



UNITED STATES CAPITOL POLICE

WASHINGTON, DC 20510

June 28, 2016

OFFICE OF INSPECTOR GENERAL

MEMORANDUM

TO: Matthew R. Verderosa,
Chief of Police

FROM: Fay F. Ropella, CPA, CFE
Inspector General

SUBJECT: Management Advisory Report, *Violation Citation Process*
[REDACTED] *Collateral Funds* (Report Number OIG-2016-09)

During April 2016, the Department not only processed record numbers of arrests for a single day but also for aggregate total number of arrests. The Department employed a new process—[REDACTED]—and helped chart a new path for the Department in terms of handling mass arrest situations. The new process helped make the procedures work and saved resources, thus making the mass arrests experienced during April manageable.

At the request of the Deputy Chief of the Operational Services Bureau (OSB), the Office of Inspector General (OIG) performed limited procedures of the new Form [REDACTED] process. Our objective was to determine if the controls over the new process were effective and ensured the integrity of the collection, recording, custody, and transfer of collateral funds generated from [REDACTED] citations.

We believe our suggestions will assist the Department in finalizing its draft Standard Operating Procedure (SOP) as well as improve the integrity of the process related to [REDACTED] citations, such as (1) describing in detail the procedures related to accepting collateral funds, (2) including procedures for [REDACTED] reconciliations, as well as threshold amounts requiring routine transport of funds to the Superior Court of the District of Columbia, along with audit responsibilities, and (3) explaining segregation of duties related to the transport of funds to the Superior Court of the District of Columbia and proper disposition of the obtained receipts.

Background

During April 2016, USCP adopted the process for [REDACTED] citations from practices used by the Metropolitan Police Department in Washington, D.C. A [REDACTED] allows the Department to expedite the arrest process for certain violations as determined by the Superior Court of the District of Columbia. The Department used the [REDACTED] citation

for the first time during mass protest arrests in April 2016. USCP arrested 1,240 protesters during the week, including 429 on Monday, April 11, 2016. The Department generally uses the [REDACTED] for processing misdemeanor offenses in the field. The process allows the Department to improve the efficiency of the process. [REDACTED]

In lieu of taking the violator into custody, an officer can issue a [REDACTED] citation. The violator can either forfeit the collateral (pay fine) amount set for that specific charge (in this case, \$50) or request an arraignment date to contest the charge within 15 days of the arrest. Prisoner Processing personnel are responsible for conducting the collateral forfeit or scheduling an arraignment date. The violator must, however, complete the process in person at USCP Headquarters (HQ). Based on interviews and review of the collateral log sheets, Prisoner Processing personnel immediately transfer collateral funds to the Finance Office of the Superior Court of the District of Columbia.

Objective, Scope, and Methodology of Our Report

Our objective was limited to focusing on the collection, recording, custody, and transfer of funds from [REDACTED] citations, which included reviewing documents provided by USCP Prisoner Processing, reviewing SOPs, interviewing staff, and observing the collateral forfeit process. The scope of the review focused on the violation citation collateral process as of April 20, 2016.

We obtained the Draft SOP, titled, [REDACTED] from USCP prior to our walkthrough with Prisoner Processing personnel on April 29, 2016. Additionally, we reviewed USCP Directive [REDACTED] dated October 19, 2012. Also, we used the Government Accountability Office (GAO) *Standards for Internal Control in the Federal Government*, GAO-14-704G, dated September 2014.

Because the nature and brevity of this analysis precluded use of our normal protocols, OIG did not conduct this analysis in accordance with generally accepted government auditing standards. Had we conducted an audit and followed such standards, other matters might have come to our attention.

Results

USCP has not formally adopted its SOP related to the [REDACTED] citation process. As of the date of this report, the SOP was still in draft and awaiting OIG comments concerning the process. Based on our walkthrough, we noted that Prisoner Processing personnel were performing their duties consistent with the draft SOP requirements as well as Directive [REDACTED]. The two documents primarily outline the basic controls for parties involved in the [REDACTED] citation process. We concluded the USCP practices were reasonable, but OIG suggests additional controls, which, if fully implemented, could strengthen the [REDACTED] violation citation process.

The Department should amend and formalize the draft SOP to incorporate additional details that mirror the SOP to the Directive. Incorporating the most up-to-date policies and procedures would ensure that the new process is fully communicated to personnel

and that the SOP and Directive reflect the same detailed [REDACTED] process. Several aspects of the Directive are obsolete or not practiced. For example, the Directive discusses use the Form [REDACTED] and the use of a collateral receipt machine—both of which are outdated.

The Directive also discusses the responsibility for Patrol/Mobile Response Division (PMRD) to perform audits. However, PMRD did not perform the required audits. The SOP and Directive should mirror each other to ensure consistency of procedures.

PMRD did not routinely reconcile [REDACTED] (used or unused) against a central listing, thus ensuring accountability. The draft SOP does not describe the process for issuing and reconciling [REDACTED] forms. USCP staff stated that although a Sergeant distributes the [REDACTED] to the officers in a controlled manner, documenting the process would improve consistency and accountability. Furthermore, including a requirement in the SOP and the Directive for a periodic reconciliation of all the [REDACTED] forms would also ensure that forms are accountable in the custody of officers as well as properly issued and with a recorded disposition. The *GAO Standards for Internal Controls in the Federal Government* requires that management limit access to resources and records to only authorized individuals responsible for assigning and maintaining accountability for the custody and use of resources.

Periodically comparing or reconciling resources with documentation should assist in reducing any errors, fraud, misuse, or unauthorized alteration. Such a procedure should include reconciling issued [REDACTED] to the Collateral/Bond Log Book [REDACTED] and/or the [REDACTED] system and to the collateral lists that ultimately agree to the final receipt provided from the Finance Office for the Superior Court of the District of Columbia. While we noted timely transfers of collateral, the Directive should provide specific details about the frequency or a monetary threshold requirement for transfers. Specifying an amount or time threshold requirement for transferring funds from USCP to the Finance Office for the Superior Court of the District of Columbia would also assist in establishing greater accountability.

Clarification about segregation of duties is required. The description in the Directive of the process for transporting and obtaining receipts for funds is not specific regarding responsibilities, resulting in a misconception about the number of employees responsible. Sometimes the same person transports the collateral, obtains the receipt from the Administrative Sergeant, and obtains the Section Commanders initials. *GAO Standards for Internal Controls in the Federal Government* state, "Segregation of duties helps prevent fraud, waste, and abuse." The Directive should clearly identify the roles and the responsibilities related to the transport and receipt process.

During our walkthrough, we also noted that Prisoner Processing did not always have sufficient manpower to efficiently process violators when arriving at HQ to post

collateral and forfeit or request an arraignment date. Officers were able to process violators quickly when they elected to post collateral and forfeit, however, such was not the case when a violator requested a date for arraignment. The process for completing the booking and scheduling an arraignment can cause delays for processing other violators who wish to post collateral and forfeit. USCP could improve on the issue by providing an additional officer to assist in processing violators when a large number of prisoners might be expected as in the recent mass arrest. Prisoner Processing could use an extra officer to process the violators who wish to set an arraignment date, while the other officer continues to process the violators who wish to post and forfeit.

On June 17, 2016, and on June 20, 2016 we provided a draft report to OSB for comment. We incorporated OSB's comments where applicable.

cc: Deputy Chief Fred P. Rogers, Operational Services Bureau
Mr. Richard Braddock, Chief Administrative Officer
