

**TAMPA POLICE DEPARTMENT
EXTRA DUTY ADMINISTRATION DIVISION
EXTRA DUTY
AUDIT 20-12
OCTOBER 16, 2020**



CITY OF TAMPA

Jane Castor, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

October 16, 2020

Honorable Jane Castor
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Police Extra Duty, Audit 20-12

Dear Mayor Castor:

Attached is the Internal Audit Department's report on Police Extra Duty.

Revenue and Finance Management has already taken positive actions in response to our recommendation. We thank the management and staff of the Police Extra Duty Section and the Accounts Receivable Section of the Revenue and Finance Department for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: John Bennett, Chief of Staff
Brian Dugan, Chief of Police
Dennis Rogero, Chief Financial Officer
Ruben Delgado, Assistant Chief of Police
Lee Huffstutler, Chief Accountant
Anna Richardson-Griffin, Police Major
Ashley Roberts, Police Captain
Leigh Ann Smith, Extra Duty Coordinator

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/s/ Vivian Walker

Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

The Tampa Police Department (TPD) provides a supplementary service to the public by allowing uniformed officers to engage in extra duty police work. This may include police officers assigned to special events, traffic control at construction sites, or special escorts.

Within TPD's Administration Division is the Extra Duty Office (EDO). The EDO is staffed with a Coordinator (EDC), Customer Service Representative – Scheduler, and a Customer Service Representative – Payroll. All requests from the public for Police Officers to work extra duty are handled by the EDO by entering the assignment in software called PowerDetails. Although assignments are entered into PowerDetails for Officers to schedule themselves to work, there are some events that can only be scheduled by certain sworn Officers within TPD.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY 2020 Audit Agenda. The objectives of this audit were to ensure that:

1. The system of internal controls related to segregation of duties between scheduling and billing are adequate.
2. Officers are eligible to work extra duty jobs and compensated in accordance with the established pay rates.
3. Officers comply with the time restrictions.
4. Extra duty jobs are for allowed activities as defined by the standard operating procedure 672 and staffed properly.
5. The City of Tampa complies with the established policy for collecting amounts due from delinquent extra duty accounts.
6. The extra duty program complies with the requirements of the Commission for Florida Law Enforcement Accreditation (CALEA).

STATEMENT OF SCOPE

The audit period covered extra duty activity that occurred from January 2020 through August 12, 2020. Tests were performed to determine whether Extra Duty and Revenue and Finance Accounts Receivable personnel were fulfilling their stated duties and responsibilities in an effective and efficient manner. Original records as well as copies were used as evidence and verified through observation and physical examination.

The system of internal control related to separation of scheduling extra duty assignments and processing officer pay vouchers was reviewed and deemed adequate. The software used for scheduling extra duty assignments is called PowerDetails. PowerDetails was reviewed for data reliability and deemed reliable.

STATEMENT OF METHODOLOGY

The audit's objectives were accomplished through the following:

- Reviewing customer files for properly completed application and acknowledgement of extra duty rules.
- Reviewing officer files for proper approval by their Supervisor and EDC.
- Reviewing pay vouchers submitted by officers for proper approval by the customer.
- Reviewing documentation available for efforts to collect past due balances for extra duty customers.
- Reviewing documentation to support compliance by EDO with requirements of CALEA.
- Comparing data in PowerDetails to customer applications for accuracy of staffing and billing information on pay vouchers.
- Comparing officer scheduled regular work hours and extra duty work hours for compliance with time restrictions.

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.

AUDIT CONCLUSIONS

Based upon the test work performed and the audit findings noted below, we conclude that:

1. The system of internal controls related to segregation of duties between scheduling and billing is adequate.
2. Officers are eligible to work extra duty jobs and compensated in accordance with the established pay rates.
3. Officers complied with the time restrictions.

4. Extra duty jobs are for allowed activities as defined by standard operating procedure 672 and staffed properly.
5. The City of Tampa did not always comply with the established policy for collecting amounts due from delinquent extra duty accounts.
6. The extra duty program complies with the requirements of the Commission for Florida Law Enforcement Accreditation.

COLLECTION EFFORTS

STATEMENT OF CONDITION: The current accounts receivable and billing policy (policy) issued by the City of Tampa's Revenue and Finance Accounting Division (Accounting) is not being followed. The Policy establishes the efforts to be used in order to resolve outstanding balances for delinquent accounts and includes progressive measures from issuing a letter to sending an account to collections.

An aging report, provided by Accounting, for the extra duty program identified 21 accounts that were past due more than 90 days (as of June 30, 2020) and totaled more than \$253,000. Documentation was requested from Accounting to review for compliance with the collection efforts required by the Policy. The information provided detailed that the formal collection letter is not being sent to all customers. Instead, emails with the invoices were being sent or phone calls made to request payment for a limited selection of accounts – typically, the higher balances.

Based on the collection efforts taken by both Accounting and staff in the EDO, as of August 12, 2020, 11 of the 21 accounts had remitted payments totaling more than \$10,800. Therefore, the past due balances totaled more than \$242,000. A discussion with both Accounting and the EDO indicated that follow-up of past due accounts, even to the extent of sending accounts to an outside collection agency, is a decision made collaboratively. However, there are no written guidelines that indicate which accounts should or should not be sent to an outside collection agency.

Note: the policy of Accounting is to write-off accounts from the general ledger after 180 days. Although none of the sampled accounts had reached the 180-day mark, a review of accounts in this category indicated compliance with this requirement.

CRITERIA: The policy states as its purpose "to define and establish guidelines for accounts receivables & billing in the City of Tampa" and "sets forth policies and procedures for billing, booking, and collecting accounts receivable for the City of Tampa."

Specific to collections, the policy indicates that past due accounts are to be collected on and/or services terminated until the account is deemed current. Examples of collection efforts identified in the policy include the following: phone or letter after 30 days past due, again at 60 days. The policy states accounts over 90 days should be sent to collections, "as systems and staffing allow; however, other established collection processes may be deemed acceptable by R&F Management."

CAUSE: Understaffing has resulted in Accounting developing alternative methods for collecting outstanding balances. Also, the system will not generate a bill if the extra duty customer is a one-time use type customer and no further charges post to the account.

EFFECT OF CONDITION: Loss of revenue for the City of Tampa because the extra duty charges have already been disbursed to the Officers through the payroll system.

RECOMMENDATION: Revenue and Finance Management should review the existing collection policy and either revise it to reflect current operations or implement activities in order to comply with the progressive collection requirements.

MANAGEMENT RESPONSE: The Revenue and Finance Department agrees with the recommendation and will revise the collection policy to more closely mirror past and current practice. The current policy requires additional flexibility to service the hundreds of billable items dispersed among a variety of departments, using a variety of software systems, at a variety of rates ranging from small to large dollar amounts, and serving a variety of customer types. Consequently, in practice other methods are allowed.

Tampa Police Department (TPD) extra-duty collection: The Department believes TPD extra-duty collection complies with the policy, as the current policy is an overarching one, recognizing that a one-size collection process does not fit all circumstances. As a result, and as noted in the ‘Criteria’ section above, the current policy states specifically, “Other established collection processes may be deemed acceptable by R&F Management,” a guideline that the City established in the past to move towards more formal collections processes, where applicable.

The collaborative collection process between TPD and the Accounting Office for TPD extra-duty is a longstanding practice, and due to the sensitive nature of TPD extra-duty, is not always conducive to inflexible rules. For example, the outstanding items listed in this report include the St. Joseph’s Hospital, Buccaneers football organization, Hillsborough County Libraries, Hillsborough County Schools, the Tampa Sports Authority and others; all of these agencies are City customers that receive personal attention, not automatically sent to a collection agency.

Third party collections: The Department notes that third party collections are not in place for billings, and currently only the highest customers are worked as time permits. Third party collections implementation has been delayed for years, beginning in 2013, when implementation scheduled during the first wave of the Oracle Financials project was deferred. Work was then done in 2014 to create an in-house collections mechanism with unsuccessful results, and it was then decided that instead the Advanced Collections Module in Oracle (ACM) should be implemented.

Only in 2019 did the City hire a consultant to advise on the implementation of the ACM; however, the subcontractor (a module expert) working for the consultant did not complete the project due to conflict with the consultant firm. Also in 2019, discussions took place regarding the City’s Legal Department taking over some accounts for in-house collections, but the COVID-19 pandemic has superseded this as a priority.

Currently, the Department is focused on finalizing the dunning letters process. Following this, the collections process will be re-addressed. While the Department will continue to work diligently to get an efficient and sustainable collections process in place, the required complexity and technical resources needed make it a challenging pursuit.

TARGET IMPLEMENTATION DATE: Policies will be reviewed and amended as necessary by January 1, 2021.