed in a legible manner along with signatures or initials and employee number. Verification of the count is necessary to ensure that the amount of money has been counted correctly, and that a second person is responsible for both a correct count and the sealing of the money in the envelope or bag. Money should be sealed in a container that is tamper resistant and can be filed in an easily retrievable manner.

Most sums of money booked will generally fit in a 4" x 6" or even an 8.5" x 11" manila envelope, which is ideal for uniform size filing in a drawer or box. The manila envelope can be uniquely colored to provide a visual clue regarding the contents of the envelope and aids in locating items. The closing flap and seams may be sealed with evidence tape and initialed by both parties to prevent and identify tampering.

Some agencies prefer to use tamper-resistant plastic bags with similar prompts for documentation, but this option may lack color-coding. In this event, the agency should attach a uniquely colored label consistent with the color code established for other packages of money.

Standard 10.2: Money – Documentation

Standard: Money should be described in a manner that enables the reader to visualize the item without physically examining it. Additionally, the documentation should provide a record of all parties that have handled the item, storage locations, and transaction dates and times.

Definition: Documentation refers to identifying the item with a unique number, describing the item, and providing a record of all parties handling, various storage locations, along with dates and times of the transaction.

Reasoning: All money evidence should be documented in a manner that provides a thorough and accurate description and chain of custody, including: chronological documentation, paper trail, details of the seizure, custody, control, transfer, and disposition of the evidence, either paper-based or electronic.

Documentation begins with assigning an individual control number or barcode number to each money envelope. Money seized from multiple suspects should have multiple envelopes, one for each person. In a computerized system the separate control numbers may appear in one report under the case number, but the items may be individually disposed of. In a manual system, it is advisable to group all money envelopes under one report, and items of general evidence, under another report. Evidence items should always be separated from Safekeeping and Found Property by writing separate reports since the retention periods are different.

The booking officer's documentation of the money should include the subtotals by denomination, totals, the signature of the verifying employees, and dates and times.

The property room should retain a log, either manual or automated, of all monies entering and leaving the property room and the current balance. If the package is sealed and initialed there is no need to open the package for verification; however, some agencies insist that a third count by the property officer and another witness be conducted when the money enters the property room.

The desire for a count upon receipt by the property room comes from a philosophical perspective that any miscounts or thefts are easier to resolve before a lengthy period of storage time elapses. If the money is validated upon receipt in the property room by two parties, and there is a discrepancy, it can be corrected in a timely manner and the two booking officers have been excluded from any later culpability. Conversely, if the miscount is discovered five years later, anyone in the property room and the two booking officers are now part of the inquiry.

A real-time list of money items that are ready for deposit should be maintained either on paper or in a computer. This list should be itemized by case, item, amount, and running total.

Standard 10.3: Money – Documentation of Movement

Standard: Money should be deposited or transferred out of the property room as soon as practical once it no longer has evidentiary value.

Definition: Deposit or transfer refers to the movement of money from the property room into the Finance Department or a financial institution. Movement refers to a change in location.

Reasoning: Money is considered a high profile item and requires the highest level of internal controls. Documenting the person who authorized the transfer, the person who released the item, and the person who received the item along with dates and times is the preferred practice. Any time that property or evidence is released to a person, the receiving and releasing person's signature, date and time should be required.

Providing a subpoena for the court case or obtaining a supervisor's written approval provides a credible record that the money was taken out of the property room for the reasons stated.

Any time there is movement of money from the property room, there should be documentation in the form of a tickler or suspense file that notes when items are "out to the crime lab", "out for investigation", and "out to court", "out to another agency", and who is responsible for it. This tickler file will prompt the property officer to inquire regarding the item when it has not returned in a timely manner. The property officer should be required to query all signed out evidence on a periodic basis. For example, firearms, money, and drugs should be queried on the next working day.

All money that has been taken to court and not returned by the end of the court day should have a receipt signed by an officer of the court and a court stamp. The receipt should be returned to the property officer in order to update the official record.

Standard 10.4: Money - Storage

Standard: Money should be stored separately from general evidence items in a location with enhanced security.

Definition: A money storage area refers to the location where it is segregated from items of general evidence, provided with enhanced security, and is categorized by active and pending transfer designations.

Reasoning: The size of a money storage area, or vault, is defined by the quantity of money packages that an agency has historically stored. If only five or six packages are taken in each month, a cabinet or file drawer may suffice. If larger quantities are taken in, a box on a shelf in a closet might be appropriate. Larger quantities yet may require several boxes on several shelves in a designated room/vault.

Money evidence should not be commingled with any other property types, except when a common enhanced security area is shared with the storage of firearms or money. The following are recommended features for a money storage area:

- For a large agency, an interior money room, vault, or cage should be constructed of concrete block, lath and plaster, or drywall that has been reinforced with plywood or wire mesh. The room should not have suspended ceiling access from an adjacent room. Ingress should be via a solid core door equipped with a double cylinder dead-bolt keyed separately from the main property room. The room should have a separate alarm and video camera to monitor ingress and activity inside. A “rule of two” may be designed by providing the room key or combination to one person and the alarm code to another.
- A safe, locker, cabinet, or file drawer may be used for smaller quantities of money. There should be a separate padlock on a hasp to secure cabinet doors. Multiple hasps and locks may be used to design a “rule of two”, if needed. Do not rely solely on cabinet locks that can easily be defeated. A video camera to monitor activity is recommended.
- Storage shelf and bin identifiers should be consistent with the storage scheme of the main property room.
- Money from “Active” cases should be kept separate from money “Pending Transfer.” This may be accomplished by using separate shelves or boxes.
- Nothing precludes the enhanced security recommendations for firearms, money, and drugs from being combined into one common secure area with three distinct storage locations.

Other valuables, such as negotiable securities, foreign money, counterfeit bills, jewelry and precious stones should also be provided additional levels of security and documentation regarding their handling and ultimate disposition.

There may be instances when booking a sealed package of **uncounted money** may be necessary due to difficulties in accurately counting larger quantities of damaged or dirty bills. This exception should require the approval of a supervisor

or a container should be placed in the money vault or room with enhanced security as soon as practical.

Standard 10.5: Money – Storage Pending Transfer

Standard: Money pending transfer to the agency's finance department or a financial institution should always be stored in a designated area that has an enhanced level of security in the property room.

Definition: Money for transfer refers to segregating items that have been authorized for transfer from the property room.

Reasoning: Money pending transfer has the greatest likelihood of being pilfered from storage. Storing money in a locked room, safe, sealed container, secured locker, or locked file cabinet provides an enhanced level of security. This segregation may occur in the same room as active drugs and firearm cases.

Additionally, storing money pending transfer in an area away from active money provides a method to better track and visually monitor the quantity of money awaiting transfer.

The department's policy should define a threshold that will trigger the transfer. A threshold may be based upon the calendar, for example, weekly or monthly. A threshold may also be based upon quantity, such as every \$2,000. Thresholds make all parties in the transfer process accountable and ensure that the process occurs before the money becomes a target of theft.

Standard 10.6: Money – Disposition: Release

Standard: All releases of money should be authorized in writing by the investigating officer to the custody of a specific person, or other agency, and appropriately documented.

Definition: A money release refers to the return of money to the rightful owner, designee, finder, or transfer to another agency or court.

Reasoning: All releases of money should be specifically authorized in writing by the investigating officer. The receiving party should present valid government issued picture identification to match against the authorized name listed by the investigating officer.

A second person should be present when opening the money package to witness the transaction, or the release should be done under a recording surveillance camera to document the count and release of the money. The receiving party should also sign the property release to acknowledge the receipt of the specified

amount. The final record should be accompanied with the signature, date and time of the release.

Standard 10.7: Money – Disposition Transfer to Finance

Standard: All transfers of money to Finance or a financial institution should be specifically authorized in writing by the investigating officer or prosecutor. Policy should define the process in which inactive money is to be transferred from the property room as well as a threshold for the transfer to occur.

Reasoning: Money should be deposited with the agency's finance department or a financial institution as quickly as possible after the assigned investigator signs an authorization for transfer. The goal should be to remove money from the property room as soon as practical to reduce the potential for theft or being misplaced.

When money is transferred from the property room to the Finance Department or a financial institution, a transfer list should identify the sum for each case number that comprises the total deposit amount. A query of the money disposition on a specific case should reveal a clear paper or electronic trail as part of the deposit.

Standard 10.8: Money – Disposition Asset Forfeiture

Standard: Departmental policy should provide protocols to be followed when money associated with potential asset forfeiture is seized. The protocols should direct that money evidence connected with an asset seizure should be booked into the property room and subsequently deposited into a designated account in a financial institution as soon as possible.

Definition: Criminal enterprise asset forfeiture refers to the civil action against money or property seized that was gained as a result of criminal activity.

Reasoning: Large sums of money should be deposited into a financial institution as soon as practical to remove the target of theft from the property room. The transfer of asset seizure money from the law enforcement agency to the prosecutor's office should be accomplished via check, money order, bank check so that there is a clear paper trail as to the transfer of the money.

Arrangements should be made for the money to be counted at a financial institution, with two witnesses, on the next bank day. Once the count has been verified by two witnesses, the money should be deposited into the financial institution. Transfer of the money to the prosecutor's office should be accomplished in accordance with local, state, or federal asset forfeiture guidelines. A copy of the asset forfeiture application, the container in which the money was seized, the evidence envelope which contains the amount of the

seizure (broken down by denomination, and the signature is of the individuals who validated the count should all be booked into the property room as evidence.

A copy of the forfeiture application, money container and the evidence envelope with signatures and count, by denomination, should then be booked into evidence as another case exhibit showing the chain of custody.