

CITY AND COUNTY OF SAN FRANCISCO

Audit Report

DOMESTIC VIOLENCE ARREST POLICIES AND STANDARDS PROGRAM

Chapter 246, Statutes of 1995

July 1, 2000, through June 30, 2003



STEVE WESTLY
California State Controller

December 2004



STEVE WESTLY
California State Controller

December 10, 2004

Edward M. Harrington, Controller
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 316
San Francisco, CA 94102-4694

Dear Mr. Harrington:

The State Controller's Office audited the claims filed by the City and County of San Francisco for costs of the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 2000, through June 30, 2003.

The city and county claimed \$558,312 (\$559,312 less a \$1,000 penalty for filing a late claim) for the mandated program. Our audit disclosed that \$410,598 is allowable and \$147,714 is unallowable. The unallowable costs occurred primarily because the city and county claimed unallowable costs. The State paid the city and county \$412,972. Allowable costs claimed exceed the amount paid by \$2,374.

If you disagree with the audit finding, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (COSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at COSM's Web site at www.csm.ca.gov (Guidebook link), and obtain IRC forms by telephone at (916) 323-3562 or by e-mail at csminfo@csm.ca.gov.

If you have any questions, please contact Jim L. Spano, Chief, Compliance Audits Bureau, at (916) 323-5849.

Sincerely,

Original Signed By:

VINCENT P. BROWN
Chief Operating Officer

VPB:JVB/jj

cc: (See page 2)

cc: Monique Zmuda
Deputy Controller
City and County of San Francisco
Heather J. Fong
Chief of Police
San Francisco Police Department
Bruce Yow
Principal Administrative Analyst
San Francisco Police Department
James Tilton, Program Budget Manager
Corrections and General Government
Department of Finance

Contents

Audit Report

Summary	1
Background	1
Objective, Scope, and Methodology	1
Conclusion	2
Views of Responsible Officials	2
Restricted Use	2
Schedule 1—Summary of Program Costs.....	3
Finding and Recommendation	4

Audit Report

Summary

The State Controller's Office (SCO) audited the claims filed by the City and County of San Francisco for costs of the legislatively mandated Domestic Violence Arrest Policies and Standards Program (Chapter 246, Statutes of 1995) for the period of July 1, 2000, through June 30, 2003. The last day of fieldwork was May 12, 2004.

The city and county claimed \$558,312 (\$559,312 less a \$1,000 penalty for filing a late claim) for the mandated program. Our audit disclosed that \$410,598 is allowable and \$147,714 is unallowable. The unallowable costs occurred primarily because the city and county claimed unallowable costs. The State paid the city and county \$412,972. Allowable costs claimed exceed the amount paid by \$2,374.

Background

Penal Code Section 13701 (added by Chapter 246, Statutes of 1995) requires local law enforcement agencies to develop, adopt, and implement written arrest policies for domestic violence offenders by July 1, 1996. The legislation also requires local law enforcement agencies to obtain input from local domestic violence agencies in developing arrest policies. Under previous law, local law enforcement agencies were required to develop, adopt, and implement written policies for response to domestic violence calls and were encouraged, but not obligated, to consult with domestic violence experts.

On September 25, 1997, the Commission on State Mandates (COSM) determined that Chapter 246, Statutes of 1995, imposed a state mandate reimbursable under *Government Code* Section 17561.

Parameters and Guidelines establishes the state mandate and defines reimbursement criteria. COSM adopted the *Parameters and Guidelines* on August 20, 1998. In compliance with *Government Code* Section 17558, the SCO issues claiming instructions for mandated programs, to assist local agencies and school districts in claiming reimbursable costs.

Objective, Scope, and Methodology

We conducted the audit to determine whether costs claimed represent increased costs resulting from the Domestic Violence Arrest Policies and Standards Program for the period of July 1, 2000, through June 30, 2003.

Our audit scope included, but was not limited to, determining whether costs claimed were supported by appropriate source documents, not funded by another source, and not unreasonable and/or excessive.

We conducted the audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States, and under the authority of *Government Code* Section 17558.5. We did not audit the city and county's financial statements. Our scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance that costs claimed were allowable for reimbursement. Accordingly, we examined transactions, on a test basis, to determine whether the costs claimed were supported.

We limited our review of the city and county's internal controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

Conclusion

Our audit disclosed instances of noncompliance with the requirements outlined above. These instances are described in the accompanying Summary of Program Costs (Schedule 1) and in the Finding and Recommendation section of this report.

For the audit period, the City and County of San Francisco claimed \$558,312 (\$559,312 less a \$1,000 penalty for filing a late claim) for Domestic Violence Arrest Policies and Standards Program costs. Our audit disclosed that \$410,598 is allowable and \$147,714 is unallowable.

For fiscal year (FY) 2000-01, the State paid the city and county \$271,366. Our audit disclosed that \$133,244 is allowable. The city and county should return \$138,122 to the State.

For FY 2001-02, the State paid the city and county \$141,576. Our audit disclosed that \$140,413 is allowable. The city and county should return \$1,163 to the State.

For FY 2002-03, the State paid the city and county \$30. Our audit disclosed that \$136,941 is allowable. The State will pay allowable costs claimed that exceed the amount paid, totaling \$136,911, contingent upon available appropriations.

Views of Responsible Officials

We issued a draft report on October 28, 2004. During a November 17, 2004, meeting, Todd Rydstrom, Director of Analysis and Budget, Controller's Office, and Bruce Yow, Principal Administrative Analyst, San Francisco Police Department, stated that the City and County of San Francisco understood the audit results and declined to respond to the draft report.

Restricted Use

This report is solely for the information and use of the City and County of San Francisco, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original Signed By:

JEFFREY V. BROWNFIELD
Chief, Division of Audits

**Schedule 1—
Summary of Program Costs
July 1, 2000, through June 30, 2003**

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments
<u>July 1, 2000, through June 30, 2001</u>			
Salaries and benefits	\$ 222,979	\$ 109,485	\$ (113,494)
Indirect costs	<u>48,387</u>	<u>23,759</u>	<u>(24,628)</u>
Total costs	<u>\$ 271,366</u>	133,244	<u>\$ (138,122)</u>
Less amount paid by the State		<u>(271,366)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (138,122)</u>	
<u>July 1, 2001, through June 30, 2002</u>			
Salaries and benefits	\$ 119,372	\$ 118,391	\$ (981)
Indirect costs	<u>22,204</u>	<u>22,022</u>	<u>(182)</u>
Total costs	<u>\$ 141,576</u>	140,413	<u>\$ (1,163)</u>
Less amount paid by the State		<u>(141,576)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (1,163)</u>	
<u>July 1, 2002, through June 30, 2003</u>			
Salaries and benefits	\$ 124,985	\$ 117,787	\$ (7,198)
Indirect costs	<u>21,385</u>	<u>20,154</u>	<u>(1,231)</u>
Total costs	146,370	137,941	(8,429)
Less late penalty	<u>(1,000)</u>	<u>(1,000)</u>	<u>—</u>
Net costs	<u>\$ 145,370</u>	136,941	<u>\$ (8,429)</u>
Less amount paid by the State		<u>(30)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 136,911</u>	
<u>Summary: July 1, 2000, through June 30, 2003</u>			
Salaries and benefits	\$ 467,336	\$ 345,663	\$ (121,673)
Indirect costs	<u>91,976</u>	<u>65,935</u>	<u>(26,041)</u>
Total costs	559,312	411,598	(147,714)
Less late penalty	<u>(1,000)</u>	<u>(1,000)</u>	<u>—</u>
Net costs	<u>\$ 558,312</u>	410,598	<u>\$ (147,714)</u>
Less amount paid by the State		<u>(412,972)</u>	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ (2,374)</u>	

¹ See the Finding and Recommendation section.

Finding and Recommendation

FINDING— Unallowable salaries, benefits, and related indirect costs

The city and county overstated salaries and benefits by \$121,673 for the audit period. The related indirect costs total \$26,041.

Unsupported Training Costs

The city and county did not support \$103,483 of the \$116,641 claimed for mandate-related training costs. The city and county provided source documents, such as training class schedules and recruit course rosters that only supported 388.5 hours of recruit time, 9 hours of instructional time, and 55.5 hours of evaluator time, totaling \$13,158. No other records exist to substantiate the unsupported costs.

Overstated Implementation Costs Relating to Domestic Violent Cases

The city and county did not support \$16,220 of the \$348,726 claimed for implementation costs relating to domestic violence cases.

The overstated costs were due to the following:

- The city and county claimed 5,514 domestic violence cases for FY 2002-03. However, documents provided supported only 5,244 cases, an overstatement of 270 cases. Based on the uniform time allowance of 29 minutes per incident, we recomputed the overstated salaries and benefits of \$6,120.
- For the entire audit period, the city and county overstated the productive hourly rate for police officers. The city and county claimed salaries and benefits at the hourly rate of a high ranking officer (Q-4 classification). However, our review revealed that officers from various classifications (Q-2 through Q-4) incurred implementation costs. Thus, the city and county overstated the hourly pay and benefit rates. We recomputed the salaries and benefits using the blended rate and noted overstated salaries and benefits of \$10,100 (\$8,041 for FY 2000-01, \$981 for FY 2001-02, and \$1,078 for FY 2002-03).

Ineligible Costs for Development and Adoption of Written Arrest Policies

The city and county claimed ineligible salaries and benefits of \$1,970 for the development and adoption of written arrest policies pursuant to *Penal Code* Section 13701(b). As a one-time cost, the San Francisco Police Department developed and published (adopted) written arrest policies in the department bulletins in October 1996. On July 15, 1999, the department issued and adopted new written arrest policies. Thus, the department claimed ineligible ongoing costs incurred for development and adoption of revised written arrest policies.

A summary of the unallowable costs is as follows:

	Fiscal Year			Total
	2000-01	2001-02	2002-03	
Salaries and benefits:				
Unsupported training costs	\$ (103,483)	\$ —	\$ —	\$ (103,483)
Overstated implementation of domestic violent cases	(8,041)	(981)	(7,198)	(16,220)
Ineligible costs for development adoption of written arrest policies	(1,970)	—	—	(1,970)
Total salaries and benefits	(113,494)	(981)	(7,198)	(121,673)
Indirect costs	(24,628)	(182)	(1,231)	(26,041)
Adjustment	<u>\$ (138,122)</u>	<u>\$ (1,163)</u>	<u>\$ (8,429)</u>	<u>\$ (147,714)</u>

Parameters and Guidelines states that only actual increased costs incurred for mandated activities and supported by appropriate documents are reimbursable.

Parameters and Guidelines states that costs incurred for development of written arrest policies are reimbursable as a one-time cost. *Parameters and Guidelines* does not state that ongoing costs incurred for subsequent revisions to existing policies are reimbursable.

Parameters and Guidelines allows a uniform time allowance of 29 minutes to identify the primary aggressor in any domestic violence incident.

Recommendation

We recommend that the city and county establish and implement policies and procedures to ensure all claimed costs are eligible increased costs incurred as a result of the mandate and are supported by appropriate documentation.

**State Controller's Office
Division of Audits
Post Office Box 942850
Sacramento, California 94250-5874**

<http://www.sco.ca.gov>