



# CITY OF TAMPA

Pam Iorio, Mayor

Internal Audit Department

Cynthia D. Miller, Audit Director

May 14, 2004

Honorable Pam Iorio  
Mayor, City of Tampa  
1 City Hall Plaza  
Tampa, Florida

RE: Law Enforcement Trust Fund, Audit 04-03

Dear Mayor Iorio:

Attached is the Internal Audit Department's report on the Law Enforcement Trust Fund. The Tampa Police Department has already taken positive actions in response to our recommendations.

We thank the management and staff of the Tampa Police Department's Fiscal Bureau, Forfeiture Unit, Legal Unit and Property Unit and the Department of Revenue & Finance's Accounts Payable and Federal Funds Accounting sections for their cooperation and assistance during this audit.

Sincerely,

Cynthia D. Miller  
Director of Internal Audit

cc: Chief Steve Hogue, Tampa Police Department  
Darrell Smith, Chief of Staff

**TAMPA POLICE DEPARTMENT  
LAW ENFORCEMENT TRUST FUND  
AUDIT 04-03  
MAY 14, 2004**

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Gary S. Chapman, Auditor

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Wayne Boytim, Audit Supervisor

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Cynthia D. Miller, Director

**TAMPA POLICE DEPARTMENT  
LAW ENFORCEMENT TRUST FUND  
AUDIT 04-03**

**INTRODUCTION**

The Law Enforcement Trust Fund (LETf) involves the Tampa Police Department's Fiscal Bureau, Legal Unit and Forfeiture Unit (part of the Legal Unit). The Fiscal Bureau is responsible for the accounting functions (recording deposits and expenditures) and reporting requirements. The Legal Unit deals exclusively with the forfeiture of assets connected with the State program and local Ordinance. The Forfeiture Unit is responsible for compliance with federal, state and local requirements regarding notices, maintenance of property, etc.

There are four (2 federal, 1 state and 1 local) sources of funds received by TPD as a result of illegal activities. Federal programs are based on the Comprehensive Crime Control Act of 1984. Funds received from federal programs must be maintained separately and their activity reported annually. The Florida Contraband Forfeiture Act (F.S. Section 932.701-707) governs State activity. These funds must be maintained separately and its activity reported semi-annually. Tampa's Code of Ordinances, Section 14-27, provides for the impoundment of motor vehicles used to facilitate prostitution and drug related crimes.

**STATISTICS**

	<u>Revenues</u>	<u>Expenditures</u>	<u>Balance</u>
<b>Department of Justice</b>			
FY2003	117,839.50	804,503.17	376,569.45
FY2004	5,029.12	0.00	381,598.57
<b>U.S. Treasury</b>			
FY2003	1,809.04	29,548.00	29,033.90
FY2004	326.73	0.00	29,360.63
<b>Florida State</b>			
FY2003	896,544.00	844,673.32	1,995,927.01
FY2004	115,766.97	31,600.00	2,080,093.98
<b>Ordinance 14-27</b>			
FY2003	226,541.56	271,488.65	292,062.08
FY2004	84,455.06	0.00	376,517.14
<b>Pending Account</b>			
FY2003	0.00	280,782.50	1,125,086.72
FY2004	17,132.35	819,572.61	2,031,269.69

Pending Account revenues consist of only interest, which is transferred to the Florida State fund during year-end closing. FY2004 figures are as of December 31, 2003.

## **STATEMENT OF OBJECTIVES**

This audit was conducted in accordance with the Internal Audit Department's FY04 Audit Agenda. The objectives of this audit were to ensure that:

1. Vehicles seizures executed under the Florida Contraband Forfeiture Act and Section 14-27, City of Tampa, Code of Ordinances followed established guidelines and procedures;
2. Vehicles seized under the Florida Contraband Forfeiture Act and Section 14-27, City of Tampa, Code of Ordinances, were adequately safeguarded to avoid any loss of value;
3. Confiscated vehicles were used in compliance with applicable federal and state laws, rules and regulations.
4. Fund expenditures complied with applicable federal, state and local laws, rules and regulations.

## **STATEMENT OF SCOPE**

The audit period covered Law Enforcement Trust Fund activity that occurred from October 1, 2002, to December 31, 2003. Source documentation was obtained from the Tampa Police Department's Fiscal Bureau, Forfeiture Unit and Property Unit and the Department of Revenue & Finance's Accounts Payable and Federal Funds Accounting sections. Original records as well as copies were used as evidence and verified through physical examination.

## **STATEMENT OF METHODOLOGY**

The sample size and selection were statistically generated using a desired confidence level of 90%, expected error rate of 5% and a desired precision of +/- 5%. Statistical sampling was used in order to infer the conclusions of test work performed on a sample to the population from which it was drawn and to obtain estimates of sampling error involved. When appropriate, judgmental sampling was used to improve the overall efficiency of the audit.

To achieve the audit's objectives, reliance was placed on computer-processed data contained in the City's financial system and a database maintained by the Tampa Police Department's Forfeiture Unit. With respect to the City's financial system, reliance was placed on the reliability test work conducted by the City's external auditors. Sufficient tests of data contained in the Forfeiture Unit's database were performed to conclude the data was sufficiently reliable to be used in meeting the audit's objectives.

## **STATEMENT OF AUDITING STANDARDS**

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to afford a reasonable basis for our judgments and conclusions regarding the organization, program, activity or function under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

## **AUDIT CONCLUSIONS**

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

1. Vehicles seizures executed under the Florida Contraband Forfeiture Act and Section 14-27, City of Tampa, Code of Ordinances followed established guidelines and procedures;
2. Vehicles seized under the Florida Contraband Forfeiture Act and Section 14-27, City of Tampa, Code of Ordinances, were not adequately safeguarded to avoid any loss of value;
3. Confiscated vehicles were used in compliance with applicable federal and state laws, rules and regulations.
4. Fund expenditures complied with applicable federal, state and local laws, rules and regulations.

While the findings discussed below may not, individually or in the aggregate, significantly impair the operations of the Tampa Police Department, they do present risks that can be more effectively controlled. Before we completed our audit, Tampa Police Department personnel advised that bids for the replacement of the Impound Lot fence were being solicited.

## **NOTEWORTHY ACCOMPLISHMENTS**

The Tampa Police Department's Fiscal Bureau created a report (new for FY2003) that summarized and detailed all activity for all of the Law Enforcement Trust Fund accounts. All balances were referenced to the General Ledger and activity to applicable supporting documents. The report was found to be very comprehensive and easily auditable. It included copies of agreements, resolutions, pages of the General Ledger and submitted reports. It is an impressive document and the Fiscal Bureau deserves this "noteworthy accomplishment" for their efforts.

## **VEHICLE SAFEGUARDS & IMPOUND LOT SECURITY**

One of the audit's objectives was to ensure that vehicles seized under the Florida Contraband Forfeiture Act and Section 14-27, City of Tampa, Code of Ordinances, were adequately safeguarded to avoid any loss of value. Florida Statute 932.703 (1) (d) states that, "Reasonable efforts shall be made to maintain seized property in such a manner as to minimize loss of value."

Of the 26 vehicle impounds selected for testing compliance with seizure procedures, 13 were not yet released and traced to their location on the impound lot using the lot location identification detailed in the impound log. While all vehicles were accounted for, the condition of physical safeguards at the Impound Lot did not appear adequate to avoid the loss of their value. This problem has existed for several years and was reported in previous audit reports. Impound Lot employees indicated that in the past month over 30 vehicles were vandalized on two separate occasions.

A tour of the Impound Lot with the Impound Lot Supervisor revealed the following:

- Brush overgrowth along the fence
- An area that turns into a lake after rains
- Trees and other objects adjacent to fence
- Large profile vehicles and other objects adjacent to fence
- Previous fence repairs
- Missing barbed wire
- A new section of fence without barbed wire
- Portions of fence and gates in need of repair
- Remnants of old perimeter security systems
- Possibility of inadequate lighting

The first line of security is the fence. According to the Impound Lot Supervisor, the Tampa Police Department's Facilities Management Unit is currently soliciting bids for replacing the fence, barbed wire and gates. This was confirmed with its Building Maintenance Supervisor. The funds anticipated to pay for the fence are under the control of the Department of Public Works. The City's Facilities Management Coordinator confirmed that funds were available for the project.

The balance of deficiencies noted above, involve a clean up effort and reorganization of the Impound Lot area. Overgrowth, trees and other objects adjacent to the fence offer intruders increased opportunity to breach the fence and conceal their activities.

The need for additional security systems or improved lighting was suggested during interviews of Impound Lot personnel. While both would lessen the risk of intruders and or increase the chance of detection, this assessment would need to be made by someone knowledgeable in security measures. It should also be noted that City personnel are on duty 24 hours a day at the Impound Lot. While employees remain in the locked office, they are at risk from intruders. Because of their remote location, police response times may vary.

## **RECOMMENDATION 1**

The Tampa Police Department should continue its procurement efforts to replace the Impound Lot fence, barbed wire and gates. Overgrowth, trees, vehicles and other objects located adjacent to the fence should be removed or relocated to limit points of entry and intruder concealment. A security assessment should be performed to determine whether additional security enhancements would be cost beneficial.

## **AUDITEE RESPONSE**

We agree with the recommendation. The Police Department has recommended each year since 1998 to either replace the Impound Lot, (which is located at 110 N. 34<sup>th</sup> Street), or make substantial improvements to the site. Funding for Capital Improvement Projects has always been critical since the number and costs of projects always exceed available funding. In prior years, we have recommended that the Impound Lot be relocated to a different site since it is in a flood zone and the Solid Waste Department needed the site for expansion for McKay Bay. In our budget submittal for FY05, we have taken a more realistic approach and submitted requests to enhance the security at the Impound Lot.

Until the Impound Lot can be relocated to a new facility, it is necessary to provide enhancements and security measures to extend the life of the current facility. Equipment needed for security enhancements include motion activated pole-mounted cameras, which can be monitored in the site office. Additionally, infrared or laser sensors should be installed along the interior fence line which, when breached, will activate floodlights and an audible alarm to deter further criminal action. Additionally trees, shrubbery, etc. should be removed from along the fence line. The trees do allow individuals the opportunity to scale the fence and create pockets of darkness.

We were already working with Facilities Management to secure a fence for the outer perimeter. We will coordinate the regular mowing and cutting of grass with our Maintenance staff. We will also go through the City procedures to have the tree removed.

Substantial changes have been made to the Impound Lot during FY04. We were able to secure the services of Facilities Management on some critical improvements. These improvements greatly enhanced the location and value of the site. It also created a very positive response from the dedicated employees who work there.