

## **FHP Information and Evidence Fund** **Audit Report 202122-30**

July 7, 2022

### **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 third quarter of the 2021-22 Fiscal Year (January, February, and March 2022).

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

We determined ensuring I&E Fund Request Forms and Expenditure Forms are properly completed and in a timely manner would enhance accountability of funds and improve compliance with FHP Policy.

During our review, we noted for an expenditure in the amount of \$660.00, the Request form was not entirely completed as it did not include an explanation of how the funds would be used. The check for this expenditure cleared the bank on March 2, 2022. Upon audit inquiry, a Total Expenditure of Funds form was completed and provided to OIG staff on May 11, 2022. The form was dated May 9, 2022, and approved on May 11, 2022, which is past the 14-day timeframe.

We recommend BCII ensure Request and Total Expenditure forms are properly completed and in a timely manner in accordance with BCII Policy.

## Background and Introduction

The Florida Highway Patrol's (FHP) 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.

In accordance with Section 925.055, Florida Statutes, the FHP's BCII Policy 9.01, *Information and Evidence Funds*, establishes guidelines for the use and accountability of the FHP 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 third quarter of the 2021-22 Fiscal Year (January, February, and March 2022).

Information and Evidence Fund Summary	
Quarter Ended March 31, 2022	
Beginning Balance	\$6,715.00
Receipts	\$0.00
Disbursements	\$2,375.00
Ending Balance	\$4,340.00

## Findings and Recommendations

### *Properly Completed Request and Expenditure Forms*

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

BCII Policy 9.01.4(G) requires Request forms and Total Expenditure of Funds forms must be completed and submitted whenever any money from the fund is used.

Also, BCII Policy 9.01.4(G)(1) requires that the Request form must include an explanation of how the funds would be used.

Additionally, BCII Policy 9.01.04(G)(3) specifies the Total Expenditure of Funds form must be completed within 14 days of the use of confidential expenditures.

During our review, we noted for an expenditure in the amount of \$660.00, the Request form was not entirely completed as it did not include an explanation of how the funds would be used.

The check for this expenditure cleared the bank on March 2, 2022. Upon audit inquiry, a Total Expenditure of Funds form was completed and provided to OIG staff on May 11, 2022. The form was dated May 9, 2022, and approved on May 11, 2022, which is past the 14-day timeframe.

### **Recommendation**

We recommend BCII ensure Request and Total Expenditure forms are properly completed and in a timely manner in accordance with BCII Policy.

### **Management Response**

BCII concurs with the recommendation. Properly completing forms will enhance accountability and improve efficiency. BCII management will strive to ensure all forms are completed correctly and within the timelines established by FHP policy.

A comprehensive review of each I&E Fund form received for processing will be completed to ensure required explanations are outlined without compromising the integrity and/or confidential nature of the respective investigation.

As per FHP Policy 9.01.04(G)(3), regarding HSMV Form 60206 entitled Information and Evidence Funds Total Expenditure of Funds and Returned Funds, within 14 days of the

use of confidential funds this document will be completed. Specifically, these funds will be considered expended at the time FHP personnel disperses the funds in question, i.e., purchase of narcotics, purchase of records subject to subpoena, mailing of payments to third party vendors, etc.

## **Purpose, Scope, and Methodology**

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The purpose of this audit was to evaluate the internal controls over the I&E Fund, and compliance with Florida Statutes, Florida Administrative Code, 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 third quarter of the 2021-22 Fiscal Year (January, February, and March 2022).

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 DFS.

## **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  
Lt. Colonel Mark Brown, Deputy Director of Support Operations  
Chief Joseph Harrison, Chief of Special Services  
Major M. S. Mandell, Commander of the Bureau of Criminal Investigations and Intelligence  
Captain Lenita King, 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



Terry L. Rhodes  
Executive Director

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### MEMORANDUM

DATE: June 23, 2022  
TO: Kim Butler, Acting Audit Director  
FROM: M.S. Mandell, Bureau Commander  
SUBJECT: FHP Information and Evidence Fund (202122-30)

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

#### **Finding 1: Properly Completed Request and Expenditure Forms**

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

#### **Recommendation**

We recommend BCII ensure Request and Total Expenditure forms are properly completed and in a timely manner in accordance with BCII Policy.

#### **Management Response**

BCII concurs with the recommendation. Properly completing forms will enhance accountability and improve efficiency. BCII management will strive to ensure all forms are completed correctly and within the timelines established by FHP policy.

A comprehensive review of each I&E Fund form received for processing will be completed to ensure required explanations are outlined without compromising the integrity and/or confidential nature of the respective investigation.

As per FHP Policy 9.01.04(G)(3), regarding HSMV Form 60206 entitled *Information and Evidence Funds Total Expenditure of Funds and Returned Funds*, within 14 days of the use of confidential funds this document will be completed. Specifically, these funds will be considered expended at the time FHP personnel disperses the funds in question, i.e., purchase of narcotics, purchase of records subject to subpoena, mailing of payments to third party vendors, etc.

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