

OFFICE OF INSPECTOR GENERAL
CITY OF NEW ORLEANS



ED QUATREVAUX
INSPECTOR GENERAL

November 19, 2013

Superintendent Ronal Serpas
New Orleans Police Department
715 S. Broad St.
New Orleans, LA 70119

Dear Superintendent Serpas:

As indicated in the entrance conference held on June 15, 2013, the Office of Inspector General is currently conducting an audit of the NOPD's grants. As part of the audit, the OIG performed testing on the Police Traffic Services Grant (STEP) award #2011-30-70 for the period January 1, 2011 through September 30, 2011 (the test period). The STEP Grant is a subgrant of the Louisiana Highway Safety Commission (LHSC) designed to reduce fatal and injury crashes on Louisiana roadways. The grant provided funding for officers to work overtime patrols¹ with the primary focus of issuing citations for seat belt violations, speeding, drunk driving, and underage drinking.

In order to determine whether the NOPD billed the STEP grant correctly, the OIG randomly selected 90 grant patrols conducted during the test period. The OIG compared the amount billed on the invoices submitted to the State to the amount paid to the officer as indicated on the City's payroll report (HAR5300).

The testing revealed that the NOPD under billed the STEP grant in 74 out of 90 patrols tested and over billed 12 out of 90 patrols as shown in Table 1.² The net effect (under billing + over billing) for the billing errors was that the NOPD under billed the grant by \$2,724. If this error was projected to the entire population, the NOPD appears to have under billed the STEP grant by \$48,298 during the test period. See Table 2 below for details.

Table 1: Incorrect Billing Breakdown

	Quantity	Amount
Under billed	74	\$ 2,924
Less: Over billed	12	(200)
Net Under billed	86	\$ 2,724

¹ These patrols were performed in addition to the officers' regularly scheduled shifts.

² During the testing period of January 1, 2011 through September 30, 2011.

Table 2

Projected Under billing	
Dollar Amount of the Sample (A)	\$ 13,243
Dollar Amount of Misstatement in the Sample (B)	\$ 2,724
Dollar Amount of the Population ³ (C)	\$234,806
Projected under billing [(B/A)*C]	\$ 48,298

Our preliminary finding indicates that the current billing practices have led to net under billing of the STEP grant during the test period.⁴ The preliminary recommendation is that the NOPD create procedures that will allow them to bill grants accurately for the time the officers work. The cycle cost report (HUNPP10) produced by the payroll system and used to submit the officers' pay for this grant did not accurately calculate the officers' hourly rates and should be corrected.⁵ These new procedures will allow the NOPD and the City to maximize its use of overtime grant funds during this very difficult budget season.

If you have any questions, please contact Eileen Shanklin-Andrus, Assistant Inspector General of Audit and Review at (504)681-3200.

Sincerely,

E.R. Quatrevaux
Inspector General

cc: Jerry Sneed, Deputy Mayor
Stephanie Landry, Assistant Superintendent

³ For all STEP Grant invoices billed to LHSC from January 1, 2011 to September 30, 2011.

⁴ The results of this finding may apply to other grants; however, these results only relate to the STEP grant for the period January 1, 2011 to September 30, 2011.

⁵ According to discussions with the Assistant Superintendent of NOPD, ITI has been notified of these errors.