

# MUNICIPAL AUDITING REPORT CITY OF ROANOKE



## **Police Cash (FY 22)** **January 23, 2023**

Report Number: 23-004  
Audit Plan Number: 23-009

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### AUDIT OBJECTIVES & CONCLUSIONS

1. Are Police Department Petty Cash funds adequately safeguarded, properly accounted for, and used for the intended purpose?

**Yes** – The receipts and cash on hand at the time of our audit equaled the authorized balance. Given the limited use of petty cash, management should consider closing the fund.

2. Are Vice Operating funds adequately safeguarded, properly accounted for, and utilized in accordance with department policies?

**Yes** – Cash on hand agreed with supporting records; disbursements were for permissible purposes and were approved; requests for fund replenishment were appropriate.

3. Are fees for alarm registrations, excessive false alarms, precious metals permits, report verifications, and firearm sales to retired sworn personnel correctly assessed, adequately safeguarded, properly accounted for, and deposited timely with the City Treasurer?

**Yes with Qualifications** – Fees were properly assessed but were not consistently deposited with the City Treasurer on a timely basis. Freedom of Information Act (FOIA) and verification report requests were not billed timely.

4. Are Police Academy Employee Reimbursements received in accordance with signed agreements, properly accounted for and deposited timely with the City Treasurer?

**No** – Sworn Officers and other Police personnel required to reimburse the city for training costs when they resign or are terminated before completing three (3) years of service were not consistently billed in accordance with the terms of their signed agreements.

5. Are US Marshals Joint Task Force Service reimbursements received in accordance with the Memorandum of Understanding (MOU) and properly supported by Police Department payroll records?

**Yes** – The US Marshals Joint Task Force reimbursed the City in accordance with the MOU; reimbursements were consistent with the City's payroll records.

### END OF AUDIT OBJECTIVES & CONCLUSIONS

### BACKGROUND

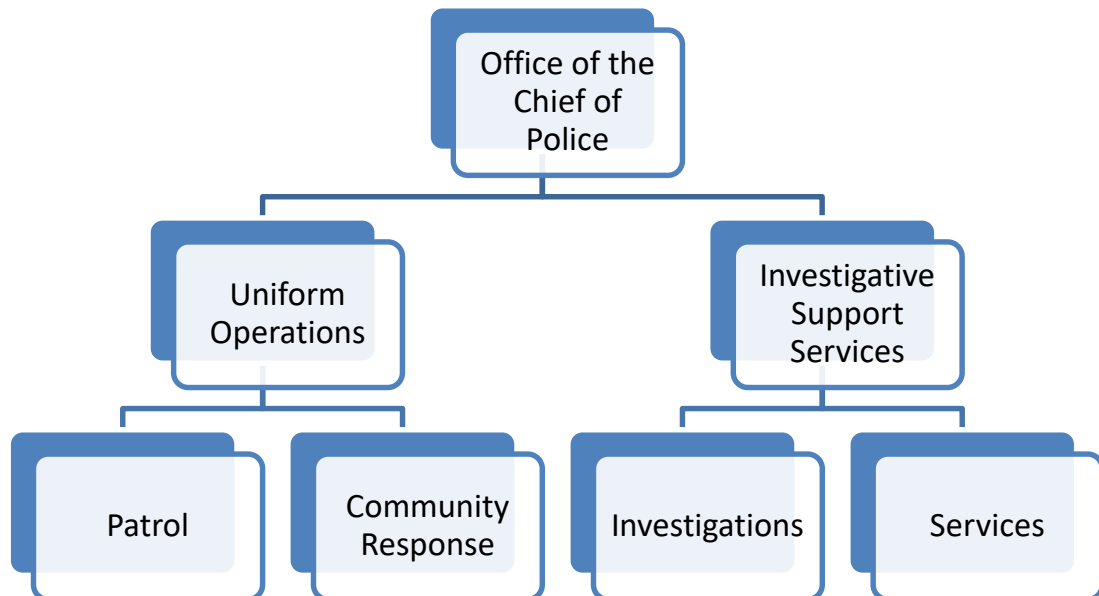
The Roanoke City Police Department’s business objectives and goals as it relates to police cash and financial operations, is to properly account for the cash and funds received by the department, and to maintain its national accreditation status. The department has been accredited through the Commission on Accreditation for Law Enforcement Agencies (CALEA) since 1994.

Police departments accredited under CALEA must establish written directives governing the maintenance of all cash fund accounts. CALEA standards require, at a minimum, that the written directives include the following components:

- A ledger system that identifies initial balances, cash received and disbursed, and ending balances
- Records or documentation for cash received
- Authorization for disbursements
- Documentation requirements for expenditures
- Designation of positions authorized to disburse or accept cash
- Quarterly accounting of agency cash activities
- Independent audits of fiscal activities

### Staffing

Chief Samuel Roman, Jr., leads a staff of 251 sworn and non-sworn personnel, organized as follows:



Budget and Financial Highlights

Roanoke City Police Department cash handling activities can be broken down into the following areas:

- Vice Monies – Including Flash & Buy and Federal Drug Cash Fund
- Petty Cash Fund
- Fees:
  - Towing
  - Verification Report Requests
  - Sworn Retiree’s Firearm Purchases
  - Public Vehicle Driver’s Licenses
  - Precious Metals (Gold) Permits
  - Security Alarm System Permits
  - False Alarms
  - Roanoke Police Academy
- Other Revenues:
  - Off Duty Billings
  - DEA/OCDETF Service Reimbursements
  - Roanoke County Joint Academy Reimbursements
  - ATF Service Reimbursements
  - FBI Joint Task Force Service Reimbursements
  - US Marshal Joint Task Force Service Reimbursements
  - Grant Donations

The following table outlines the revenues generated from police services during the last three fiscal years, and highlights the changes from FY21 and FY22:

Revenue	FY20	FY21	FY22	Δ FY22 v FY21	
				\$	%
Towing Fees	\$ 79	\$ 79	\$ 157	\$ 79	100.0%
Police Fees	\$ 83,804	\$ 119,015	\$ 89,827	\$ (29,188)	-24.5%
Off Duty Billings - Police	\$ 552,914	\$ 308,295	\$ 88,893	\$ (219,402)	-71.2%
School Resource Officers **	\$ 358,236	\$ 459,734	\$ 123,324	\$ (336,410)	-73.2%
Security Alarm Registration Fees	\$ 17,320	\$ 19,608	\$ 19,740	\$ 132	0.7%
Police - False Alarm Fines	\$ 23,858	\$ 23,665	\$ 22,793	\$ (872)	-3.7%
RCACP Fees	\$ 8,851	\$ 7,595	\$ 9,104	\$ 1,509	19.9%
Grant Donations Police	\$ 8,205	\$ 100	\$ 3,040	\$ 2,940	2940.0%
<b>Reimbursements</b>					
ATF Service	\$ 17,381	\$ 7,961	\$ 12,885	\$ 4,924	61.8%
DEA/OCDETF Service	\$ 19,402	\$ 15,153	\$ 16,317	\$ 1,164	7.7%
Roanoke County Joint Academy	\$ 47,500	\$ 63,333	\$ 63,333	\$ -	0.0%
FBI Joint Task Force Service	\$ 30,710	\$ 15,918	\$ 2,061	\$ (13,858)	-87.1%
US Marshal Joint Task Force Service	\$ 39,652	\$ 34,748	\$ 148,609	\$ 113,861	327.7%
Police Training	\$ 1,200	\$ -	\$ -	\$ -	
Billing to GS - Police	\$ 14,727	\$ -	\$ -	\$ -	
Police Employee Academy	\$ 21,534	\$ 17,145	\$ 29,493	\$ 12,348	72.0%
<b>Total</b>	<b>\$ 1,245,370</b>	<b>\$ 1,092,349</b>	<b>\$ 629,576</b>	<b>\$ (462,773)</b>	<b>-42.4%</b>

\*\* Transfer from Roanoke City Public Schools

Budgeted Police Department revenues for FY 22 were as follows:

- Investigations and Support	\$	32,000	
- Patrol	\$	617,400	(1)
- Admin Services - Law Enforcement (599)	\$	5,945,000	(2)
- Admin Services - Grant Donations Police	\$	10,000	
- Academy	\$	66,000	(3)
- Police School Resource Officers	\$	600,000	(4)

- (1) Includes \$450,000 budgeted revenue for Off-Duty Billings.
- (2) This is 599 funding, allocated by the state annually as appropriated by the General Assembly.
- (3) Includes \$64,000 budgeted revenue from the Roanoke County Joint Academy reimbursement.
- (4) Transfer from Roanoke City Public Schools to cover SRO expenses.

Key Information Systems

The Police Department uses the following information systems in collecting and recording cash and revenues:

- Southern Software Records Management System (RMS) - Automated mobile incident based reporting software product to facilitate data collection of Police incident based reports
- [www.BuyCrash.com](http://www.BuyCrash.com) – Internet based application maintained by LexisNexis Risk Solutions (formerly Apriss, Inc.) used to manage and access traffic accident reports (through 8/17/21)
- TAB Fusion Records Management System – Records Management System used by the Property Room to record and track property maintained as evidence
- Advantage Financial System – City’s financial accounting system used to record revenues and expenditures
- QuickBooks – Desktop accounting software used to account for vice operations

**END OF BACKGROUND**

**OBJECTIVE 1: Petty Cash and Change Funds****Objective:**

Are Police Department Petty Cash funds adequately safeguarded, properly accounted for, and used for the intended purpose?

**Yes**

**Scope:**

We reviewed petty cash receipts and funds on hand as of October 28, 2022. We reviewed Fiscal Year 2022 Petty Cash Ledger activity, as well as all purchases and replenishments for the year. We verified the quarterly accounting of all Department petty cash funds is reviewed timely.

**Results:**

The Police Department maintains a petty cash fund of \$200 for purchasing small supplies that are needed quickly, or for small dollar travel reimbursements. The Budget Analyst secures the cash and corresponding paper work in a locked file cabinet. He disburses petty cash funds based on properly approved purchase request forms, which includes the reason for the purchase and who made it. On October 28, 2022, we audited the petty cash fund and found \$176.71 cash on hand and current receipts accounting for \$23.29 in disbursements. Together, the cash and receipts equaled the \$200 authorized balance.

When the petty cash fund needs replenishment, the Budget Analyst submits a payment voucher with corresponding receipts to the Deputy Chief. Once the Deputy Chief approves the payment voucher, it is forwarded to the Finance Department where a replenishment check made payable to "City of Roanoke – Petty Cash" is prepared. The Budget Analyst cashes the check and secures the funds in the locked filing cabinet.

The Budget Analyst maintains a petty cash ledger, which he completes when replenishing the fund, to record all disbursements and replenishments. In the Budget Analyst's absence, the Services Division Captain can also disburse petty cash funds.

Three (3) petty cash disbursements were made during FY 2022 totaling \$26.47. Two (2) were properly authorized and included corresponding receipts. One disbursement for \$4.65 was not authorized or approved until the quarterly review was performed.

One (1) replenishment was made to petty cash during FY 2022. The replenishment on May 25, 2022 was properly authorized by the Services Division Captain, and cashed within two (2) days of check issuance.

The Budget Analyst maintains a Petty Cash Ledger, but the ledger did not include the FY 2022 replenishment made on May 25, 2022. This was an isolated error, and moving forward the Budget Analyst plans to capture all replenishment activity on the log.

The Planning and Analysis Lieutenant conducted all four (4) quarterly audits of petty cash activity on a timely basis. The audits were submitted to the Services Division Captain in accordance with Operational Directive 2.2.11.

Given the limited use of petty cash, the Police Department should consider closing the petty cash fund.

**END OF OBJECTIVE 1**



**OBJECTIVE 2: Vice Operating Funds****Objective:**

Are Vice Operating funds adequately safeguarded, properly accounted for, and utilized in accordance with department policies?

**Yes**

**Scope:**

We counted cash on hand as of 12/15/22 for the Narcotics and Organized Crime (NOC) fund and Flash and Buy Fund. (**Note: There were no Community Response Team (CRT) transactions during FY 2022 as this unit is currently not staffed**)

We reviewed Federal Drug Fund bank statements for each month during Fiscal Year 2022 and reconciled the account to the corresponding checkbook. We reviewed all disbursements and replenishments made during the year for this fund.

We reviewed vice expenditure reports for FY 22, and a sample of NOC purchases and transfers for the year. Money slips for \$3,000 monthly allotments to the vice account from the Federal Drug Fund account were not included in the scope.

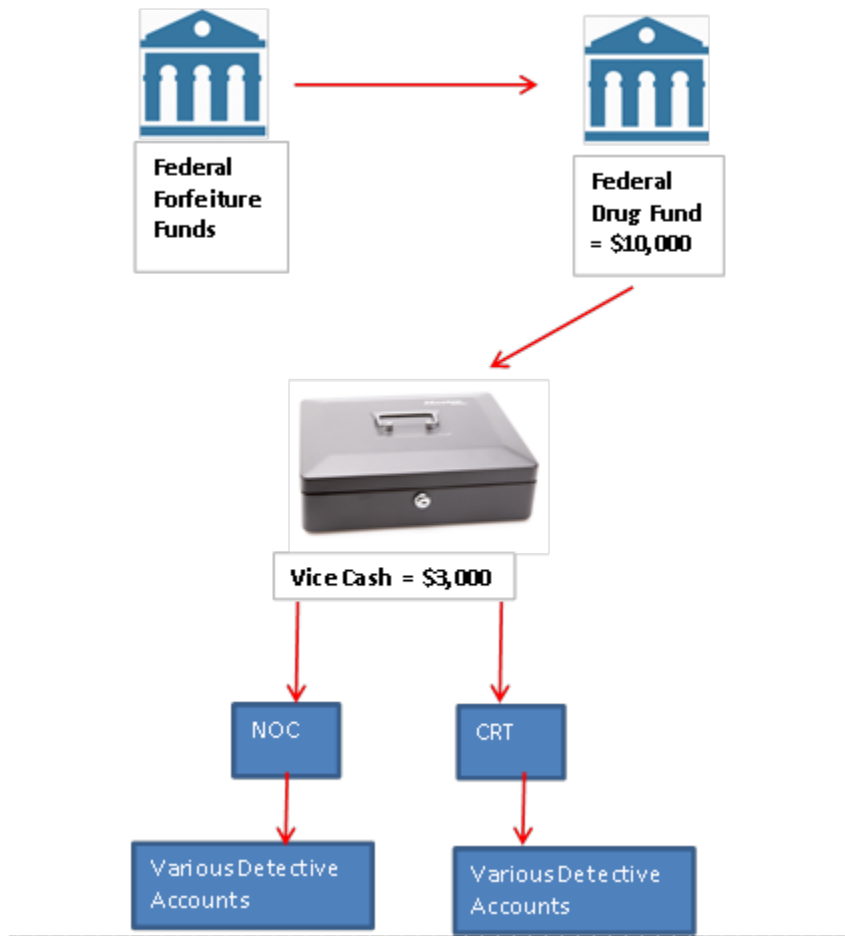
We reviewed 10 drug purchases to confirm that the money slips, evidence bags, and property logs were consistent, and the associated drugs were properly secured in a timely manner.

**Results:**

The Vice unit maintains the following operating funds for use in undercover operations that require cash for drug buys, informants, and other purchases necessary to maintain cover.

**Flash and Buy Fund** - \$2,660 in cash restricted for use in drug investigations when the suspect will be arrested at the time of purchase. The cash is maintained in a zippered bag inside of a locked safe in the NOC Sergeant's office. This fund is rarely used, and a log is maintained to document its use.

**Federal Drug Fund** – \$10,000 maintained in a Pinnacle bank account as noted below:



The Chief’s Secretary administers the Pinnacle bank account, issuing checks and requesting replenishment funds as needed. The Deputy Chief or Chief reviews the bank statements and the reconciliation with the checkbook on a monthly basis.

The NOC and CRT units use cash for undercover operations. The NOC Sergeant secures the cash box (\$3,000) in a locked safe in his office. The Sergeant issues funds to undercover officers and maintains a record of distributions and expenditures in QuickBooks.

The Lieutenant of Investigations reviews a monthly report of distributions, expenditures, and cash balances for each officer. He evaluates expenditures for reasonableness and compliance with federal regulations.

Property Room / Drug Evidence Room

When an officer obtains drugs through investigation or arrest, he or she must weigh the drugs, seal them in an evidence bag, and initial the bag. The officer takes the drugs to the property

room, and enters a description and incident number into the records management system. The system prints a label that the officer places on the evidence bag. The evidence bag is then given to the Property Room Officer or placed in a secure locker for the Property Room Officer to process when he returns. Officers do not have access into the property room.

The Property Room Officer weighs the sealed bag, logs the weight, and places the bag in a secure, designated location in the drug evidence room.

Cash Counts

With the NOC Sergeant present, we counted cash on hand on December 15, 2022 as follows:

- Flash and Buy Fund: \$2,660
- NOC Cash Fund: \$3,000

We agreed the NOC cash to the QuickBooks Account Quick Report balance as of December 15, 2022. Flash and buy funds are not maintained on QuickBooks as it is not a transaction-based fund, but we confirmed the balance agreed to the Department of Finance records as of June 30, 2022.

Federal Drug Fund Account

The Federal Drug Fund checkbook balance equaled the Pinnacle bank statement balance of \$10,000.

We noted that the Deputy Chief or Chief had initialed each monthly statement during FY 22 to evidence his review of the account.

All disbursements made from the Federal Drug Fund account during FY 22 were properly authorized by the Chief of Police or his designee and deposited into the NOC account. The following eight (8) disbursements totaling \$24,000 were authorized during the year:

Check Date	Amount	NOC/CRT Deposit Date
7/12/2021	\$ 3,000	7/15/2021
8/11/2021	\$ 3,000	8/12/2021
8/30/2021	\$ 3,000	8/30/2021
1/2/2022	\$ 3,000	1/11/2022
2/8/2022	\$ 3,000	2/9/2022
3/3/2022	\$ 3,000	3/4/2022
3/31/2022	\$ 3,000	3/31/2022
5/13/2022	\$ 3,000	5/16/2022

**\$24,000**

All replenishments to the Federal Drug Fund account during FY 22 were properly authorized by the City Manager or Assistant City Manager and deposited into the Federal Drug Fund checking account. The following eight (8) checks totaling \$24,000 were deposited to the Federal Drug Fund account during FY 22:

Payment Voucher			Pinnacle Bank	
Date	Amount	Check Pick-Up Date	Deposit Date	Deposit Amount
7/8/2021	\$ 3,000	7/26/2021	7/28/2021	\$ 3,000
8/11/2021	\$ 3,000	8/23/2021	8/24/2021	\$ 3,000
8/26/2021	\$ 3,000	9/7/2021	9/8/2021	\$ 3,000
1/6/2022	\$ 3,000	1/24/2022	1/27/2022	\$ 3,000
2/7/2022	\$ 3,000	2/22/2022	2/25/2022	\$ 3,000
3/2/2022	\$ 3,000	3/14/2022	3/18/2022	\$ 3,000
3/22/2022	\$ 3,000	4/4/2022	4/5/2022	\$ 3,000
5/13/2022	\$ 3,000	5/25/2022	5/26/2022	\$ 3,000
<u>\$ 24,000</u>			<u>\$ 24,000</u>	

Seven (7) of the eight (8) checks were deposited within one business day after being picked up or received by the Administrative Assistant to the Chief. Four (4) of the check copies in file included handwritten notes documenting the reasons for slight delays in deposit after check pickup.

Undercover Transactions

Our review of 30 undercover transactions, corresponding money slips, and receipts showed that NOC purchases were properly authorized and documented:

Attribute	Yes	No	NA
Permissible expense - US Department of Justice Guidelines	29	0	1
Money slip signed by Detective incurring expense	30	0	0
Money slip signed by NOC Sergeant	30	0	0
Money slip initialed by the Lieutenant or Deputy Chief	29	1	0
Detailed receipts attached to money slip	13	0	17
Signed confidential informant receipt attached to money slip	11	0	19
Expense authorized by Chief or Deputy Chief (> \$1,000)	3	0	27

The one exception (“No”) was a small dollar transaction that was supported by a receipt.

We verified that the Deputy Chief or his designee initialed all monthly expenditure reports, except for May 2022. It appears this was overlooked during the transition of duties after the Deputy Chief retired in May. Based on the circumstances and other compensating controls, this was not considered a significant issue.

We selected a sample of ten (10) transactions involving drug buys to determine if the money slips, evidence bags, and property logs were consistent. In all cases, the detective secured the drugs in the RPD Property room the day purchased, as required. We confirmed that drugs were correctly logged and that the weights recorded by detectives and then by the Property Room were within expected tolerances (i.e., after accounting for the weight of the evidence bags).

**END OF OBJECTIVE 2**

**OBJECTIVE 3: Police Department Fees**

**Objective:**

Are fees for alarm registrations, excessive false alarms, precious metals permits, report verifications, and firearm sales to retired sworn personnel correctly assessed, adequately safeguarded, properly accounted for, and deposited timely with the City Treasurer?

**Yes with Qualifications**

**Scope:**

We audited the identified fees assessed and collected for the 12 months ending June 30, 2022 (Fiscal Year 2022).

**Results:**

*Police Department Cash Register*

The Police Department began accepting in-person payments in 2015 so that customers would not have to walk to the Municipal Building to pay for verification reports and then walk back with the receipt. Customers must pay by check or with exact change (\$10), as the cash drawer is locked and change cannot be provided. Other fees secured in the cash register include those paid for permits to deal in precious metals (\$200 each) and retired officers' purchases of their service weapons (\$1 each or fair market value depending on years of service).

City policy requires departments to deposit all monies within one (1) business day. The Department of Finance approved an exception for the Police Department, allowing customer service to deposit cash register funds weekly.

There were 49 deposits of cash register funds during FY 22:

<b>Previous Drawdown</b>	<b>#</b>	<b>%</b>
≤ 7 days	32	65%
8 -9 days	10	20%
≥ 10 days	7	14%
	<u>49</u>	

Six (6) of the seven (7) deposits that took 10 or more days to make included documentation explaining the reasons for the delay. Deposits were significantly more timely this year compared to the prior year.

We reviewed ten (10) of the deposits in detail, agreeing the cash count sheets, register reports, collection reports and deposit receipts from the Treasurer’s Office:

Attribute	Yes	No
Funds secured in cash register	10	0
Funds deposited with Treasurer's Office within 24 hours of removal from register	10	0
Cash and checks in register accounted for correctly	10	0
Cash register drawdown completed by two (2) employees	10	0
Cash register closed out and reset to zero	10	0

False Alarm Program Fees – 1405 (Registration) and 1406 (Violation)

The false alarm program has been in place since 2003 and requires alarm operators and users to submit applications and permit fees annually to the Police Department. The program was discontinued effective May 31, 2022, making this the last year for auditing these fees.

We reviewed a sample of 25 registered commercial alarm system users and five (5) registered alarm company operators to confirm payments were remitted. Twenty-four (24) of 25 users, and 4 of 5 operators, paid their registration fees by the end of February. The remaining user and operator in our sample paid their fees after the program end date of May 31, 2022.

There were 219 commercial alarm system users who had never registered and were discovered when responding to an alarm, or who neglected to renew their registration for calendar year 2022. We reviewed a sample of 25 of these unregistered users:

Disposition	#
Billed - Not Paid	15
Paid Late – Registration Record Not Updated	9
Paid Timely – Registration Record Not Updated	1
	<u>25</u>

We confirmed nine (9) of the 10 businesses that paid the registration fee had no billable alarms through May 2022. The other business had one billable alarm on 5/26/22, but was not charged a fee since their payment was received on 4/7/22, and the registration status had been updated to “Full” prior to May 2022.

When an Officer responds to a false alarm at a commercial building, he or she leaves a copy of the *Violation Notice* with the business. The Officer brings the Police Department’s copy to his or her Sergeant for review and approval. Once approved, the Sergeant submits the notice to the Police Program Specialist. As appropriate based on the registration and number of false alarms

incurred, the Specialist enters an invoice into the City’s accounts receivable system that is then mailed and collected by the City Treasurer’s Office.

All 10 false alarm violation fees we tested were properly billed based on registration status and the number of prior false alarms. Nine (9) were billed to registered businesses and one (1) to an unregistered business on the December 2021 billing report:

	Registered	Not-Registered
<b>Paid w/in 30 Days</b>	1	-
<b>Paid w/in 60 Days</b>	8	-
<b>Not Paid as of 11/7/22</b>	-	1
	9	1

The Police Support Specialist confirmed that May 2022 was the last month for which she billed customers for false alarm violations. Any future alarm registrations that include payment for the annual registration fee will be logged by the Specialist and the check returned to the business with a letter notifying them that registrations are no longer required.

Police Fees – 0856

These fees include precious metals permits, requests for verification reports and other freedom of information requests, and payments from retirees who qualify to purchase their service weapon.

*Precious Metals Permits:*

Businesses that deal in second hand jewelry or gold, such as pawnshops or jewelers that purchase estate jewelry for resale, must apply for a precious metals permit. An application must be filed with the Police Department along with a \$200 processing fee. A pre-numbered permit is issued to the business if the application is approved, and must be displayed at the place of business. The Police Department maintains a log of all businesses that have been issued a permit along with the permit number.

We reviewed the applications for five (5) of sixteen (16) precious metals permits issued during FY 22:

Attribute	Yes	No
Completed application form including fingerprint card	5	0
\$200 application fee	5	0
Criminal history check showing no convictions	5	0
Evidence of current inspection of weighing devices	5	0
Current Surety Bond Certificate = \$10,000	5	0
Permit expiration date of 1 year	5	0



We also traced the payments for all 16 precious metals permits logged as issued in FY22, from the Police Department cash register to the deposit by the City Treasurer's Office.

*Verification Reports:*

The Police Department provides verifications of police reports to citizens and insurance companies upon request. Customers can request verification reports in-person, through the mail, or online through the Police Department's website. Requestors can download verification reports for vehicle accidents occurring prior to 07/15/2021 from the [www.buycrash.com](http://www.buycrash.com) site. The Police Department's agreement with the buycrash.com service expired on 08/17/2021.

- *In-Person Report Requests:* Customer completes a pre-numbered request form at the customer service window, pays by check or exact change and immediately receives the requested report. A cash register with a locked cash drawer is used to secure the payment and provide a receipt to the customer. Police Support Personnel file the request with a copy of the cash register receipt attached.
  - *Mailed-In Report Requests:* The Police Support Supervisor reviews the request and accompanying check, prints and mails the report, enters the payment into the cash register, and slides the check into the locked drawer of the cash register. If the request is for other types of documents or if it does not include a check, the Records Unit FOIA Clerk logs the information in a spreadsheet and provides a copy of the request to the Budget Analyst for him to bill.
  - *Online Report Requests processed through the Police Department Website:* The Records Unit FOIA Clerk receives the request, emails the report to the requestor, and notifies the Budget Analyst to bill the requestor for payment.
  - *BuyCrash.com Reports (LexisNexis):* The Police Department's agreement with LexisNexis ended 8/17/2021, at which time the department stopped uploading its accident reports to the BuyCrash.com site. Requestors can still download accident reports written prior to 7/15/2021 from BuyCrash.com. LexisNexis continues to remit \$5 to the City for each report downloaded from this site.
-

A total of 467 pre-numbered request forms were used during FY 22 for in-person report requests.

- Fourteen (14) requests were documented as voided.
- Two (2) requests were documented as processed with no charge (allowed by OD 82.1.4 for reports requested by victims of domestic violence).
- One (1) original form was missing but a valid reason was properly documented.

We selected a sample of 12 days, tracing all 29 in-person request forms for those days to the cash register's internal tape. We found a cash register entry for all 29 requests. We also tested 12 cash register drawdowns and verified that all checks for requests received through the mail were correctly entered into the cash register and deposited with the Treasurer.

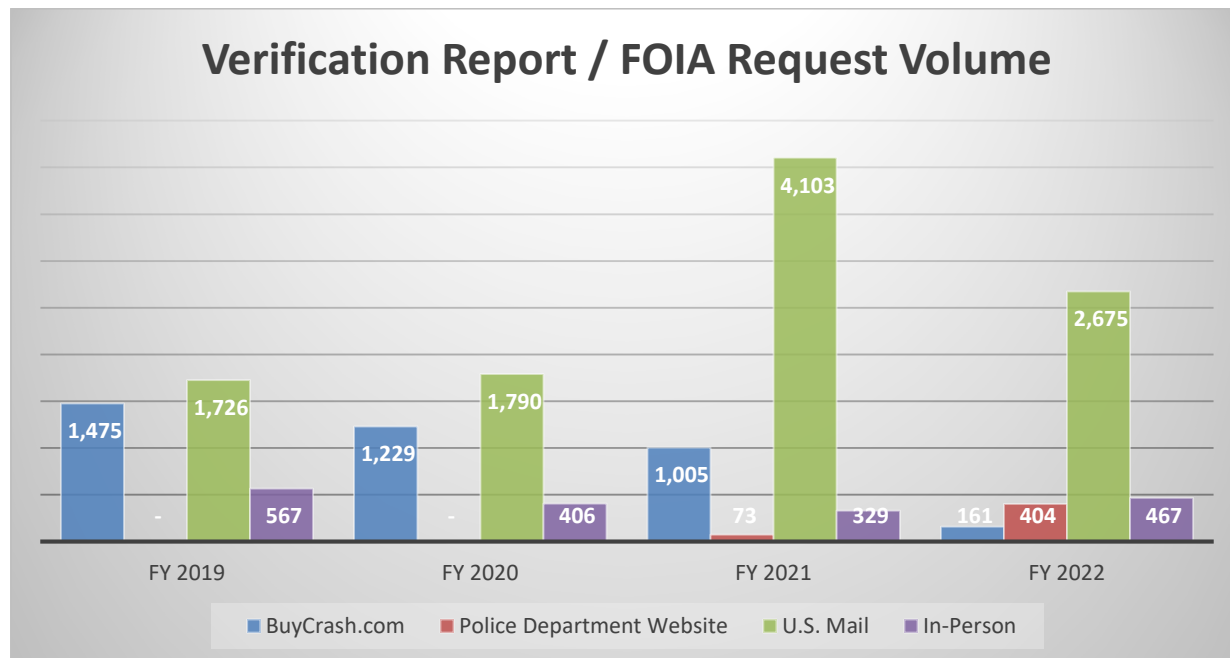
Monthly payments from LexisNexis for accident reports sold through its BuyCrash.com system agreed to the monthly sales summary reports from LexisNexis. Eight (8) of 12 checks were not deposited timely based on available information.

We tested a sample of 30 FOIA requests received through the mail:

- One request included a check, which was deposited within four (4) days of fulfilling the request.
- Six (6) of 29 (21%) requestors were never billed for the reports they were provided.
- Of the 23 requestors who were billed, all but one (1) were billed 30 days or more after their requests were completed, with some taking well over 120 days to bill.

A separate sample of 20 verification report requests processed by the Records Unit through the Police Department website by June 30, 2022, showed three (3) had not yet been billed as of December 15, 2022. Of the 17 requests that were billed, 12 were billed more than 30 days after the requested documents had been sent to the requestor.

The volume of requests received through the mail and Police Department website has continued to increase as the number of requests processed through BuyCrash.com declines:



*Note: FY 2019 and FY 2020 In-Person report volumes were estimated based on pre-numbered forms used during the calendar years and average forms used per month. Option to request reports through the Police Department website was added April 2018; however, RCPD didn't begin tracking these online requests until May 2021.*

**Sworn Retiree Purchase of Service Weapon:**

Police officers sign a form (which includes the serial number) for each service weapon assigned to them upon commencing employment with the RPD. Upon termination, the employee must sign a form relinquishing custody of that service weapon back over to the RPD.

When sworn police officers retire after 20 years of service, they have an opportunity to purchase their service weapon for \$1. If they retire with more than 10 years of service, but less than 20 years, they have the option to purchase their service weapon at fair market value.

An Officer retiring with more than 10 years of service completes a *Purchase of Duty Pistol Memorandum* for approval by the Chief of Police. Once approved, the Firearms Instructor remits the appropriate amount to the Police Department customer service window for the purchase. A Police Support Technician enters the payment into the cash register and completes a pre-numbered receipt, maintaining the carbon copy in the receipt book.

The Retirement Division in the Department of Finance provided us with a listing of all Police Department Officers who retired during FY 22 and qualified to purchase their service weapons. Three (3) of the five (5) officers we reviewed retired with 20+ years of service and were approved to purchase their service weapons for one dollar (\$1). The remaining two (2) retirees were eligible to purchase the service weapon at fair market value and the Chief approved both requests to do so. All required paperwork was on file and all payments were entered into the cash register and receipt book.

**END OF OBJECTIVE 3**

**OBJECTIVE 4: Police Academy Employee Reimbursement**

**Objective:**

Are Police Academy Employee Reimbursements received in accordance with signed agreements, properly accounted for and deposited timely with the City Treasurer?

**No**

**Scope:**

We reviewed all sworn officers and other applicable police personnel who resigned or were terminated with less than three (3) years of service during FY 2022.

**Results:**

Police recruits and other applicable personnel sign an agreement to reimburse the City for training cost should he or she resign or be terminated within three (3) years of graduating from the academy. The reimbursements can be substantial, and vary in amount depending on when the employee terminates:

Position	Terminated within the first 12 months	Terminated within the second 12 months	Terminated within the third 12 months
Police Officer	\$ 14,245.34	\$ 9,496.90	\$ 4,784.44
Crime Analyst	\$ 7,000.00	\$ 5,000.00	\$ 2,500.00
Animal Warden	\$ 5,400.00	\$ 3,600.00	\$ 1,800.00
Forensic Investigator	\$ 4,000.00	\$ 2,000.00	\$ -

At termination, the employee is asked to sign a Repayment Agreement outlining the amount due and terms of repayment. If the employee pays the Services Division Captain, the Captain enters a collection report into the Advantage Receivables system and deposits the funds with the City Treasurer. If the employee refuses to pay or asks to be billed, the Services Division Captain enters a receivable into Advantage and the City Treasurer’s Office bills the employee for the balance due.

We identified ten (10) applicable employees who resigned or were terminated during FY22 with less than three (3) years of service:

- One (1) reimbursed the City \$4,784 in accordance with her agreement.
- Five (5) requested and received a waiver from City Management (\$22,169).

- One (1) resigned before completing the academy and no repayment was owed.
- Two (2) were terminated due to criminal offenses and should have repaid a total of \$23,742. Even though these were not voluntary resignations, the agreement indicates repayment should have been required. Neither person was invoiced.
- One (1) owed \$1,800 but was not invoiced due to an administrative error.

**END OF OBJECTIVE 4**

**OBJECTIVE 5: US Marshals Joint Task Force Reimbursement****Objective:**

Are US Marshals Joint Task Force service reimbursements received in accordance with the MOU and properly supported by Police Department payroll records?

**Yes**

**Scope:**

We reviewed overtime earned by RPD officers working with the US Marshals Joint Task Force for Fiscal Year 2022 and verified reimbursements were requested and received in accordance with the United States Marshals Service's Fugitive Task Force Memorandum of Understanding (MOU) for Non-Federal Agencies signed October 2022.

**Results:**

RPD officers enter the hours they work with the task force into the City's time tracking system, coding them as "US Marshals Joint Task Force" time. The RPD Budget Analyst requests reimbursement from the US Marshals Office by filing a Joint Law Enforcement Operations (JLEO) Statement each quarter. The Services Division Captain or the Deputy Chief reviews and approves the quarterly statement prior to submission. Once notified by the City Treasurer's Office that reimbursement has been received, the Budget Analyst prepares a collection report (CRPT) that records the revenue to the US Marshals Joint Task Force Reimbursement account.

We reviewed JLEO quarterly statements for all four (4) RPD officers who worked with the US Marshals Joint Task Force during Fiscal Year 2022. RPD officers logged 506 hours during the fiscal year incurring \$18,424 in payroll costs. The US Marshals Office reimburses costs based on whole hours, which accounts for minor variances between amounts requested by the City and the reimbursement.

**END OF OBJECTIVE 5**

**SUMMARY OF MANAGEMENT ACTION PLANS**

<b>Management Action Plan - Deposit Timeliness</b>	
<p>The budget analyst currently does not log checks he receives, therefore there is no way to keep track of if checks are deposited the next business day. The plan is to have the budget analyst deposit checks on Tuesdays and Fridays in order to assure checks are deposited and not lost, stolen, or voided. The checks will be placed in a locked drawer until time to make the deposit.</p> <p>Since this is a new procedure, a 6-month time period should be allowed to evaluate if this process will improve the current shortcomings. This process is similar to how we handle the deposits from the cash register in Records.</p>	
<b>Assigned To</b>	<b>Target Date</b>
Lieutenant James Price	07.01.2023

<b>Management Action Plan - Revenue Billing</b>	
<p>The budget analyst is overwhelmed with the influx of FOIA requests and has not been able to keep up. Once a payroll clerk has been hired, the responsibility of billing clients for FOIA requests will be transferred to that person to handle in order to keep in line with City Administrative Procedure 3.8</p> <p>A 6-month time period should be allowed to evaluate if this process will improve the current shortcomings.</p>	
<b>Assigned To</b>	<b>Target Date</b>
Lieutenant James Price	07.01.2023

<b>Management Action Plan - Police Academy Reimbursements</b>	
<p>Moving forward, repayment of the cost of training will be held to the strict interpretation of the contract. This will ensure that those who were not billed due to their own criminal actions, will still be billed unless they request, and are granted, a waiver through the city manager's office. In addition, due to the clerical error on the hard card, employment dates will be confirmed through the master employee file to ensure those who are still under contract are billed.</p>	
<b>Assigned To</b>	<b>Target Date</b>
Captain Jamey Bowdel	Effective Now

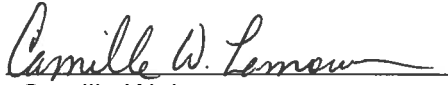


### **MANAGEMENT COMMENTS**

Management has the option of providing comments to clarify issues, to provide context, or to share other information management feels is relevant and not otherwise addressed in the report. Management has considered the need for comments and decided none were necessary.

**ACKNOWLEDGMENTS**

We would like to thank the many members of the Roanoke City Police Department who we worked with during the audit, for their cooperation and assistance. They were responsive to our requests for information and receptive to all feedback. We truly appreciate their professionalism and commitment to excellence.



Camille W. Lamour  
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