



## FHP Information and Evidence Fund Audit Report 202021-22

May 27, 2021

### Executive Summary

The Florida Highway Patrol's Bureau of Criminal Investigations and Intelligence (BCII) is responsible for the use and maintenance of an Information and Evidence (I&E) Fund. This fund is available to investigators to purchase materials as evidence or pay confidential sources for information that could otherwise be unavailable. BCII Policy 9.01, *Information and Evidence Funds*, establishes guidelines for the use and accountability of the fund and requires a quarterly report of the I&E Fund transactions.

The purpose of this audit was to evaluate the internal controls over the I&E Fund, and compliance with Florida Statutes, (F.S.), Florida Administrative Code, (F.A.C.), and Department policies and procedures. The scope of this audit included a review of documentation supporting the deposits and expenditures of the fund for the second quarter of the 2020-21 Fiscal Year (October, November, and December 2020).

Overall, the internal controls over the BCII I&E Fund were adequate; however, we noted several opportunities for improvement.

We determined ensuring the I&E Fund Expenditure Forms are properly completed would enhance accountability of funds and improve compliance with BCII policy. For one expenditure, the expenditure form was provided after audit inquiry. We noted timestamps on the form indicating it had been altered after the form was signed by the trooper assigned to the case, and just before the form was provided to audit staff. Additionally, we noted this expenditure form was not submitted within 14 days and was not fully completed, as required by BCII Policy 9.01. For another expenditure, we noted the expenditure form was also not submitted within 14 days. We recommend BCII ensure Information and Evidence Funds Total Expenditure of Funds and Returned Funds forms are completed properly and in accordance with BCII Policy 9.01.

We also determined the timeliness of interest deposits could be improved. During our review, we noted the interest earned in November 2020 was not returned to the State Treasury within 30 days as required by Department policy and Chapter 69I-23.004, F.A.C. We recommend BCII submit all interest earned to the source fund in the State Treasury within 30 days to comply with Department policy and state law.

## Background and Introduction

The Florida Highway Patrol's BCII is responsible for the use and maintenance of an I&E Fund. This fund is available to investigators to purchase materials as evidence or pay confidential sources for information that could otherwise be unavailable.

In accordance with Section 925.055, F.S., the Florida Highway Patrol's BCII Policy 9.01, *Information and Evidence Funds*, establishes guidelines for the use and accountability of the Florida Highway Patrol I&E Fund. This policy authorizes the purchase of information or physical evidence relating to criminal activity and requires a quarterly report of the I&E Fund transactions. The authorized maximum amount for this fund is \$5,000.00. The table below shows the fund's activity for the second quarter of the 2020-21 Fiscal Year (October, November, and December 2020).

Information and Evidence Fund Summary	
Quarter Ended December 30, 2020	
<b>Beginning Balance</b>	<b>\$4,683.24</b>
Receipts	\$0.00
Disbursements	\$1,814.14
<b>Ending Balance</b>	<b>\$2,869.10</b>

## Findings and Recommendations

### *Properly Completed Forms*

**Finding No. 1:** Ensuring I&E Fund Expenditure Forms are properly completed would enhance accountability of funds and improve compliance with FHP Policy.

BCII Policy 9.01.4(G)(3) requires Information and Evidence Funds Total Expenditure of Funds and Returned Funds forms must be submitted by the 14<sup>th</sup> day after the use of the confidential expenditures, and the Investigator must complete the form to include the amount and purpose of the payment and a brief, specific account of how the funds were expended and the results obtained, along with the date and case number.

For the expenditure associated with case number FHPA19OFF048491, the expenditure form was provided after audit inquiry. Upon review of the form, we noted timestamps



indicating the form had been altered after the form was signed by the trooper assigned to the case, and just before the form was provided to audit staff.

For the same case, the following deficiencies were also noted:

- The form was not completed within 14 days;
- The form did not include the total amount expended on the case; and
- The form did not include a brief, specific account of how the funds were expended and the results obtained.

For the expenditure associated with case number 20180537, the Information and Evidence Funds Total Expenditure of Funds and Returned form dated November 16, 2020, reflects \$1,848.25, was used in the case and the remaining \$151.75 was returned on December 19, 2020. The form was not completed within 14 days, as required by BCII Policy 9.01.04 (G)(3).

## **Recommendation**

We recommend BCII ensure Information and Evidence Funds Total Expenditure of Funds and Returned Funds forms are completed properly and in accordance with BCII Policy 9.01.

## **Management Response**

BCII Management will review BCII Policy 9.01 with all members involved with managing the BCII I & E Fund. We will encourage input and suggestions from those members which will help with oversight to ensure compliance with BCII Policy 9.01.

## ***Timely Deposits***

**Finding No. 2:** The timeliness of interest deposits could be improved.

Chapter 69I-23.004, F.A.C. (11) states that interest earned on revolving fund accounts must be deposited to the source fund in the State Treasury within 30 days of receipt as a revenue item.

BCII Policy 9.01 states that interest earnings will be deposited to the source fund in the State Treasury within 30 days of receipt of revenue.

During our review, we noted that interest earned in November 2020 was not returned until December 28, 2020, 57 days after receipt and 27 days overdue.



## Recommendation

We recommend BCII submit all interest earned to the source fund in the State Treasury within 30 days of receipt as required by F.A.C.

## Management Response

BCII Management committed to placing a reminder on their work calendar on the first quarter audit response in January 2021. The issues found in this audit were prior to this corrective action. We are confident this action will assist in submitting the interest more timely.

## Purpose, Scope, and Methodology

---

The purpose of this audit was to evaluate the internal controls over the I&E Fund, and compliance with F.S., F.A.C., and Department policies and procedures.

The scope of this audit included a review of documentation supporting the deposits and expenditures of the fund for the second quarter of the 2020-21 Fiscal Year (October, November, and December 2020).

Our methodology included:

- Reconciling the bank account;
- Tracing all account activity from the I&E Fund Quarterly Report to the bank statements;
- Reviewing documentation related to expenditures and deposits; and
- Verifying interest earned was timely forwarded to the Department of Financial Services.



## Distribution, Statement of Accordance, and Project Team

### **Distribution**

Terry L. Rhodes, Executive Director  
Jennifer Langston, Chief of Staff  
Colonel Gene Spaulding, Director of Florida Highway Patrol  
Lt. Colonel Troy Thompson, Deputy Director of Patrol Operations  
Chief Mark Brown, Deputy Director of Special Services  
Major M. S. Mandell, Commander of the Bureau of Criminal Investigations and Intelligence  
Captain Lisa Barnett, Policy, Accreditation, Inspections and Forms

Melinda M. Miguel, Chief Inspector General  
Sherrill F. Norman, Auditor General

### **Statement of Accordance**

Section 20.055, Florida Statutes, requires the Florida Department of Highway Safety and Motor Vehicles' Inspector General to review, evaluate, and report on policies, plans, procedures, accounting, financial, and other operations of the Department and to recommend improvements. This audit engagement was conducted in accordance with applicable *International Standards for the Professional Practice of Internal Auditing* published by the Institute of Internal Auditors and *Principles and Standards for Offices of Inspector General* published by the Association of Inspectors General.

### **Project Team**


Engagement conducted by:  
Bethany Vickerman, Auditor

Under the supervision of:  
Erin Mook, Audit Director

Approved by:

  
\_\_\_\_\_  
Mike Stacy, Inspector General

## Attachment – Management Response



**FLHSMV**  
FLORIDA HIGHWAY SAFETY AND MOTOR VEHICLES

**Terry L. Rhodes**  
Executive Director

2900 Apalachee Parkway  
Tallahassee, Florida 32399-0500  
[www.flhsmv.gov](http://www.flhsmv.gov)

---

### MEMORANDUM

DATE: May 14, 2021  
TO: Erin Mook, Audit Director  
FROM: Major Milton S. Mandell *[Signature]*  
SUBJECT: FHP Information and Evidence Fund (202021-22)

The following is our response to the findings and recommendations presented in the report.

**Finding 1: Properly Completed Forms**

Ensuring I&E Fund Expenditure Forms are properly completed would enhance accountability of funds and improve compliance with FHP Policy.

**Recommendation**

We recommend BCII ensure Information and Evidence Funds Total Expenditure of Funds and Returned Funds forms are completed properly and in accordance with BCII Policy 9.01.

**Management Response**

BCII Management will review BCII Policy 9.01 with all members involved with managing the BCII I & E Fund. We will encourage input and suggestions from those members which will help with oversight to ensure compliance with BCII Policy 9.01.

**Finding 2: Timely Deposits**

The timeliness of interest deposits could be improved.

**Recommendation**

We recommend BCII submit all interest earned to the source fund in the State Treasury within 30 days of receipt as required by F.A.C.

---

*Service • Integrity • Courtesy • Professionalism • Innovation • Excellence*  
An Equal Opportunity Employer



## **Management Response**

BCII Management committed to placing a reminder on their work calendar on the first quarter audit response in January 2021. The issues found in this audit were prior to this corrective action. We are confident this action will assist in submitting the interest more timely.