

**Sheriff's Investigative Fund 2007**

**June 19, 2008**

**Report #653**

**Released on : July 10, 2008**

**REPORT #653**

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**ATTACHMENT ‘A’**

“SCHEDULE OF CASH RECEIPTS & DISBURSEMENTS”



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### **INDEPENDENT AUDITOR'S REPORT**

We have examined the accompanying Schedule of Cash Receipts and Disbursements of the Criminal Investigative Fund of the Office of the Sheriff, City of Jacksonville for the year ended December 31, 2007. This statement is the responsibility of the Sheriff's Office Budget & Management Division. Our responsibility is to express an opinion on this statement based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence supporting the Schedule of Cash Receipts and Disbursements and performing such other procedures, as we considered necessary in the circumstances. We also conducted our examination in accordance with Generally Accepted Governmental Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to afford a reasonable basis for our judgments and conclusions regarding the activity under audit. We believe that our examination provides a reasonable basis for our opinion.

Although we noted a few instances of procedural infractions that have been discussed with management, we noted no material issues involving non-compliance or weakness.

In our opinion, the Schedule of Cash Receipts and Disbursements referred to above presents the receipts and disbursements of the Criminal Investigative Fund of the Office of the Sheriff, City of Jacksonville for the year ended December 31, 2007, in all material respects, based on the requirements of Section 925.055 (2) Florida Statutes.

This report is intended for use in connection with the funds to which it refers in compliance with Section 925.055 (2) Florida Statutes and is to be used for no other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Kirk A. Sherman, CPA  
Council Auditor

**OFFICE OF THE COUNCIL AUDITOR**  
Suite 200, St. James Building



June 19, 2008

Report #653

Honorable Members of the City Council  
City of Jacksonville

Honorable John H. Rutherford, Sheriff  
City of Jacksonville

**INTRODUCTION**

Florida Statutes Section 925.055 (2) requires an annual audit of law enforcement investigative funds. Section 925.055 (1) states that “agencies which receive investigative and evidence funds from their budgetary authority or which receive special law enforcement trust funds for complex or protracted investigations shall adopt policies which provide for accountability of the expenditures of such funds.”

The Sheriff’s Criminal Investigative Fund is used to finance narcotics and vice operations including undercover drug buys. The City’s General Fund is the primary source of funding for many of these operations. During calendar year 2007, \$176,977.95 was paid from the General Fund into the Criminal Investigative Fund.

**STATEMENT OF OBJECTIVES**

The objectives of the examination were as follows:

1. To determine compliance with state statutes and the Jacksonville Sheriff’s Office’s (JSO) internal policies/procedures relative to the Criminal Investigative Fund.
2. To determine whether management controls over cash are properly working to safeguard and account for funds.
3. To determine whether the “Schedule of Cash Receipts and Disbursements” is fairly presented.

## **STATEMENT OF SCOPE AND METHODOLOGY**

The scope of our examination includes all Investigative Fund transactions occurring during calendar year 2007. We tested through interviews, review of supporting documentation and observation.

## **STATEMENT OF STANDARDS**

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence supporting the Schedule of Cash Receipts and Disbursements and performing such other procedures, as we considered necessary in the circumstances. We also conducted our examination in accordance with Generally Accepted Governmental Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to afford a reasonable basis for our judgments and conclusions regarding the activity under audit. We believe that our examination provides a reasonable basis for our opinion.

## **CONCLUSION**

As stated in the preceding *Independent Auditor's Report*, we believe the Statement of Cash Receipts and Disbursements fairly presents the receipts and disbursements of the Criminal Investigative Fund for the calendar year ending December 31, 2007.

## **OBJECTIVE #1**

To determine compliance with state statutes and the Jacksonville Sheriff's Office's (JSO) internal policies/procedures relative to the Criminal Investigative Fund.

We noted no material control weaknesses or material findings.

## **OBJECTIVE #2**

To determine whether management controls over cash are properly working to safeguard and account for funds.

We noted no material control weaknesses or material findings.

Finding #1- By reviewing the sergeant's logs, we noted several instances where the sergeants' balances exceeded the \$2,000 limit set by Operational Order 5.1.8 VI. A. (2).

**Conclusion:** This finding occurred before the Sheriff's Office implementation of a new sergeant's log worksheet, and based on our selective sampling, no more findings of this nature were discovered after the implementation. This was discussed with former and current Assistant Chiefs of Narcotics/Vice and the AMIO Investigative Fund account manager.

### **OBJECTIVE #3**

To determine whether the “Schedule of Cash Receipts and Disbursements” is fairly presented.

We noted no material control weaknesses or material findings.

Finding #2- In the flash funds testing, we discovered a transaction where a disbursement of \$40,000 had been approved by the Assistant Chief of Narcotics. Per Operational Order 5.1.8 (VIII) A, his authoritative limit is \$20,000.

Finding #3- We noted one instance where flash funds were returned five days after the 24-hour deadline set by Operational Order 5.1.8 (VIII) C. Although an approval for extension was granted, it occurred on the date of return. In addition, the return date of the funds was incorrectly inputted into Quickbooks by the account manager.

**Conclusion:** We have discussed these procedural infractions with the former and current Assistant Chiefs of Narcotics/Vice and the AMIO Investigative Fund account manager. In both cases, all funds were properly accounted for and there was no effect on the presentation of the Schedule of Cash Receipts and Disbursements.

Respectfully submitted,

Kirk A. Sherman, CPA  
Council Auditor

Performed By:

Robert Campbell

Sean Costigan

**Investigative Fund Unit  
Office of the Sheriff  
Schedule of Cash Receipts & Disbursements  
For the Year Ended December 31, 2007**

Prepared By: Vanita Boston 01/22/2008

**Criminal Informant Investigative Fund**

<b>Cash In Bank - January 1, 2007</b>	\$ 203,127.85	
<b>Cash On Hand - January 1, 2007</b>	77,397.13	
	<u>                    </u>	
Total		<u>\$ 280,524.98</u>
<i>Add Receipts</i>		
(City) Receipts	\$ 176,977.95	
(Other) Receipts	111,143.44	
	<u>                    </u>	
Total Receipts		<u>\$ 288,121.39</u>
<i>Less Expenditures</i>		
Other Expenditures	\$ 116,270.34	
Organized Crime	187,409.26	
Patrol	28,291.00	
Community Affairs	-	
Detectives	700.00	
Intelligence	-	
Homeland Security	50.00	
	<u>                    </u>	
Total Expenditures		<u>\$ 332,720.60</u>
<b>Total</b>		<u><b>\$ 235,925.77</b></u>
<b>Cash In Bank Balance - December 31, 2007</b>	\$ 162,711.31	
<b>Cash On Hand Balance - December 31, 2007</b>	73,214.46	
	<u>                    </u>	
<b>Total</b>		<u><b>\$ 235,925.77</b></u>

**Attachment A**