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# **CITY OF SAN ANTONIO**

## **OFFICE OF THE CITY AUDITOR**



Audit of San Antonio Police Department

Child Safety Restricted Fund

Project No. AU17-023

April 25, 2017

Kevin W. Barthold, CPA, CIA, CISA  
City Auditor

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## Executive Summary

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As part of our annual Audit Plan approved by City Council, we conducted an audit of the San Antonio Police Department (SAPD) Child Safety Restricted Fund. The audit objectives, conclusions, and recommendations follow:

**Determine if the Fund is sufficiently monitored and expenditures are compliant with funding terms.**

The SAPD Child Safety Restricted Fund (the Fund) is sufficiently monitored and expenditures are compliant with funding terms. Revenue is accurately stated and properly recorded in SAP. Expenditures from the Fund are being used for crossing guard salaries and are allowable. Finally, administrative expenditures are within the 10% of funds available as allowed by state statute.

We make no recommendations to the San Antonio Police Department Child Safety Restricted Fund; consequently, no management responses are required. Management's acknowledgement of these results is in Appendix B on page 5.

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## Background

The School Crossing Guard Detail (Unit) provides guidance on various aspects of school safety to the children of San Antonio. The primary focus of the Unit is at the elementary level, and the Unit serves public and private schools. In addition, the Unit provides adult supervision at hazardous crossing locations. The Unit consists of one Administrative Assistant II, five civilian crossing guard supervisors, and approximately 256 crossing guards.

The Child Safety Restricted Fund (Fund) was established to account for revenues authorized by the 1991 State Legislature. The revenues, which come from Municipal Court fines and fees and Bexar County vehicle registrations, must be used primarily for the school crossing guard program with the remaining funds applied to programs designed to enhance child safety, health or nutrition. The Fund is managed by the San Antonio Police Department (SAPD) Traffic Section.

The majority of the Fund's expenditures are salaries and salary-related expenditures. Bexar County withholds an administrative fee equal to 10% of vehicle registration fees collected each month. The local government code states that municipalities may deduct the administrative costs of contracting for school crossing guard services and distributing the funds to the school district. The administrative costs may not exceed 10% of the funds available for school crossing guard services.

The Fund is a restricted special revenue fund. The following table summarizes the FY 2016 actuals and adopted budget of the Fund:

<b>FY 2016 Actual to Budget - Revenues and Expenditures</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Beginning Balance	(83,820.73)	55,024.00	N/A
Revenues			
Bexar County Vehicle Registration	1,917,015.90	1,950,000.00	(32,984.10)
Fines & Moving Violations	218,583.41	245,954.00	(27,370.59)
Fines & Parking Violations	154,404.00	147,377.00	7,027.00
Total Revenues	2,290,003.31	2,343,331.00	(53,327.69)
Total Expenditures	2,189,654.10	2,398,355.00	208,700.90
<b>Net Increase / (Decrease)</b>	<b>100,349.21</b>	<b>(55,024.00)</b>	<b>155,373.21</b>
Ending Balance	16,528.48	-	N/A

## Audit Scope and Methodology

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The audit scope was FY 2016. We interviewed staff to obtain an understanding of the controls in place over the various revenue and expenditure types and payroll processing. Additionally, we interviewed the fiscal administrator and Finance personnel to gain an understanding of the recording and monitoring of revenues and expenditures. Testing criteria included the relevant Local Government Code and City Ordinances.

We evaluated the policies, procedures and school crossing guard guidelines to determine that key operating areas were reasonably addressed. We also reviewed the Unit's performance measures to determine that they were adequate. We analyzed the monthly and annual spreadsheets used by the fiscal analyst to monitor revenues and expenditures. This included determining that expenditures for administrative costs did not exceed 10% of funds available per Local Government Code Title 11, Subtitle B, Sec. 343.013. In addition, we tested crossing guard master timesheets, supervisor timesheets and payroll journals for evidence of proper approval and recording in SAP.

We relied on computer-processed data in SAP to validate the revenues and expenditures of the SAPD Child Safety Restricted Fund. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls. We do not believe that the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **Audit Results and Recommendations**

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### **A. Monitoring of Fund Revenues and Expenditures**

SAPD has an effective monitoring process for Fund revenues and expenditures. We reviewed Municipal Court revenue and Bexar County revenue for a three-month period in 2016 and determined that revenue was accurate and properly recorded in SAP.

We reviewed crossing guard salaries for the same three-month period and determined that salary expenditures were accurate, allowable and properly recorded in SAP. Finally, we reviewed non-payroll expenditures, including administrative costs, and determined that SAPD reviews budget and actual expenditures monthly for proper recording and allowability.

### **Recommendations**

None.

## **Appendix A – Staff Acknowledgement**

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Buddy Vargas, CFE, Audit Manager  
Sheryl Wardashki, CPA, Auditor in Charge  
Cecilia Gonzalez, Auditor

## Appendix B – Management Acknowledgement

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### CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

April 4, 2017

Kevin W. Barthold, CPA, CIA, CISA  
City Auditor  
San Antonio, Texas

RE: Management's Acknowledgement of its Review of San Antonio Police Department Child Safety  
Restricted Fund

San Antonio Police Department has reviewed the audit report and provided its comments to the  
auditors. As there are no recommendations for management, no management responses are  
required.

San Antonio Police Department:

☒ Fully Agrees

☐ Does Not Agree (provide detailed comments)

Sincerely,

  
\_\_\_\_\_  
William McManus  
Police Chief  
San Antonio Police Department

April 5, 2017  
Date:

  
\_\_\_\_\_  
Erik Walsh  
Deputy City Manager  
City Manager's Office

4/6/17  
Date