City Auditor's Office

Police Professional Standards Bureau – Off-Duty Details Audit

Report Issued: February 27, 2023

Audit Report No. 22-06

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TO: Mayor Gunter and Council Members

FROM: Andrea R. Russell, City Auditor

DATE: February 27, 2023

SUBJECT: Police Professional Standards Bureau – Off-Duty Details Audit

The City Auditor's Office has completed the audit of the Police Professional Standards Bureau – Off-Duty Details. The audit was conducted in conformance with Generally Accepted Government Auditing Standards by the authority granted through City Ordinances 28-02 and 79-10.

We would like to express our sincere appreciation to the Police Department and staff for the courtesy, cooperation, and proactive attitude extended to the team members during the audit. If you have any questions or comments regarding this audit, please contact Andrea Russell at 242-3380, or Philip Toby at 242-3381.

C: Michael Ilczyszyn, Interim City Manager
Connie Barron, Assistant City Manager
Dolores Menendez, City Attorney
Kimberly Bruns, City Clerk
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Audit Committee

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EXECUTIVE SUMMARY

The City Auditor's Office conducted a performance audit of the Cape Coral Police Department's (CCPD) Professional Standards Bureau administration of the off-duty details process. This audit was included in the City Auditor's FY22 approved Audit Plan.

Based on the test work performed and the audit recommendations noted below, we concluded adherence to General Orders (GO) for off-duty details need improvement and administrative policies and procedures must be developed to improve administrative processing of off-duty details. We noted that the detail rates charged during the scope of the audit were not sufficient to cover the costs because they had not been updated since July 2018; however, based on Finding 2022-01, detail rates were increased. We expect, based on this change, that the associated detail costs will more closely align with the new detail rates.

For further information on these findings and recommendations, see the Findings and Recommendations section. We noted controls need improvement to administer the program more efficiently; however, no material control deficiencies were noted.

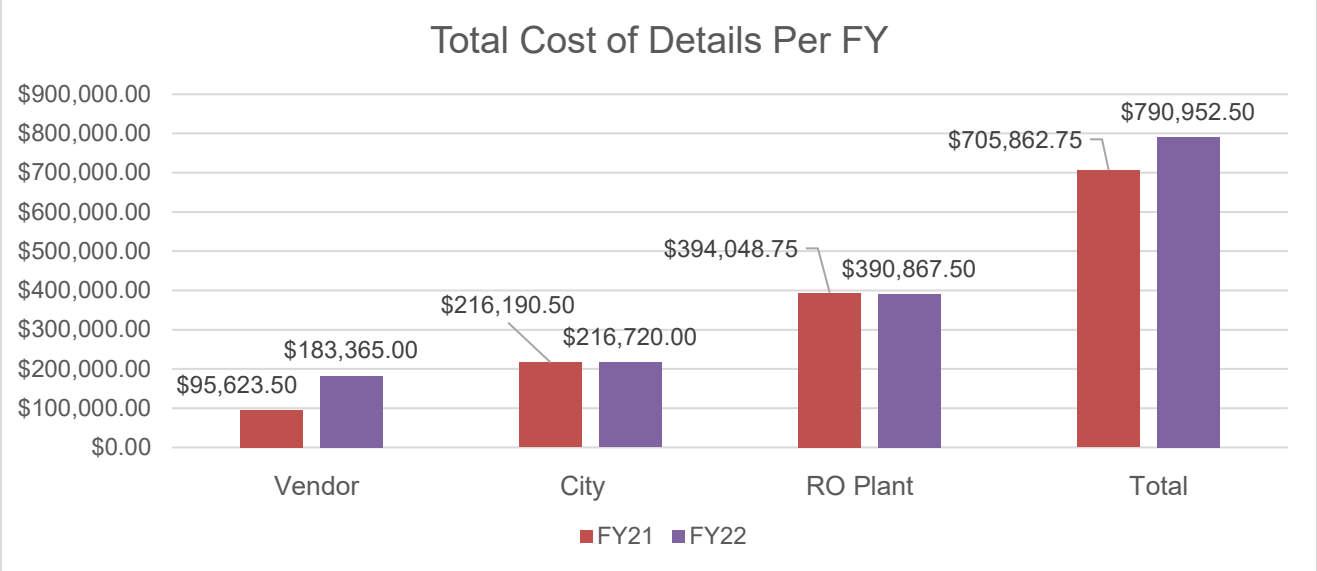
BACKGROUND

The CCPD Professional Standards Bureau allows qualified sworn personnel to provide law enforcement services, such as security, crowd control, and traffic control to individuals and organizations needing these services for special events. Sworn personnel also provide detail time for the city at council meetings and City sponsored special events. These assignments are referred to as off-duty detail assignments.

GO B-42 and C-75 provide guidelines for the assignment of sworn personnel providing these services. CCPD utilizes a software program, PowerDetails, to schedule and monitor detail assignments. Information from there is combined with other timekeeping and payroll systems to pay officers for their off-duty detail hours. External vendors are charged for their details based on established detail amounts which vary depending on the rank of the officers providing detail services. The program is administered by civilian personnel working in the Professional Standards Bureau of the department.

According to PowerDetails, in FY21 and FY22 there were approximately $706,000 and $791,000 spent on detail assignments. Most of the detail assignments occur at the City's Reverse Osmosis (RO) plants; 59% for FY21 and 53% for FY22. See Table 1 on next page.

Table 1



AUDIT OBJECTIVES

The audit objectives are:

- To determine if controls are in place and operating as intended to provide proper fiscal oversight, and to ensure the police detail process is operating in accordance with adopted policies and procedures.
- To determine if fees charged are sufficient to recover costs incurred to provide police details.
- To determine if the scheduling system and policies and procedures are adequate for the monitoring and management of actual detail time and workload.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

FINDINGS AND RECOMMENDATIONS

FINDING 2022-01 Off-Duty Police Detail Rates Need to be Updated

Rank: High

Condition:
Off-duty detail rates have not been updated since July 2018. GO B-42 provides for the Chief of Police, or a designee, and members of the Fraternal Order of Police (FOP) Bargaining Units to meet during the last quarter of the fiscal year to determine the vendor detail fee rate and detail officer base rate of pay.

Criteria:
- GO B-42 Detail Assignments and Secondary Employment
- Letter of Agreement between the Department and FOP

Cause:
- Non-compliance with GO B-42

Effect:
- Potential difficulty in filling details due to low rate of pay
- Potential increase in overtime costs
- Potential loss of detail revenue
- Potential loss of cost recovery
- Potential inadequate cost recovery

RECOMMENDATION:
2022-01: Comply with the provisions of General Order B-42.

Management Response and Corrective Action Plan:
2022-01 Select one of these boxes: ☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***
***For partially agree or disagree a reason must be provided as part of your response:**

2022-01 *On 01/17/23, a mutually agreed upon (Chief and FOP) rate increase structure was submitted to the City Manager for final approval. (NOTE: The rate increase is effective 3/1/2023)*
2022-01 **Management Action Plan Coordinator:** Chief of Police
2022-01 **Anticipated Completion Date:** 03/01/2023

FINDING 2022-02: Police Detail General Order Guidelines were not Followed

Rank: High

Condition:
GO B-42 provides guidelines for the assignment of sworn personnel providing these services. CCPD utilizes a software program to schedule and monitor detail assignments. During our audit we selected a sample of off-duty police details from FY21[1] and FY22[1] to test for compliance with GO-B-42. We noted instances where these guidelines were not followed.

GO B-42 Section V Officer Bidding & Cancellation Procedure states:

Unless otherwise notified, officers shall not apply for:

- *Any detail assignment occurring within their regularly scheduled work shift**
- *Any detail assignment occurring during on-call or court standby*
- *Any detail assignment while out on sick leave, FMLA leave, Fitness for Duty evaluation, light-duty, administrative duty, and/or are suspended with, or without, pay*
- *More than (40) detail assignment hours per month*
- *More than (8) backup detail assignment hours per month*
- *More than (2) holiday rate detail assignments per year*

From test procedures performed we noted the following: 12 of 26 (46%) officers sampled during FY21 and 11 of 26 (42%) officers sampled during FY22 had at least one occurrence of working more than 40 detail hours in a month.

As part of our testing, we reviewed PowerDetails reports and noted 35 officers in FY21 and 33 in FY22 worked more than 40 detail hours in one month[2].

It is important to note that in some instances there are no bids received for details; however, detail assignments still need staffing. In these instances, overtime, rather than the detail rate, is paid. This can also result in officers working more than 40 detail hours in a month.

Criteria:
- GO B-42 Detail Assignments and Secondary Employment

Cause:
- Non-compliance with GO B-42

Effect:
- Potential officer fatigue from excessive hours worked
- Potential increase in overtime costs
- Increased potential liability for the City

[1] FY21 20 details involving 26 officers; FY22 20 details involving 26 officers
[2] These individuals were not included in our sample but noted in review of the reports

RECOMMENDATION:
2022-02: Comply with the provisions of General Order B-42.

Management Response and Corrective Action Plan:

2022-02: Select one of these boxes: ☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***
***For partially agree or disagree a reason must be provided as part of your response:**

2022-02: General Order B-42 (page 3) states "Unless otherwise notified, officers shall not apply for…" This language has always been intended to leave leeway for the agency to authorize officers to work details outside of policy restrictions if there was a need for details to be filled.

To further clarify the intent of the policy, General Order B-42 was updated on February 2, 2023, and now states "Unless otherwise authorized…"

Additionally, the following bullets have now been asterisked twice:

- More than (40) detail assignment hours per month
- More than (8) backup detail assignment hours per month
- More than (2) holiday rate detail assignments per year

The ** has been defined to note that "Restrictions may be lifted at the discretion of Command Staff to fill available off-duty details.

2022-02 Management Action Plan Coordinator: Chief of Police

2022-02 Anticipated Completion Date: 02/02/2023 *Complete as GO was updated*

FINDING 2022-03: Strengthen Controls Over Administrative Processing of Off-Duty Police Details

Rank: High

Condition:
Controls over administrative processing of off-duty details need improvement. During our audit we noted there are currently no formal policies and procedures for the administration of off-duty police details. A policy and procedures manual is an essential management tool to provide management and staff the guidelines for day-to-day processing. A policy and procedures manual also helps ensure business continuity by identifying specific steps of how work is performed and how it should be documented in a consistent manner for those processes. GOs provide guidelines on how sworn officers should operate when performing off-duty details. We also noted there are no formal documented processes for the administrative duties associated with detail processing such as invoicing and monitoring of accounts receivable. As of February 2022, Financial Services began to request the upload of vendor invoices to the City's Financial Software System. No invoices in our FY21 sample were uploaded to the financial system. While we noted improvement in FY22, two of the 18 invoices (11%) were not uploaded into the financial software.

Vendor Pre-Payment and Accounts Receivable for Requested Details

Off-duty details can be "internal" for City functions, where payment transfers between departments are handled by Financial Services. Vendors are required to submit a Police Detail Application to the Police Department to request sworn officers at their event. The Police Detail Application states "payment is due prior to the assignment." For FY21 and FY22 no vendors included in our sample prepaid their detail, according to the requirements of the Police Detail Application. Vendors are invoiced for services after the completion of the detail.

We selected a sample of 20 detail invoices each from FY21 and FY22. There were 15 invoices for FY21 and 15 invoices for FY22 that were billed to external vendors. We noted eight of the 15 (53%) of FY21 invoices and 9 of the 15 (60%) of FY22 invoices were not paid by the invoice due date. There is no monitoring of PowerDetails aging reports for off-duty detail invoices by Police administrative staff. Days past due for the samples ranged from 70 days to only one day past due.

Criteria:

- Defined policy and procedures manual
- Ordinance 3.3.10(B)(7)
- Police Detail Application

Cause:

- Lack of administrative policy and procedures manual for police off-duty details, including policies for processing Police Detail Applications and monitoring accounts receivable
- No application of vendor pre-payment requirement as stipulated in the Police Detail Application

Effect:

- Potential inconsistencies in administration of details
- Potential loss of detail revenue
- Potential delay in detail revenue collection

RECOMMENDATION:

2022-03: Strengthen controls over administrative processing for off-duty details by developing a policy and procedures manual that includes defined steps for processing and invoicing off-duty details for the following:

- Vendor pre-payment
- Reconciliation of detail invoice amounts after detail completion
- Accounts receivable
- Police Detail Application processing including adherence to police detail application procedures vendor pre-payment for all vendors as required in the application.

Management Response and Corrective Action Plan:

2022-03 Select one of these boxes: ☒ **Agree** ☐ **Partially agree*** ☐ **Disagree***
***For partially agree or disagree a reason must be provided as part of your response:**

2022-03 Vendor Pre-Payment and Accounts Receivable for Requested Details
Response

The Police Detail Application (F-49) stated "Payment is due prior to the assignment in the form of…" This language is inconsistent with our practice of billing the detail after it has occurred. Requesting pre-payment for off-duty details is not feasible due to the many variables that can occur for a detail. Such examples include, but are not limited to:

- Detail ending early (weather or other unforeseen circumstance)
- Not knowing upfront how many Officers would be billing for a Body Worn Camera
- Cancellation of a detail

Additionally, the Detail Accounts Coordinator does not have the capability to refund a vendor if they've pre-paid and are due money, because of an aforementioned circumstance. As such, the Police Detail Application has been updated to accurately reflect the invoice process. The application now states, "Payment is due upon receiving an invoice. Payment is accepted…"

Develop a Policy and Procedures Manual ***Response***

A policy and procedure manual for the administration of off-duty details will be created within the given timeline of six (6) months.

2022-03 **Management Action Plan Coordinator:** Chief of Police
2022-03 **Anticipated Completion Date:** 08/01/2023

SCOPE AND METHODOLOGY

Based on the work performed during the planning and the assessment of risk, the audit scope includes the off-duty details process for FY21 and FY22. Testing was performed using GOs in place during the scope of the audit.

Original records as well as copies were used as audit evidence. To gain a better understanding of the process, walkthroughs were conducted with the administrative personnel who process detail assignments. Sample size and selection were based on the CAO Sample Methodology. We utilized reports to randomly select samples of off-duty details. We conducted testing of the sampled items to test attributes to support the audit objectives and determine if controls are in place to support accurate recording and billing of detail assignments; and adherence to GOs and other policies and procedures in place.

To achieve the audit objectives, we used data from CCPD PowerDetails, off-duty detail scheduling and invoicing system, TeleStaff, and Kronos. We performed limited testing to ensure data reliability of the information from these systems and deemed it reliable.

Unless specifically stated otherwise, based on our selection methods and testing of transactions and records, we believe that it is reasonable to project our results to the population and ultimately draw our conclusions for testing, findings, and recommendations on those results. Additionally, for proper context, we have presented information concerning the value and/or size of the items selected for testing compared to the overall population and the value and/or size of the exceptions found in comparison to the items selected for testing.

APPENDIX A

Finding Classification
Findings are grouped into one of three classifications: High, Medium or Low. Those findings that are categorized as low are not included in the report but rather are communicated separately to management. Classifications prioritize the findings for management to address and also indicate the level of testing required to determine if a finding's Corrective Action Plan is fully implemented in accordance with recommendations and Management's Response.

High: A finding that is ranked as "High" will have a significant impact on the organization. It is one that *prevents* the achievement of a substantial part of significant goals or objectives, or noncompliance with federal, state or local laws, regulations, statutes or ordinances. Any exposure to loss or financial impact for a High finding is considered *material*. Examples include direct violation of City or Department policy, blatant deviation from established policy and procedure, such as actions taken to circumvent controls in place, material non-compliance with federal, state or local laws, regulations, statutes or ordinances, or an area where significant cost savings could be realized by the Department or the City through more efficient operations.

High findings require immediate management attention and should take management's priority when considering implementation for corrective action.

Medium: A "Medium" finding is one that *hinders* the accomplishment of a significant goal or objective or non-compliance with federal, state or local laws, regulations, statutes or ordinances, but can't be considered as preventing the accomplishment of the goal or objective or compliance with federal, state or local laws, regulations, statutes or ordinances. Exposure to loss or potential or actual financial impact is *significant but not material* to the Department or City. Examples include lack of monitoring of certain reports, insufficient policies and procedures, procedure in place or lack of procedure that can result in *potential* noncompliance with laws and or regulations.

Medium findings require management attention within a time frame that is agreed upon by the Department and the City Auditor. Priority for implementation of management's corrective action should be considered in light of other High or Low findings.

Low: A "Low" finding is one that warrants communication to management but is one that isn't considered as hindering the accomplishment of a significant goal or objective and isn't causing noncompliance with federal, state or local laws, regulations, statutes or ordinances. Financial impact or risk of loss is minimal to none; however, low findings can *hinder the effectiveness or quality of department operations and thus are communicated to management separately. Low ranked findings are not included in the final audit report.*

The City Auditor's Office will not follow up on the status of Low findings communicated to Management.