



DATE: September 3, 2020

TO: Brian James, Chief of Police

FROM: Internal Audit Division

SUBJECT: Federal Forfeiture Open Account FY14 Grant
(No Response Required)

The Internal Audit Division has performed a review beginning on July 30, 2020 of the City of Greensboro Police Department (GPD): Federal Forfeiture Open Account FY14 Grant. The Finance Accounting Unit for this Grant was 220-3538-01.

APPROVAL OF THE CITY COUNCIL:

An Ordinance was approved by the City Council on November 19, 2013 by Ordinance number 13-144 approving amending State, Federal, and Other Grants Fund Budget for the appropriation of Federal Forfeiture Grant for GPD FF Open Account FY14 Grant. The Budget Total approved was for \$200,000.00

PURPOSE:

Title 21, United States Code, Section 881 (e) allows local law enforcement agencies to share in the proceeds from the sale of seized assets and cash from certain criminal investigations. The GPD identified a portion of these funds to be used toward office equipment and furniture, consultant expenses, as well as police and community training and seminars. Consultant expenses include strategic integration planning and outreach development efforts. A budget amendment was needed to be approved by the City Council to permit the expenditures of funds.

BACKGROUND:

Proposed expenditures proposed were as follows:

1. Office equipment and furniture for GPD's Public Information Division
2. Supplemental uniforms and equipment
3. Consultant services to evaluate best practices for crime prevention and reductions, of a neighborhood Policing Implementation, department training and community focus groups to improve police/minority community relations.
4. Training expenses for officer participation in Senior Management Institute for Police (SMIP)

BUDGET IMPACT:

The GPD identified Federal Forfeiture Funds for implementing the proposed initiatives. There was no adverse budgeted impact and the \$200,000.00 funds were placed in account 220-3538-01.



BUDGET:
The Budget included:

| Account # | Dept. | Account Name | Budget | Actual |
|-----------|---------|-----------------------------|---------------------|---------------------|
| 220 3538 | 01 5214 | Office Equip & Furn. | 667.00 | 0.00 |
| 220 3538 | 01 5235 | Small Tools & Equip. | 22,755.00 | 16,494.45 |
| 220 3538 | 01 5413 | Consultant Services | 55,000.00 | 25,789.11 |
| 220 3538 | 01 5415 | Software Maintenance | 0.00 | 3,000.00 |
| 220 3538 | 01 5419 | Other Services | 0.00 | 7,620.00 |
| 220 3538 | 01 5429 | Other Contracted Services | 0.00 | 15,950.00 |
| 220 3538 | 01 5510 | Business & Meeting Exp. | 0.00 | 714.95 |
| 220 3538 | 01 5520 | Seminar/Train. Exp. | 50,000.00 | 45,281.95 |
| 220 3538 | 01 6051 | License Vehicles | 31,898.00 | 31,898.00 |
| 220 3538 | 01 6058 | Capital Software & Services | 10,335.00 | 10,335.00 |
| 220 3538 | 01 6059 | Other Capital Equip. | 29,345.00 | 28,798.00 |
| | | Total Expenses | 200,000.00 | 185,881.46 |
| 220 3538 | 01 7104 | Federal Forfeiture | 200,000.00 | (185,881.46) |
| | | Total Revenue | (200,000.00) | (185,881.46) |
| | | Net | 0.00 | 0.00 |

OBJECTIVES:
Objectives of our review were to:

1. Obtain and review approval of City Resolutions and Ordinances.
2. Obtain and review budget and amendments.
3. Review and test a sample of expenditures paid to vendors in the total amount \$185,881.46 with expenses beginning on January 8, 2014 and ending on November 17, 2015; and verify



- that the expenditures have appropriate documentation and are within contractual guidelines.
4. Verify that required reports are complete, accurate and submitted to the applicable guidelines.
 5. Prepare a Time Line of the Grant from the beginning to the end.
 6. Summarize expended expenses of the Grant.
 7. Inspecting a sample capital equipment costing \$5,000.00 or more.

We examined selected financial transactions and program documentation for the budgeted accounts for compliance with the Grant and for assurance that program goals were achieved. We examined \$31,898.00 or 17.16% of the total expenditures. These expenses were maintained by the GPD through Fiscal Year Ending June 30, 2020. There was \$185,881.46 expended of the total budget of \$200,000.00. The net remainder of the budgeted funds of \$14,118.54 were transferred from account 220-3538-01.7104 to State/Federal/Other Grants Fund (Deferred Revenue-Forfeiture Funds) account number 220-0000-00.3741 on November 16, 2015.

We inspected and found the following capital equipment:

1. Conversion of existing E-Series Van costing \$31,898.00

As of the date of this report, Finance has not closed this Grant. Based on our review, it appears that the funds spent have been spent according to the terms of the Grant with no exceptions noted.

We would like to thank Mr. Stephen Morrison, Grant Analyst; Ms. Stephanie Moore, Fiscal Administrator and the Staff of the City of Greensboro's Police Department for their courtesy and cooperation shown to us during this visit. If there are any questions or comments concerning the details of this visit, we can be reached at 373-2821.

Mickey Kerans
Internal Auditor

Len Lucas
Internal Audit Director

Cc: Larry Davis, Assistant City Manager
Trey Davis, Assistant City Manager
Stephen Morrison, Grant Analyst of the Greensboro Police Department
Stephanie Moore, Fiscal Administrator
Marlene Druga, Deputy Finance Director for Financial Services