



UNITED STATES CAPITOL POLICE OFFICE OF INSPECTOR GENERAL

Performance Audit of the United States Capitol Police Specialty Pay Programs

Report Number OIG-2018-08

February 2018

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INSPECTOR GENERAL

PREFACE

The Office of Inspector General (OIG) prepared this report pursuant to the Inspector General Act of 1978, as amended. It is one of a series of audits, reviews, and investigative and special reports OIG prepares periodically as part of its oversight responsibility with respect to the United States Capitol Police (USCP) to identify and prevent fraud, waste, abuse, and mismanagement.

This report is the result of an assessment of the strengths and weaknesses of the office or function under review. We based our work on interviews with employees and officials of relevant agencies and institutions, direct observation, and review of applicable documents.

We developed our recommendations based on the best knowledge available to OIG and discussed the draft with those responsible for implementation. It is my hope that the recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to those contributing to the preparation of this report.

Fay F. Ropella, CPA, CFE
Inspector General

TABLE OF CONTENTS

	<u>Page</u>
Abbreviations and Acronyms	ii
Executive Summary	1
Background	2
Objectives, Scope, and Methodology	4
Results	6
Internal Control Improvements Needed	6
Non-Compliance with Guidance	9
Appendices	12
Appendix A – List of Recommendations	13
Appendix B – Schedule of Questioned Costs	15
Appendix C – Department Comments	16
Appendix D – [REDACTED]	17

Abbreviations and Acronyms

Budget Object Classification	BOC
Field Training Officer	FTO
Fiscal Year	FY
Government Accountability Office	GAO
Inaugural Task Force	ITF
Office of Financial Management	OFM
Office of Human Resources	OHR
Office of Inspector General	OIG
Police Training Officer	PTO
United States Capitol Police	USCP or the Department

EXECUTIVE SUMMARY

Section 1931, title 2 of the United States Code (2 U.S.C. §1931) authorizes the Chief of Police (Chief) to establish and determine positions within the United States Capitol Police (USCP or the Department) as specialty assignments or ones requiring certain proficiencies eligible for special compensation. The Chief has designated various positions as eligible for Hazardous Duty Pay, Plainclothes Pay, or Field Training Officer (FTO) Pay.

The Department's Office of Human Resources (OHR) is responsible for managing payments in an effective and efficient manner as well as reviewing any relevant documentation for ensuring accuracy and compliance with guidance. To document and certify specialty pay, the Department uses Form [REDACTED] Directives for monitoring positions eligible for Specialty Pay Programs are USCP Directive [REDACTED], dated January 9, 2015; USCP Directive [REDACTED], dated February 21, 2017; USCP Directive [REDACTED], dated February 3, 2014; USCP Administrative Directive [REDACTED], dated November 1, 2003; and USCP Directive [REDACTED], dated November 18, 2014.

In 2008, the Office of Inspector General (OIG) conducted an agreed upon procedures engagement of specialty pay¹ and made nine recommendations. As of September 15, 2014, the Department had fully implemented the recommendations. We conducted this performance audit to assess the Department's compliance with governing directives and effectiveness of controls for specialty pays. The objectives of the audit were to determine if the Department (1) properly accounted for Specialty Pay Programs and (2) complied with applicable directives related to the personnel compensation programs such as eligibility requirements. The scope included the Hazardous Duty Pay, Plainclothes Pay, and FTO Pay during Fiscal Year (FY) 2016 and FY 2017.

Although the Department updated its accounting system to capture costs by budget object class (BOC) for each type of specialty pay, controls were not adequate and did not ensure the Department properly accounted for Specialty Pay Programs. Specifically, applicable directives need updating to:

- Identify responsible individuals or organizational elements for ensuring that maximum annual rate of pay is not exceeded and the process for adjusting amounts when the annual rate of pay is exceeded.
- Reflect an adjustment from 5 to 8 percent of annual base salary for hazardous duty pay.

¹ *Review of Specialty Assignment and Proficiency Pay Programs*. Report Number OIG-2008-06. July 2008.

- Reflect issuance of USCP Directive [REDACTED], dated April 7, 2015, describing criteria for receiving such pay.
- Identify the methodology for calculating and documenting the FTO pay review.

The Department did not (1) maintain adequate evidence demonstrating compliance with the specialty pay criteria, (2) consistently use and complete the required forms before issuing specialty payments, and (3) ensure recipients submitted forms in accordance with policies and procedures. For example, Directive [REDACTED] requires that FTOs submit [REDACTED] at the end of each pay period. However, employees accumulated [REDACTED] and submitted two or more forms at one time. The accumulated [REDACTED] often covered multiple pay periods and at times, the forms covered payments spanning two fiscal years, which could have resulted in assigning costs to the wrong appropriation or ended up misstating expenses in its annual financial statements. The noncompliance issues resulted in questioned costs of \$311,592² for unauthorized or unsupported payments.

Updating and communicating policies and procedures, applicable directives, and forms as well as establishing formal processes for recalculating pay review would strengthen the internal controls, administration, and management of these personnel compensation programs would ensure better compliance with the program. See Appendix A for a complete list of recommendations and Appendix B for a schedule of questioned costs.

On February 1, 2018, OIG provided a draft report to Department officials for comment. We incorporated the Department's comments as applicable and attached the response to the report in its entirety in Appendix C.

Background

The Chief of Police (Chief) serves as the chief executive officer of the United States Capitol Police (USCP or the Department) and is responsible for the day-to-day operation and administration of the Department. Section 1932, title 2 of United States Code (2 U.S.C. §1931) authorizes the Chief to establish and determine positions within the Department as specialty assignments or ones requiring certain proficiencies that are eligible for additional compensation.

The Office of Inspector General (OIG) previously issued a *Review of Specialty Assignment Proficiency Pay Programs* (OIG-2008-06) in July 2008.³ As of September 15, 2014, the

² A "questioned cost" denotes that one or more of the following situations exist: (1) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, other agreement, or document governing the expenditure of funds; (2) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (3) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

³ The review scope included USCP Specialty Assignment Pay Program, Hazardous Duty Pay, Physical Fitness Incentive Program, Plainclothes Pay, Firearms Proficiency Pay, and FTO Pay during Fiscal Years 2005 through 2007.

Department had fully implemented the nine recommendations. Based on recommendations from the FY 2008 review, the Department suspended the Specialty Assignment Pay Program, Physical Fitness Incentive Program, and Firearms Proficiency Pay in November 2007.

The Specialty Pay Programs in the Department include Hazardous Duty Pay, Plainclothes Pay, and Field Training Officer (FTO) Pay. According to Directive [REDACTED], dated January 9, 2015, certain employees are entitled to Hazardous Duty Pay. Employees include those assigned to the Department's Hazardous Devices Section and the Hazardous Materials Response Team (Figure 1)—within the Hazardous Incident Response Division—and the Containment and Emergency Response Team, and Canine Training. Both of those units are within the Patrol/Mobile Response Division. Eligible employees receive a percentage of their annual base salary as additional compensation.

Figure 1 – USCP Hazardous Materials Response Team



Source: Hazardous Materials Response Team Photograph

The Department also provides additional compensation in the form of Plainclothes Pay to sworn employees whose regularly assigned duties require that they wear plainclothes attire in lieu of the issued uniform. The purpose of the specialty pay is to offset the purchase of such clothing and/or its maintenance when job requirements necessitate that sworn employees wear plainclothes attire. Eligible sworn employees receive a maximum of \$1,200 each year, which is divided into two payments and included in one of the employee's regular salary payments in April and in October. Directive [REDACTED], dated November 1, 2003, establishes the eligibility criteria for Plainclothes Pay. The Department issued changes specifically relating to approved organizational elements and eligibility periods⁴ on February 3, 2014, when it issued Directive [REDACTED].

The Department further provides additional compensation to sworn employees selected and trained to instruct and mentor newly graduated recruit officers or newly assigned officers to certain operational Divisions while acting as FTOs. FTOs receive an additional \$25 for 8 hours of training per day per trainee. Directive [REDACTED], dated April 7, 2015, provides a separate program specifically targeted to training new recruits, with the FTO program specifically targeted to the re-assignment of experienced officers.

⁴ Directive [REDACTED] states, "an employee is only eligible to receive Plainclothes Pay if the employee has been assigned or detailed to an eligible position, and has regularly performed the duties of that position for more than an aggregate of 50% of the previous six-month period for pay purposes." Directive [REDACTED] states that "Eligible employees must be in a pay status on the first day of the last pay period of the six-month eligibility period in order to receive payment."

The special pay rates accrue toward the maximum annual payable rate.⁵ The Office of Human Resources (OHR) is responsible for managing the programs and the Department uses Form [REDACTED] to document and certify payments.

OBJECTIVES, SCOPE, AND METHODOLOGY

OIG contracted with Cotton & Company, LLP, to conduct a performance audit of the Department's Specialty Pay Programs. The objectives were to determine if the Department (1) properly accounted for Specialty Pay Programs and (2) complied with applicable directives related to the personnel compensation programs such as eligibility requirements. The scope included the Hazardous Duty Pay, Plainclothes Pay, FTO Pay, and Police Training Officer (PTO) Pay⁶ during Fiscal Year (FY) 2016 and FY 2017. Our procedures included conducting interviews of relevant Department officials to gain an understanding of the operating environment surrounding Specialty Pay Programs in order to understand how the officials implemented the Directives and monitored compliance.

From October 1, 2015, through September 30, 2017, more than 500 USCP employees received specialty pay totaling more than \$1.5 million. The programs rely on [REDACTED] to authorize payments. Because recipients of specialty pay may receive multiple payments throughout each year for each program, we reviewed [REDACTED] related to more than one pay period. We requested 90 [REDACTED] for Hazardous Duty Pay, but received and tested only [REDACTED] representing 40 payments. In addition to the Hazardous Duty payments tested, we also tested 170 [REDACTED] for Plainclothes Pay and 150 for FTO/PTO, as shown in the Table below.

Specialty Pay Programs Universe and Sample Tested

<i>Specialty Pay Program</i>	<i>Universe</i>		<i>Sample Requested</i>		<i>Data Received and Tested</i>	
	<i>Dollar Value</i>	<i>Number of Items</i>	<i>Dollar Value</i>	<i>Number of Items</i>	<i>Dollar Value</i>	<i>Number of Items</i>
Hazardous Duty	\$994,989	170	\$523,498	90	\$213,105	40
Plainclothes	\$373,063	639	\$101,760	174	\$101,760	170 ⁷
FTO/PTO	\$137,152	149	\$89,076	157	\$89,076	150 ⁸

⁵ Per the Directives [REDACTED], and [REDACTED], "payments accrue toward the maximum annual payable rate (as established under the Capitol Police Board Resolution for Unified Schedules of Rates of Basic Pay for Members and Civilian Employees of the USCP) for the calendar year in which payments are received." The maximum annual payable rate indicated on the Schedule of Rates of Basic Pay for members of USCP is limited to \$168,411.

⁶ [REDACTED] does not identify whether the FTO or PTO program is applicable. As such, our sample may have included [REDACTED] for both pay types. Directive [REDACTED] states sworn employees serving as PTOs will be treated the same as those in the FTO Program.

⁷ The four items requested but not received represent instances where the employee did not receive a payment for the sampled pay period, so no support was required.

⁸ The seven items requested but not received represent instances where the employee did not receive a payment for the sampled pay period, so no support was required.

Total	\$1,505,204	958	\$714,333	421	\$403,941	360
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Source: Generated from review of Form [REDACTED] and applicable payments for the period October 1, 2015, through September 30, 2017. Amounts rounded to nearest dollar.

We performed attribute testing of controls such as eligibility, accuracy, and proper authorization to determine compliance with guidance regarding operation of the pay programs. We also performed substantive testing to verify that amounts paid were accurate for hazardous duty, plainclothes, and FTO payments and did not exceed the prevailing maximum of 8 percent of each recipient's base salary.

We tested compliance with key provisions of Directives including completeness of [REDACTED], reviewing for appropriate approval signatures and dates, and whether the employee worked in one of the qualifying organizational elements for the prescribed timeframe, as the directives prescribe.

To determine USCP's compliance with applicable laws, Board regulations, and guidance, we compared control procedures, records, and data with applicable criteria for the following guidance.

- Directive [REDACTED], November 1, 2003
- Directive [REDACTED], February 3, 2014
- Directive [REDACTED], February 21, 2017
- Directive [REDACTED], January 9, 2015
- Directive [REDACTED], November 18, 2014
- Directive [REDACTED], April 7, 2015
- Directive [REDACTED], dated April 25, 2017
- Office of Management and Budget (OMB) Memorandum M-16-17, *Management's Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016
- OMB Circular No. A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016
- The U.S. Government Accountability Office (GAO), *Standards for Internal Control in the Federal Government*, GAO-14-704G, September 2014

Although as a legislative branch agency it is not required to comply with executive branch guidance, the Department uses those principles as best practices when developing policies and procedures for Specialty Pay Programs. We used OMB Circular A-123 and GAO *Standards for Internal Control in the Federal Government* as best practices for criteria used in assessing internal controls.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform an audit to obtain sufficient, appropriate evidence that will provide 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, except for the scope limitation described above. On February 1, 2018, we conducted an exit conference with Department officials and provided them with a draft copy of this report for comment. See Appendix A for a list of

recommendations and Appendix B for a Schedule of Questioned Costs. We incorporated Departmental comments, as applicable, and attached the response to the report in its entirety as Appendix C.

Results

Although it updated its accounting system to capture costs by budget object class (BOC) for each type of specialty pay, the Department could improve its use of internal controls, which would assist in ensuring compliance with specialty pay policies and procedures.

Internal Control Improvements Needed

Although it updated accounting systems to capture costs by BOC for each type of specialty pay—an improvement over the 2008 work—the Department could improve internal controls over the administration and management of the programs for specialty pay. Specifically, directives need updating to (1) identify responsible individuals or organizational elements for ensuring that maximum annual rate of pay is not exceeded and the process for adjusting amounts when the annual rate of pay is exceeded; (2) reflect the adjustment to the prevailing 8 percent of annual base salary for Hazardous Duty Pay rather than the outdated 5 percent; (3) reflect issuance of the directive covering PTOs, which describes criteria for receiving such pay; and (4) identify the methodology for calculating and documenting the FTO Pay review. Clarifying and communicating Department guidance should ensure that individuals and organizations are familiar with responsibilities and requirements for each type of specialty pay.

Maximum Annual Payable Rate

Directives [REDACTED], [REDACTED], and [REDACTED] need updating to include identifying responsible individuals or organizational elements that will ensure that the maximum annual rate of pay is not exceeded and the process for adjusting amounts when the annual rate of pay is exceeded. Of nine certifying officials interviewed, three stated they believed that monitoring the annual rate of pay was the responsibility of the employee. As a result, the Department may not have correctly identified possible illegal, improper, or erroneous payments, potentially resulting in an employee's pay exceeding the annual payable rate.

In addition, directives did not clearly explain how to adjust employee pay if the projected payment exceeded the maximum payable rate. Directives state, the "... actual payment amounts will be adjusted in the same manner as for Sunday Premium Pay, Holiday Pay, and Night Differential Pay." Directives did not explicitly describe the specific steps for calculating and making pay adjustments, which could have led to inconsistent calculations.

Policies and Procedures

Policy and procedures for the Department's Specialty Pay Programs need updating. Directive [REDACTED] sets Hazardous Duty Pay at 5 percent of annual base salary. In a January 8, 2016,

Policy Memo from the Chief Administrative Officer, the Department increased Hazardous Duty Pay from 5 percent of the annual base salary to 8 percent. The Department did not, however, update the Directive to reflect that increase.

In April of 2015, the Department issued Directive establishing the PTO Program. The Directive provides guidelines for training new recruits. The Department did not, however, update the FTO Directive to reflect issuance of the new directive. The new PTO Directive also does not describe the criteria that sworn employees must meet to receive such specialty pay, but instead, refers to the FTO Directive. The FTO Directive does not reference the new PTO guidelines.

The Uniformed Services Bureau developed Form , dated May 2017, to improve upon the . The Department did not, however, update Directive to acknowledge the new form. Directive states sworn employees serving as PTOs will be treated the same as those in the FTO Program, but the programs used different forms to document and certify eligibility for specialty pay. Lack of updated guidance, which clearly defines FTO and PTO policies and procedures, can lead to confusion among management and program participants.

In November 2007 the Department suspended the Specialty Assignment Pay Program. However, the included in Directives , , and still had a section for specialty assignment pay. To eliminate any confusion, the Department should update applicable forms to include prevailing types of specialty pay.

Recalculation of FTO Pay

GAO Standards for Internal Control in the Federal Government; Appropriate documentation of transactions and internal control, GAO-14-704G, September 2014, states:

Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

Directive requires that OHR ensure payment accuracy and compliance with the directive. The Directive did not, however, provide policies and procedures specifying how OHR should perform and document the pay review. OHR calculates FTO Pay to confirm accuracy, yet it did not have a standard form for documenting this recalculation/confirmation. Rather, OHR performed a manual recalculation and documented results on a sticky note, then attached the note to the applicable . However, the attached note did not have the signature or date of the individual or individuals performing the recalculation. The type of documentation could easily have been lost, making it impossible to determine whether OHR performed the required review.

Communicating Specialty Pay Program Guidance

Applicable directives require that certifying officials notify OHR when an employee is no longer eligible to receive specialty pay. Of the nine certifying officials interviewed, two stated they relied on employees to cancel their own specialty pay after becoming ineligible. In addition, supervisors acting in the roles as certifying officials did not consistently interpret and apply criteria. For example, not all certifying officials were aware that plainclothes payments were reimbursements for the previous 6-month period and instead believed they were advance payments for the following 6-month period. Such a practice could have resulted in overpayments as a result of possible error or fraud. Clarifying and communicating such guidance will assist in ensuring that all individuals and organizations are familiar with responsibilities and requirements for each type of specialty pay and ensure compliance.

Conclusions

Updating and communicating policies and procedures, applicable directives, and forms as well as establishing formal processes for recalculating pay review should strengthen the internal controls, administration, and management of Specialty Pay Programs. Thus, we make the following recommendations:

Recommendation 1: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015; Directive [REDACTED], February 21, 2017; and Directive [REDACTED], November 18, 2014, to (a) identify the entity or individual responsible for monitoring pay to ensure employees do not exceed the maximum annual payable rate, and (b) explicitly describe the procedures for calculating and making adjustments to payments exceeding the maximum payable rate.

Recommendation 2: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015, to reflect the increase in the Hazardous Duty payable rate that resulted from the [REDACTED] policy memo from the Chief Administrative Officer, dated January 8, 2016.

Recommendation 3: We recommend that the United States Capitol Police update Directive [REDACTED], November 18, 2014 to (a) reflect establishment of the Police Training Officer Program, (b) identify the appropriate form to document and certify eligibility for Field Training Officer Pay, and (c) include policies and procedures specifying how the Office of Human Resources should perform and document the pay review to include developing a standard form that documents a recalculation process including the date and individual performing the recalculation.

Recommendation 4: We recommend that the United States Capitol Police update Directive [REDACTED], April 7, 2015, to identify the

appropriate form for documenting and certifying eligibility for Police Training Officer Pay.

Recommendation 5: We recommend that the United States Capitol Police re-emphasize and re-educate certifying officials on the importance of the key criteria that employees must meet to qualify for specialty pay and reiterate that officials must reassess such criteria before each Form [REDACTED], is certified.

Non-Compliance with Guidance

The Department did not consistently ensure compliance with guidance. Specifically, the Department did not (1) maintain adequate evidence that would demonstrate compliance with the specialty pay criteria, (2) consistently use and complete the required forms before issuing specialty pay, or (3) ensure that recipients submitted forms in accordance with policies and procedures. As a result, we questioned costs of \$311,592⁹ for unauthorized or unsupported payments.

Unauthorized and Unsupported Payments for Plainclothes Pay

Directive [REDACTED] states, "Sworn employees are only eligible to receive plainclothes pay when assigned or detailed to an eligible position within an authorized organizational element..." and "Eligible employees must be in a pay status on the first day of the last pay period of the six-month eligibility period in order to receive payment." Directive [REDACTED] allows the Chief to authorize payments in other circumstances.

Of the 170 plainclothes payments tested, 2 recipients were not assigned to organizational elements listed in the guidance on the first day of the last pay period of the six-month eligibility period and did not have accompanying written authorization. For example, the Department made a plainclothes payment to a recipient assigned to the Inaugural Task Force (ITF) in FY 2017. Directive [REDACTED] did not identify ITF as an approved organizational element and there was no evidence of authorization. As a result, we questioned costs of \$1,200 for unallowable payments.

Inadequate Evidence to Support Hazardous Duty Pay

Directive [REDACTED] requires that OHR file and maintain original [REDACTED] along with supporting documentation. Nevertheless, OHR did not provide Hazardous Duty Pay documentation in a timely manner and provided only 40 of 90 documents requested. Specifically, OHR did not

⁹ A "questioned cost" denotes that one or more of the following three conditions exist: (1) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, other agreement, or document governing the expenditure of funds; (2) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (3) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

provide records supporting the completion of qualified training for employees or related [REDACTED] that initiated Hazardous Duty Pay as Directive [REDACTED] requires. A Department official stated identifying the pay period in which those employees became eligible for hazardous duty pay would be too difficult and time consuming to locate related supporting documentation.

Directive [REDACTED] states, "Eligibility for hazardous duty pay is certified annually for the duration of the employee's tenure in an eligible position." Lack of supporting documentation for the 50 sampled employees indicated that annual certifications did not occur. Furthermore, because OHR did not provide the applicable [REDACTED], we were unable to determine if the documents complied with the applicable directive. Missing supporting documentation resulted in unsupported payments totaling \$310,392 for FYs 2016 and 2017.

Inadequate Evidence to Demonstrate Eligibility Criteria Were Met

The Department uses the [REDACTED] to document and certify specialty pay for its employees. Yet, the Department did not have adequate evidence demonstrating that recipients of specialty pay met eligibility requirements. The Department also did not consistently ensure that [REDACTED] were complete, accurate, and approved. Specifically, [REDACTED] tested did not include documentation demonstrating compliance with current specialty pay criteria such as hazardous duty eligibility dates.

Signatures of certifying officials, OHR, and FTOs document review of [REDACTED], ensuring accuracy and compliance with requirements of applicable directives. Of 360 [REDACTED] tested across all Specialty Pay Programs,

- 344, or 96 percent, did not have a signature of the appropriate OHR official.
- 73, or 20 percent, did not have a signature of the appropriate FTO.
- 19, or 5 percent, did not have a signature of the certifying official.

As a result, the Department did not have adequate evidence that would support review and approval before processing payments.

[REDACTED] were Not Submitted Timely

Directive [REDACTED] requires that FTOs submit [REDACTED] at the end of each pay period. The Department did not ensure sworn employees submitted [REDACTED] for FTO Pay at the end of each pay period. Rather, the Department permitted sworn employees to accumulate [REDACTED] and then submit two or more forms at one time. Accumulated [REDACTED] often covered multiple pay periods and at times, the [REDACTED] covered payments that spanned two fiscal years. For example, in FY17 an employee from the Operational Services Bureau submitted a [REDACTED] that covered September through November. Those costs were applicable to both FY16 and FY17. As a result, the Department could have (1) assigned costs to the incorrect fiscal year

appropriation in violation of the Anti-Deficiency Act,¹⁰ (2) allowed recipients to exceed the maximum annual payable rate, (3) misstated expenses in its annual financial statements.

Conclusions

The Department did not (1) maintain adequate evidence demonstrating compliance with the specialty pay criteria, (2) consistently use and complete the required forms before issuing specialty pay, or (3) ensure recipients submitted forms in accordance with policies and procedures. As a result, we questioned costs of \$311,592 for unauthorized or unsupported payments. Failure to ensure complete and accurate documentation with proper approvals represents a control deficiency that can result in incorrect payments as a result of either error, fraud, or both. To ensure compliance, the Department should strengthen supporting, recording, and reporting Specialty Pay Programs. Thus, we make the following recommendations:

Recommendation 6: We recommend the United States Capitol Police (a) take immediate action to collect unallowable costs totaling \$1,200 from recipients not complying with applicable directives, (b) consider whether reimbursement and recovery, in whole or in part, would be against equity and good conscience, and (c) provide adequate supporting documentation so that an appropriate determination can be made regarding unsupported costs totaling \$310,392.

Recommendation 7: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015; Directive [REDACTED], February 21, 2017; and Directive [REDACTED] November 18, 2014, to include detailed procedures for completing, including signature blocks and dates, as well as processing Form [REDACTED] [REDACTED]

Recommendation 8: We recommend that the United States Capitol Police update Form [REDACTED], to include eligibility blocks that will assist in ensuring compliance with applicable directives and remove from the form the section identified as Specialty Assignment.

Recommendation 9: We recommend that the United States Capitol Police conduct training reinforcing the importance of weekly submission of Form [REDACTED] [REDACTED], to ensure that payments are in the correct fiscal year appropriation and in accordance with Directive [REDACTED], dated November 18, 2014.

¹⁰ Antideficiency Act, 31 U.S.C. §§1341(a), 1342, 1517(a) prohibits Federal agencies from obligations or expending Federal funds in advance or in excess of an appropriation, and from accepting voluntary services.

APPENDICES

List of Recommendations

Recommendation 1: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015; Directive [REDACTED], February 21, 2017; and Directive [REDACTED], November 18, 2014, to (a) identify the entity or individual responsible for monitoring pay to ensure employees do not exceed the maximum annual payable rate, and (b) explicitly describe the procedures for calculating and making adjustments to payments exceeding the maximum payable rate.

Recommendation 2: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015, to reflect the increase in the Hazardous Duty payable rate that resulted from the [REDACTED] policy memo from the Chief Administrative Officer, dated January 8, 2016.

Recommendation 3: We recommend that the United States Capitol Police update Directive [REDACTED], November 18, 2014 to (a) reflect establishment of the Police Training Officer Program, (b) identify the appropriate form to document and certify eligibility for Field Training Officer Pay, and (c) include policies and procedures specifying how the Office of Human Resources should perform and document the pay review to include developing a standard form that documents a recalculation process including the date and individual performing the recalculation.

Recommendation 4: We recommend that the United States Capitol Police update Directive [REDACTED], April 7, 2015, to identify the appropriate form for documenting and certifying eligibility for Police Training Officer Pay.

Recommendation 5: We recommend that the United States Capitol Police re-emphasize and re-educate certifying officials on the importance of the key criteria that employees must meet to qualify for specialty pay and reiterate that officials must reassess such criteria before each Form [REDACTED], is certified.

Recommendation 6: We recommend the United States Capitol Police (a) take immediate action to collect unallowable costs totaling \$1,200 from recipients not complying with applicable directives, (b) consider whether reimbursement and recovery, in whole or in part, would be against equity and good conscience, and (c) provide adequate supporting documentation so that an appropriate determination can be made regarding unsupported costs totaling \$310,392.

Recommendation 7: We recommend that the United States Capitol Police update Directive [REDACTED], January 9, 2015; Directive [REDACTED], February 21, 2017; and Directive [REDACTED], November 18, 2014, to include detailed procedures for completing, including signature blocks and dates, as well as processing Form [REDACTED].

Recommendation 8: We recommend that the United States Capitol Police update Form [REDACTED] to include eligibility blocks that will assist in ensuring compliance with applicable directives and remove from the form the section identified as Specialty Assignment.

Recommendation 9: We recommend that the United States Capitol Police conduct training reinforcing the importance of weekly submission of Form [REDACTED], to ensure that payments are in the correct fiscal year appropriation and in accordance with Directive [REDACTED], dated November 18, 2014.

United States Capitol Police
Performance Audit of Specialty Pay Programs
October 1, 2015 – September 30, 2017
Schedule of Questioned Costs

QUESTIONED COSTS			
<i>Unallowable/ Unauthorized</i>	<i>Unsupported</i>	<i>Total</i>	<i>Notes</i>
	\$310,392	\$310,392	Directive [REDACTED] requires OHR to file and maintain original [REDACTED] and any supporting documentation for payments. OHR did not provide Hazardous Duty Pay documentation in a timely manner and only provided 40 of 90 documents requested, which resulted in unsupported Hazardous Duty payments totaling \$310,392 for FYs 2016 and 2017 (page 10.)
\$1,200		\$1,200	Directive [REDACTED] stipulates that sworn employees are only eligible to receive Plainclothes Pay when assigned or detailed to an eligible position within an authorized organizational element for a period of time. Two recipients not on approved lists of organizational elements received Plainclothes Pay (page 9.)
<u>\$1,200</u>	<u>\$310,392</u>	<u>\$311,592</u>	

Source: Generated from audit results.
Amounts rounded to the nearest dollar.

DEPARTMENT COMMENTS

Form 500 091 1009



UNITED STATES CAPITOL POLICE

OFFICE OF THE CHIEF
1000 MICHIGAN AVE.
WASHINGTON, DC 20540-1219

February 14, 2018

COP 180182

MEMORANDUM

TO: Ms. Fay F. Ropella, CPA, CFE
Inspector General

FROM: Matthew R. Verderosa
Chief of Police

SUBJECT: Response to Office of Inspector General draft report *Performance Audit of the United States Capitol Police Specialty Assignment and Proficiency Pay Programs* (Report No. OIG-2018-08)

The purpose of this memorandum is to provide the United States Capitol Police response to the recommendations contained within the Office of Inspector General's (OIG) draft report *Performance Audit of the United States Capitol Police Specialty Assignment and Proficiency Pay Programs* (Report No. OIG-2018-08).

The Department generally agrees with all of the recommendations and appreciates the opportunity to work with the OIG to further improve upon current policies and procedures in place within the Specialty Assignment and Proficiency Pay Programs. The Department will assign Action Plans to appropriate personnel regarding each recommendation in effect to achieve long term resolution of these matters.

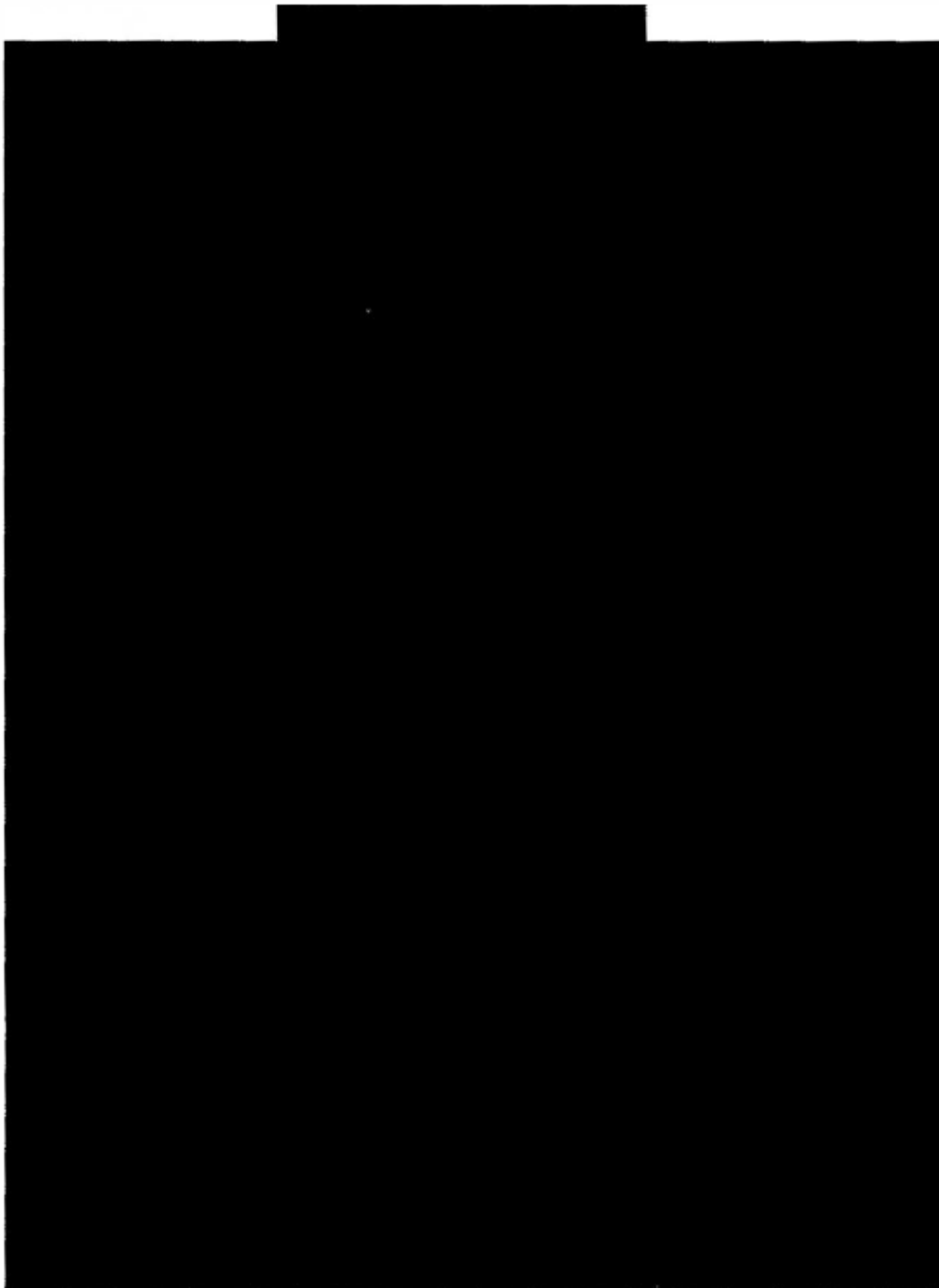
Thank you for the opportunity to respond to the OIG's draft report. Your continued support of the women and men of the United States Capitol Police is appreciated.

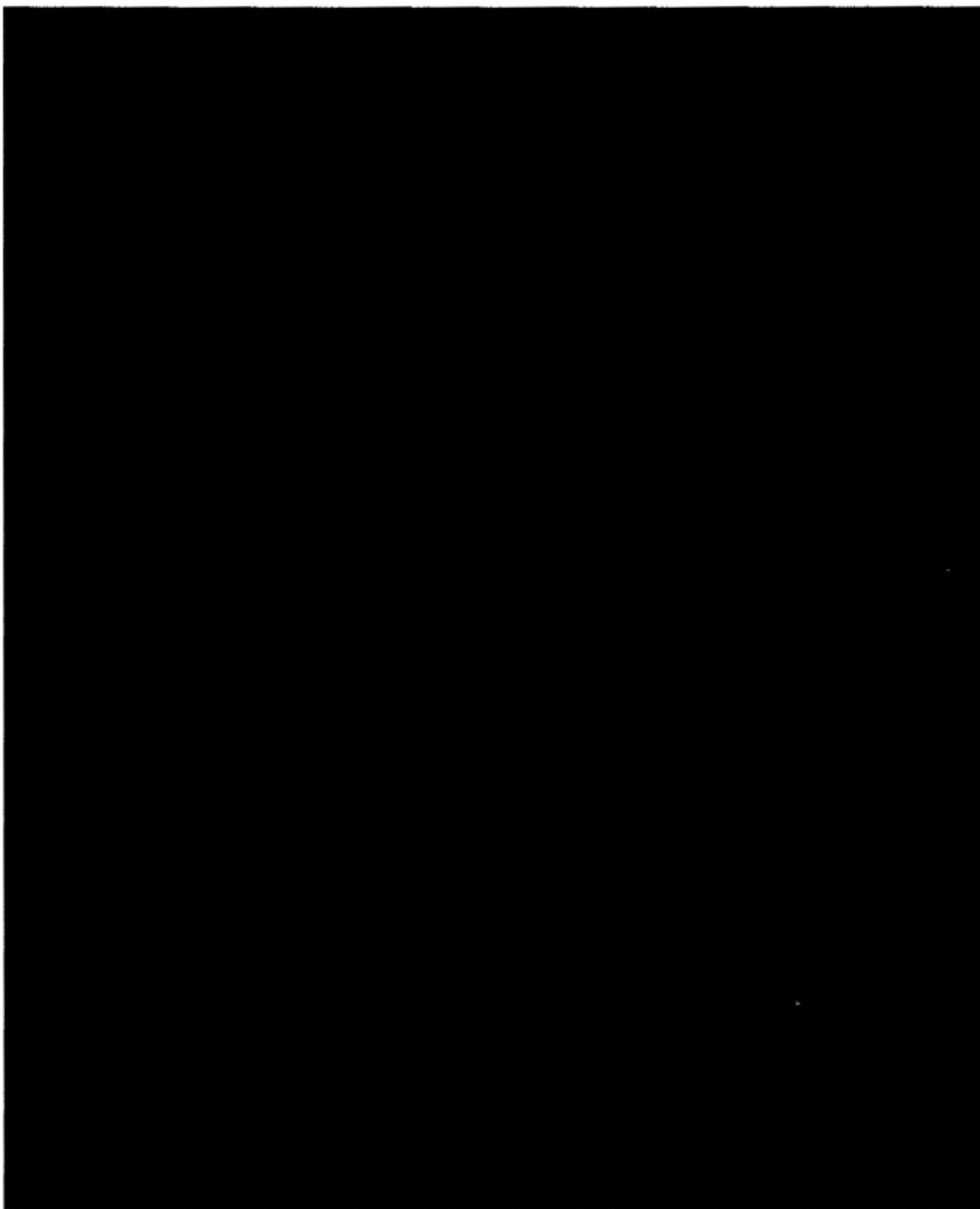
Very respectfully,

A handwritten signature in dark ink, appearing to read "Matthew R. Verderosa".

Matthew R. Verderosa
Chief of Police

cc: Steven A. Sund, Assistant Chief of Police
Richard L. Braddock, Chief Administrative Officer
[REDACTED] ISCP Audit Liaison





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Washington, DC 20003*



Or visit us:

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Washington, DC 20003*



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