

To Honorable County Council Members
Honorable Steve Ehlmann, County Executive

November 28, 2018

The Police Department - Bureau of Administrative Services (BAS) examination opened September 25, 2017 has been completed, and the final report is being issued today. The scope of the review covered January 1, 2015 through August 31, 2017. Fieldwork for the review was completed on December 14, 2017, and our report reflects the results of work performed through that date. Responses were requested for by March 2, 2018 and received on November 28, 2018.

The objectives of the review were to determine whether internal controls were adequate and effective, operations and records were in compliance with established standards, regulations, policies and procedures, and resources were being used efficiently.

The examination covered Emergency Management, the Records Division, Fiscal Management, Property Control, Training, Professional Standards, Community Education, and Management Services. We reviewed the internal control environment surrounding those activities, as well as performed an evaluation of the effectiveness and efficiency with which department objectives are being achieved. In addition, reviews for compliance with the County Charter and Ordinances, Missouri Statutes, and internal policies and procedures were performed.

This audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*, and consisted of examining, on a test basis, sufficient evidence to afford a reasonable basis, for our opinion.

In our opinion, except for the opportunities included in this report, internal controls were adequate and effective, and operations and records were in compliance with established standards.

The issuance of this report completes the formal examination process. However, if you wish to discuss any aspects of the audit or report, please contact me.

Brent Statler

Brent R. Statler, CPA, CGAP
County Auditor

Attachment

Copy to Joann Leykam, Director of Administration
Colonel David Todd, Chief of Police
Captain Chris Hunt, Bureau of Administrative Services



**Police Dept. – Bureau of Administrative Services
Examination Report
Opened September 25, 2017**

Scope: January 1, 2015 – August 31, 2017

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BACKGROUND AND INTRODUCTION

Authority and Activity:

The Bureau of Administrative Services (BAS) is comprised of four divisions: Community Education; Management Services; Records, and Office of the Chief (including Public Affairs, Special Projects and the Division of Emergency Management).

Community Education is comprised of the School Resource Officers and the Substance Tobacco Alcohol Resistance Training (S.T.A.R.T.) Program. The Division of Management Services is further divided into seven units (including Professional Standards, Property Management, Personnel Services, Purchasing, Payroll, Fiscal Management, and Training). The Records Division serves as a repository for all records managed and generated by the SCCPD. The Records Division also issues firearms permits and performs background checks for permits and/or citizens. The Public Affairs Unit is responsible for communicating important information regarding the SCCPD to the general public and media.

The Division of Emergency Management (EMD) promotes unified emergency planning and coordinates the county-wide response in the event of natural or man-made disasters.

BAS's program mission as stated in the 2018 budget is as follows:

The mission for every member of this department is to consistently perform their duties, and find ways to affirmatively promote, preserve, and deliver a feeling of security, safety and quality service to members of our community. 2018 budget, pg. 154.

Funding:

The primary funding for BAS is provided by the general revenue fund. The historical funding for BAS is presented below. Note: BAS assumed EMD supervision from the Bureau of Special Enforcement in 2017. Budget years' 2016-2018 include EMD in the table below.

Police Dept. - Bur. of Administrative Services General Revenue Fund – Expenditures Fiscal Years 2015-2018								
Fiscal Year	Salaries & Benefits	% Increase	Operating Expenditures	% Increase	Capital Expenditures^	% Increase	Total Expenditures	% Increase
2015	\$1,956,994	N/A	\$1,069,477	N/A	\$41,754	N/A	\$3,068,225	N/A
2016	\$2,592,682	32.5%	\$1,101,517	3.0%	\$221,497	430.5%	\$3,915,696	27.6%
2017‡	\$2,836,219	9.4%	\$1,375,496	24.9%	\$386,704	74.6%	\$4,598,419	17.4%
2018*	\$3,023,986	6.6%	\$1,275,600	-7.3%	\$304,570	-21.2%	\$4,604,156	0.1%

Revenues generated by BAS are deposited in the general revenue fund. The historical funding is presented below:

Police Dept. Bur. of Administrative Services General Revenue Fund – Revenues Fiscal Years 2015-2018		
Fiscal Year	Fees and Transfer In	Fees Collected by BAS as a Percentage of Expenditures
2015	\$743,503	24.2%
2016	\$676,424	17.3%
2017‡	\$566,960	12.3%
2018*	\$554,882	12.1%

* These are the approved budget amounts from the 2018 budget.

^ Includes Capital funding from Capital Projects Fund (301).

‡ These are 2017 estimated amounts from the 2018 budget.

Staffing:

The number of full-time equivalent authorized positions for BAS increased (6.0%) from 33.0 full-time positions in 2013 to a total of 35.0 full-time funded employees in 2018. Note 1: BAS was part of the Sheriff Department in 2013 and 2014. Note 2: Two of the positions are fully funded by special revenue funds and EMD has five budgeted positions.

II. STATUS BOARD

The status board provides a summary of BAS functions and processes. Each cell located under a function represents an activity that is to be completed to ensure that the process is performed in an effective and efficient manner. The color of the cells represents the assessment regarding completion of the activity. The legend below gives a description of the definition of each color.

- Red indicates management's immediate attention is required.
- Yellow indicates an opportunity for improvement exists.
- Green indicates there is no action necessary at this time.
- Blue indicates a process that was not included in the scope of the review.
- Grey indicates a County issue that should be addressed by management but is not necessarily a direct responsibility of the audited department/office.

Records Division: Record Checks & Incident Reports	Records Division: Concealed Carry Permits	Records Division: Accounting & Reporting	Management Services Division	Community Education Division	Emergency Management Division	Office of the Chief of Police
RECORD CHECK: Applicant completes release form and pays \$5 fee.	Applicant completes a permit application, presents a training certificate, and pays a \$100 fee.	Records' receives all completed traffic tickets to enter into database. Annual report is sent to Attorney General.	PROPERTY CONTROL: Tracks and assigns property to officers; coordinates repairs as needed.	Student Resource Officers (SROs) are stationed at schools to provide security and build relationships with faculty and students.	EMD manages planned responses to emergency/disaster situations, based out of the County Emergency Operations Center.	CALEA: Oversees accreditation with the Commission on Accreditation for Law Enforcement (CALEA), an organization which sets standards for public safety.
Applicant provides proof of residence which is matched to MULES by a clerk.	An information search is performed through County DOC and MULES.	Monthly report of criminal statistics is sent to the State through website.	PURCHASING: Processes all Dept. expenditures, coordinating with County Finance Dept. and Fiscal Management.	SROs provides monthly and annual reports of activities to school administrators. (A1)	When activated, the Division coordinates with Federal, State, and local agencies and 1 st responders to ensure citizen safety.	CALEA: The CALEA Manager works with all Bureaus to ensure compliance with CALEA standards to earn and retain accreditation.

Records Division: Record Checks & Incident Reports	Records Division: Concealed Carry Permits	Records Division: Accounting & Reporting	Management Services Division	Community Education Division	Emergency Management Division	Office of the Chief of Police
A search for arrests is also done in the County database.	Applicant is fingerprinted, and the info is sent electronically to the State and FBI through LiveScan.	Monthly audit of record checks is done to ensure forms are accounted for.	TRAINING: Training Officer and Coordinator work to provide in-house training opportunities to officers to meet POST and CALEA standards. External training courses are also reviewed and follow County policies.	Substance Tobacco Alcohol Resistance Training (S.T.A.R.T.) classes are provided to 5 th and 6 th grade classes, teaching substance abuse awareness.	Full-time EMD staff works with a volunteer organization, participating in training drills.	PUBLIC RELATIONS: Public Affairs Coordinator helps develop and distribute Dept. communications to the media and public.
If there is no record, it is noted on the form.	The applicant pays and is given a payment receipt and a control # form.	Annually a report of missing information/ticket sequence is sent to officer.	TRAINING: The Training Commission meets as needed, at least bi-annually, to determine Dept. training needs.		Volunteers are activated during emergencies and utilize County equipment.	PUBLIC RELATIONS: Communications include press releases, social media posts, public speaking, citizen surveys, etc.
If there is a record, the PA is contacted for details.	The applicant must take the control # form to the State Dept. of Revenue to complete the process.	All fees collected by Records are receipted in MUNIS and a receipt is printed.	TRAINING: All training is tracked in paper and electronic files based on certificates and attendance reports.		Periodic inspections of equipment are done to ensure a state of readiness.	SPECIAL PROJECTS: Works under the Chief of Police to coordinate and manage special projects for the Dept.
A request is then made to the Circuit Court, and the search results are faxed back to Records.	Permits are valid for 5 years. Renewals, which can also be done online, are handled in the same manner with a \$50 fee.	The next morning, a daily batch report is run and reconciled to receipts and provided to Finance Dept.	FISCAL MANAGEMENT: Coordinates preparation and management of the Dept. budget, providing regular budget status updates.		EMD maintains and tests the County's emergency warning sirens, which are activated during extreme weather conditions.	
Search results are given or mailed to applicant. Request and history are filed.		The Records Division maintains a change fund.	PERSONNEL SERVICES: Maintains employee personnel files, coordinating with County HR (official files).		Sirens are tested in the 1 st Monday of the month and equipment is serviced and replaced as necessary.	

Records Division: Record Checks & Incident Reports	Records Division: Concealed Carry Permits	Records Division: Accounting & Reporting	Management Services Division	Community Education Division	Emergency Management Division	Office of the Chief of Police
If the applicant has an open warrant, an officer is contacted to make an arrest.			PROFESSIONAL STANDARDS: Maintains the Dept. policy manual and oversees Internal Affairs investigations.			
INCIDENT REPORT: Applicant completes request form and pays a \$10 fee.			Uniforms: Officers receive an annual allowance or voucher for uniform items. (B2)			
Records Division obtains verbal approval from the PA (noted on file) and logs the request.			Uniforms: Purchases are tracked by the Dept. and the uniform company, with items/money returned upon leaving the Dept. (B2)			
Incident report is sent to the applicant and form is filed. (B1)			Payroll (A2, B3)			

III. EXECUTIVE SUMMARY

Following is a summary of opportunities for improvement which were noted during our review of BAS:

A. Compliance Opportunities

1. *School Safety and Security Audits:* To date, there have been no annual safety/security audits performed and no monthly reports provided.
2. *Overtime Policy:* The Police Department has defined the circumstances for compensation at rate of 1.5x; however, a written policy has not been approved by County Administration.

B. Control Opportunities

1. *Incident Report Requests:* Closed incident reports can be sent to an allowable requestor via email, which is unencrypted.
2. *Uniform Vouchers/Allowance:* During a review of the uniform program, the following was noted 1) the uniform policy does not address how the annual amounts provided to employees are determined; 2) all new hires reviewed exceeded the budgeted amount (\$2,200) for uniform items; 3) employees that have resigned or retired are not required to repay the prorated stipend or return the voucher/items received; and 4) uniform voucher tracking information did not always reconcile to the third party vendor's tracking records and invoices.
3. *Payroll Documentation:* During a review of payroll, the following was noted 1) Case File number was not included on regular hour's works for assigned officers and 2) earned overtime is tracked after it has been submitted for reimbursement.

Compliance – School Safety and Security Audits

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>Police Department Policy 3.05.02 states that the Department will provide School Resource Officers (SROs) from the Community Education Division to the Francis Howell High School and the Orchard Farm High School to assist school officials in creating a safe learning environment, make presentations, advise and counsel, and serve as a resource to the students in both school districts. The primary focus of this program is directed toward enforcement and education. As part of the SRO program, SROs are to participate in annual safety/security audits with school administrators.</p> <p>In addition, 3.05.02.L states that the SROs will provide school administrators with a monthly and annual report detailing legal actions taken; meetings attended, and school safety issues requiring attention of the staff and/or law enforcement.</p>	<p>To date, there have been no annual safety/security audits performed and no monthly reports provided.</p> <p><u>Note 1:</u> Original Policy 3.05.02 was effective as of February 1, 2016.</p> <p><u>Note 2:</u> The Policy was recently revised, although these requirements were in the original policy. These reports are expected to be completed by end of 2017.</p>	<p>Compliance with department policies.</p>	<p>The Community Education Division should ensure that SROs are documenting and performing the annual safety and security audits and providing monthly and annual reports to school administrators as required by Department policy.</p>	<p>It was determined the best course of action would be to edit the policy to clarify that the Police Department would work closely with the schools, but not be required to send monthly and annual reports. The policy was published to the department on March 1, 2018.</p>

Compliance – Overtime Policy

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>County Code Section 115.705(A)(15)(b), adopted January 30, 2017, states, "Compensation in the form of additional pay at a rate of 1.5X is authorized, but not limited to, the following extenuating circumstances: (1) The Department has a policy approved by the Executive or his or her designee for N-1.5 employees to receive 1.5X premium pay for time worked as defined below, in excess of forty (40) hours in an official workweek (or one hundred sixty-five (165) hours in a twenty-eight-day cycle) when an employee is specifically assigned to perform essential and critical work by the appointing authority or designee, and (2) The critical work is required to preserve or ensure the public safety or continue essential community services; and (3) The staffing level available and/or required to complete the critical work is limited or inadequate. (4) Such 1.5X premium pay shall be available under a policy approved as set forth above for employees specifically assigned to perform essential and critical work in addition to time worked, County</p>	<p>The Police Department has defined the circumstances for compensation at rate of 1.5x; however, a written policy has not been approved by County Administration.</p>	<p>Compliance with the County Code.</p>	<p>The Police Department should submit and receive Executive approval of the policy on defining essential and critical work resulting in overtime under County Code Section 115.705(A)(15)(b).</p>	<p>Meetings with the Finance Department were conducted to determine what overtime assignments should and would be considered essential and critical. As a result, assignments were identified, and an approved list of overtime codes was published with Director of Administration approval. Although, there is no written Police Department policy, we are willing to work with the Finance Department in developing one.</p>

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>holidays as defined by ordinance, PTO and compensatory time totaling thirty-seven and five tenths (37.5) or forty (40) hours per week (as applicable to full time FTE) or totaling more than one hundred sixty-five (165) hours in a twenty-eight-day cycle for duly authorized law enforcement personnel of the County."</p> <p>The Finance Department established a new payroll code to charge all overtime worked by Police Department personnel under this provision.</p>				

Control – Incident Report Requests

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>Incident reports may be requested in person or through the mail by completing the Incident Report Information Request form and paying a \$10 fee. When processing incident reports, the Records Division redacts personal identifiable information such as social security numbers. The reports can be picked up in person or sent via email.</p> <p>The Police Department may restrict access for closed incident reports to only those requestors with a direct connection to the case in order to keep information confidential while an investigation and/or case is processed.</p>	<p>Closed incident reports can be sent to an allowable requestor via email, which is unencrypted.</p> <p><u>Note:</u> Outlook has encryption capabilities to restrict content to only the intended person viewing the document/email.</p>	<p>Opportunity for improved information security.</p>	<p>The Records Division should use an encryption tool when sending closed incident reports via email.</p>	<p>The option to receive reports through encrypted email will be implemented in 2019. There are training issues associated with the process and coordination with the Information System Department will be necessary. Research will need to be conducted so that we are compliant with CJIS regulations.</p>

Control – Uniform Vouchers/Allowances

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>Police Department Policy 2.02.01 lists the general department uniform standards and states that all commissioned personnel assigned to the Patrol Unit, as well as other Department personnel as designated by the Chief of Police, shall be provided a stipend, clothing allowance, or be on the voucher program for Department-approved clothing.</p> <p>The amount of the uniform stipend/allowance/voucher is determined during the annual budgeting process with the amount being added to an employee’s paycheck or distributed via a voucher. New hires may receive an additional amount, suggested by the Fiscal Manager, for uniform items based on the decision of the employee's Bureau Captain. Uniform purchases are made through a third-party vendor and the Department tracks purchases by each employee.</p>	<p>The following was noted during a review of the Department's uniform program:</p> <ol style="list-style-type: none"> 1) The Department's uniform policy does not address how the annual uniform amounts provided to employees (including new hires) are determined; 2) All new hires reviewed exceeded the budgeted amount (\$2,200) for uniform items; <p><u>Note:</u> The Department’s informal policy is that the officer’s Bureau Captain will approve these amounts. The average average per new hire reviewed was \$683.51.</p> <ol style="list-style-type: none"> 3) Employees that have resigned or retired are not required to repay the prorated stipend or return the voucher/items received; and 4) The Department's uniform voucher tracking information did not always reconcile to the third-party vendor's voucher tracking records and invoices. 	<p>Opportunity for improved policies and more effective tracking of uniform transactions.</p>	<p>The Police Department should update the uniform policies to ensure that:</p> <ol style="list-style-type: none"> 1) They adequately address how annual employee uniform stipends and allowances are determined, including additional funding for new hires, and 2) How amounts will be repaid, or items returned for employees leaving the Department. 3) Additionally, the Management Services Division should periodically reconcile internal tracking of uniform transactions to documentation provided by the third-party vendor. 	<ol style="list-style-type: none"> 1. This amount is determined by the Finance Department / budget process. 2. The Police Department is currently compiling a list of employees who purchased items with vouchers. The goal is by mid-2019, not only to identify who has what property, but also curb over-purchasing and redundant purchases. 3. Closely monitoring and regulating purchases will ultimately save the County money, allow us to strictly track property and make reconciliation easier.

Control – Payroll Documentation

Discussion and Background	Cause	Risk/Effect	Recommendation	Management Response
<p>The Bureau of Administrative Services' Payroll and Management Services Clerk enters payroll data for the entire Department. Each Bureau provides their employees' schedules and completed and approved leave and overtime sheets for the pay period. Hours worked by employees are updated in MUNIS based on the leave forms, which are stamped with the date of the pay period in which they are entered and then filed by employee.</p> <p>The Organized Crime Drug Enforcement Task Force (OCDETF) is grant-funded and the funding terms of the grant agreement state that the officers assigned to OCDETF Investigations or Strategic Initiatives are expected to work full-time on a single or multiple OCDETF Investigations or Strategic Initiatives documenting the case and initiative information on the employees' timesheet and overtime form. The County is responsible for the base salary for non-Strategic Initiative assignments of the officer.</p>	<p>During the review of Department payroll, the following was noted in regard to grant overtime:</p> <ol style="list-style-type: none"> 1) Although the case name and/or case file were consistently documented on the overtime forms for OCDETF employees, it was not on the schedule or payroll register for regular time; and <p><u>Note:</u> The Police Department does have an agreement stating that these specific officers are assigned full-time to work on the grant-related case.</p> <ol style="list-style-type: none"> 2) It appears that overtime earned is tracked after it has been submitted for reimbursement. <p><u>Note:</u> The OCDETF grant is for a specific amount and has a limit on the amount of overtime that can be claimed during a specific period of time. There a few instances where grant limits were exceeded on specific requests.</p>	<p>Opportunity for improved payroll documentation with the funding terms of grant agreements.</p>	<p>The Police Department should:</p> <ol style="list-style-type: none"> 1) Determine if an agreement or statement stating that specific employees are assigned full-time to the specific grant-related case is sufficient documentation to support base hours; otherwise, these officers should complete detailed timesheets with case name and number; and 2) Track grant overtime hours on an ongoing basis to ensure that grant limits are not exceeded. 	<ol style="list-style-type: none"> 1. This process is limited by the capabilities of the MUNIS System. Hard copy schedules are submitted to the Department payroll clerk. Days worked/days off are entered manually into MUNIS. The hard copies are retained for reference by the payroll clerk. 2. OCDETF funded officers' schedules and overtime can be monitored and tracked, with ease, in the event of a federal audit. Although the audit revealed an instance of the Department exceeding allotted reimbursable overtime amount from OCDETF, it was an isolated incident. Procedures are in place and are executed by the Fiscal Manager to ensure this does not occur again.