

Procedure: We requested from the Police Department's Special Investigations Unit (SIU) all bank statements and corresponding expenditure supporting documentation for all years that they had documents. We received 2008 statements and supporting expenditure documentation through August 2008. For 2006 we received all but March and December bank statements and in 1998 the department only had records for December. The Department claimed that December 1998 was as far back as they had retained documentation. We eventually obtain copies of the missing bank statements from the City Deputy Treasurer. We performed the following for each year:

- 1) For 2007 & 2008 from the bank statements we noted the date the check cleared, check number, amount, & who it was issued too. From there we went through all the supporting documentation and compared the amounts noted on the checks to invoices, receipts, and various other supporting documentation to ensure the amounts paid were correct. We also reviewed copies of each check to ensure that the appropriate signatures were present. In addition, we analyzed the purchase to determine if it was legal and allowable.
- 2) For all other years the only procedure that changed was that we had the original checks to compare to the supporting documentation and bank statements.
- 3) At the bottom of 2008-1998 expenditure tab we concluded on the total amount of expenditures that lacked adequate support, vehicle purchases, and electronic and accessories equipment for each year, with a summary of all years on the bottom of the 1998 tab. The majority of all these purchases should have followed the City's Municipal Code and been put out for bid. We attempted to quantify that total dollar amount of items that should in which procurement procedures should have been followed at the time of purchase at the vendor tab.
- 4) The tabs labeled "Missing Checks" note which checks during those years were voided, not voided, and never cleared the bank per our review of the bank statements. We feel that it is reasonable that all missing checks were eventually accounted for. Further there was no evidence available that would indicate that a fraud did, in fact, occur.

Conclusion:  EX.8