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MEMORANDUM

DATE: September 27, 2005

TO: Metropolitan King County Councilmembers

FROM: Cheryle A. Broom, County Auditor

SUBJECT: Performance Audit of the King County Sheriff's Office: Phase 2

Attached for your review is the report of our Performance Audit of the Sheriff's Office (KCSO), which is the second of two performance audits. The first report was completed in September 2004, and focused on the KCSO's overall strategic business planning and the management of its largest function, patrol operations. In that audit, we concluded that the KCSO had developed a sound framework for its strategic plan, but it could be strengthened by clarifying the connection between daily activities and overall goals. We also found the KCSO had not established clear operational goals or objectives for patrol operations, and did not have a systematic approach to planning and managing its patrol resources.

The objectives of this second audit were to:

- Review the KCSO's Operational Master Plan (OMP) and follow up on implementation of our 2004 audit recommendations;
- Evaluate the KCSO's contract cost models as applied to the Metro Transit and King County International Airport contracts; and
- Review the adequacy of federal grants management practices.

In summary, the KCSO has made good progress with its strategic plan, and while some improvements would strengthen it, the plan is well-constructed. Overall, the scope and depth of the OMP effort exceeded the intent of our 2004 report recommendations. With regard to patrol staffing management, the KCSO has performed some analysis to more fully understand how its patrol workload and staffing needs will be affected by future annexations. However, more analysis and decision making are required to develop an effective patrol staffing model. The KCSO has already begun this effort and plans to develop a new patrol staffing plan by the middle of 2006.

We found the KCSO's contract cost allocation model to be well designed and appropriately applied to the Metro Transit and Airport contracts; however, since it is only in a hard copy format it is difficult to use and understand. While we did not identify major issues with the cost model itself, both Transit and Airport management expressed concerns about the cost impact of the car-per-officer (CPO) policy, and we determined that the intent of CPO is unclear as it applies to

the Transit and Airport contracts. We also found that the county is using several different approaches to managing the KCSO's vehicles, and within the scope of this audit we could not verify that the county is using the most cost-effective approach to managing them.

Finally, the KCSO is close to resolving the grants management issues identified by the State Auditor's Office. The KCSO has implemented new practices designed to prevent these problems from recurring, although we identify areas where these practices could be further strengthened.

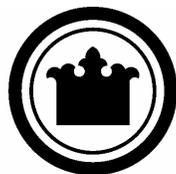
This report makes recommendations to the Sheriff's Office for further improvements in the areas of strategic planning and patrol staffing, the contract cost model design, and federal grants management practices. The KCSO concurs or partially concurs with the report recommendations and plans to implement them in 2005 and 2006. We also recommend that the County Council clarify the application of the car-per-officer policy to the Transit and Airport contracts.

The Auditor's Office sincerely appreciates the cooperation and assistance it received from the management and staff of the Sheriff's Office throughout this audit.

CB:LD:jl
Attachment

PERFORMANCE AUDIT

**KING COUNTY SHERIFF'S
OFFICE: PHASE 2**



King County

Presented to
the Metropolitan King County Council
Labor, Operations & Technology Committee
by the
County Auditor's Office

Cheryle A. Broom, King County Auditor
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Wendy Soo Hoo, Senior Management Auditor
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Report No. 2005-04
September 27, 2005

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Abbreviations	
ARFF	Aircraft Rescue Fire Fighting
COPS	Community Oriented Policing Services
CPO	Car-per-Officer
DOJ	U.S. Department of Justice
HRD	Human Resources Division
KCSO	King County Sheriff's Office
OMP	Operational Master Plan
SAO	State Auditor's Office

EXECUTIVE SUMMARY

Background

This audit is the second of two performance audits of the King County Sheriff's Office (KCSO). The first report, published in September 2004, focused on the KCSO's overall strategic business planning; the management of patrol operations, its largest function; and other staffing and overtime questions. This audit follows up on the recommendations from our 2004 report, and also addresses other issues of interest to the Metropolitan King County Council (council), namely, the KCSO's development of an operational master plan (OMP), the design and application of its contract cost model to internal county agencies, and the KCSO's management of federal grants.

OMP and Recommendation Follow Up

**OMP and Strategic Plan
Are Comprehensive
and Substantive**

We found that the KCSO has taken a comprehensive and substantive approach to developing an OMP and a new strategic plan that are consistent with the county's requirements and guidelines for the development of such plans. While the new strategic plan is logically structured and promising strategies and measures have been drafted, the connection between agency activities and the achievement of high level goals remains somewhat unclear. The KCSO plans to identify final strategies and performance measures during the second phase of its OMP project.

**KCSO Has Begun
Review of Patrol
Staffing Needs**

Consistent with our 2004 report recommendations and as part of its effort to develop a more systematic approach to managing patrol resources, the KCSO has begun to further analyze and define its patrol staffing requirements. As part of the OMP, the KCSO worked with a consultant to develop a staff allocation model that represents its current staffing needs and incorporates workload factors. This effort required the KCSO to analyze its

patrol staffing assumptions and to develop a more complete understanding of how the future city annexations may impact their patrol staffing needs. The model provides the KCSO with important new planning capabilities; however, it was not intended to be a patrol allocation plan. More analysis and decision making with regard to operational goals, objectives, and related resource needs are required for the KCSO to develop a more systematic approach to managing patrol resources. The KCSO plans to continue its work in this area through 2006.

**Implementation of
2004 Report
Recommendations Is
Underway**

Finally, the KCSO has begun preliminary work to address our recommendations with regard to overtime tracking, patrol relief staffing, and compensatory (comp) time management; however, these are not yet implemented. The KCSO plans to continue its work in these areas in the coming year.

Contract Cost Model: Metro Transit and Airport

**Contract Cost Model
Was Appropriately
Applied to Transit and
Airport Contracts**

The KCSO uses a contract cost model to calculate and recover the costs of the services it provides under contract. We found that the cost model is comprehensive and the overall framework and methods used to allocate chargeable costs are reasonable. Additionally, the cost model was appropriately applied to the Metro Transit and County International Airport contracts, and costs for these contracts were fully recovered. While we did not identify major issues with application of the cost model itself, both Transit and Airport management raised concerns about the cost impact of the car-per-officer policy.

**Transit and Airport
Raised Concerns About
Car-Per-Officer Policy**

The car-per-officer (CPO) policy was initiated by motion by the council in 1987 with the intent of improving the efficiency of patrol operations, reducing vehicle maintenance costs, and improving law enforcement visibility, emergency response capability and officer morale. This program was fully implemented by 1992 and today all fully commissioned KCSO officers receive a take-home

vehicle. However, the council motions do not specify whether this policy was intended to apply deputies and detectives outside of patrol. Transit and Airport management have expressed concerns about the policy because of its costs, and because the intended benefits of CPO may not directly apply to their unique operations.

County Not Using a Unified Approach to KCSO Vehicle Management

Our review found that the county is not using a unified approach to managing KCSO vehicles. Transit and Airport management have both chosen to purchase and maintain their own vehicles, rather than lease them through Fleet Administration as the Sheriff's Office does. They are using their own facilities to maintain the cars, and differing approaches to tracking costs. Because a full evaluation of the KCSO's vehicle life cycle costs was beyond the scope of this audit, we are unable to comment on whether the county is using the most cost-effective approach to managing KCSO vehicles.

Management of Federal Grants

This report follows up on 2002 and 2003 findings by the State Auditor's Office (SAO) that KCSO did not comply with federal requirements for two U.S. Department of Justice (DOJ) Community Oriented Policing Services (COPS) grants. The DOJ subsequently opened a follow-up investigation based on the SAO's findings. Our audit focused on monitoring the results of DOJ's follow-up investigation, understanding the potential causes of the problems, and reviewing the KCSO's efforts to address the findings.

We found that several factors contributed to KCSO's problems in managing its federal grants, including the county's time-sensitive need for additional deputies during the Green River homicides investigation; a lack of understanding of specific financial

reporting and documentation requirements; and the absence of a systematic method for tracking the requirements.

The KCSO has been improving its processes and as of August 2005 the DOJ was proceeding to close all of the issues arising from the State Auditor's Office reports. County audit staff also confirmed that the new management practices implemented in 2004 were consistent with grant requirements, although the KCSO could further strengthen and streamline these practices.

Conclusions and Recommendations

In summary, the KCSO has made good progress with its strategic planning, and while some additional improvements would be beneficial, the overall scope and depth of the OMP effort exceeded the intent of our 2004 report recommendations. The KCSO's work to improve its management of patrol staffing and overtime is consistent with our recommendations and will continue as the strategic plan and OMP are completed in 2006.

The KCSO contract cost allocation model is comprehensive and reasonable; however, more transparent cost calculation information would improve the model's ease of use and ability to perform quality assurance verifications. While both Metro Transit and the King County International Airport agencies were satisfied with the KCSO's contract cost model itself, they both raised concerns with regard to the cost impact of the county's car-per-officer policy and its application to their contracts. Finally, the KCSO is close to resolving the grants management issues identified in the 2002 and 2003 SAO reports and has implemented new practices designed to prevent these problems from recurring.

This report makes recommendations to the Sheriff's Office for further improvements in the areas of strategic planning and patrol

staffing, the contract cost model design, and federal grants management practices. We also recommend that the County Council clarify the application of the car-per-officer policy to the Transit and Airport contracts.

Acknowledgements

We sincerely thank the management and staff of the Sheriff's Office, particularly the staff of the Technical Services Division, for the time and effort they dedicated to assist us with this audit.

1 INTRODUCTION

Background

This report summarizes the results of the second of two performance audits of the King County Sheriff's Office (KCSO). The first report was completed in September 2004, and focused on the KCSO's overall strategic business planning and the performance and management of its largest function, patrol operations. We concluded that the KCSO had developed a sound framework for its strategic plan, but the plan needed to be strengthened by clarifying the connection between daily activities and broad, department-wide goals. In the case of patrol operations, we found the KCSO was following law enforcement best practices in some important areas; however, the KCSO had not established clear operational policy goals or objectives, or a sound, structured approach to planning and managing its patrol resources.

In response to the conclusions of our audit and the substantial changes in its operations driven by city incorporations and annexations, the KCSO began developing an Operational Master Plan (OMP). The objective was to complete a comprehensive review of the KCSO's operations and future business needs, in order to "develop a sustainable operational and financing model for the provision of law enforcement services to the residents of King County." ¹ The first phase of the OMP project focused on establishing a new strategic plan and policy framework to guide future decision making.

¹ King County Sheriff's Office Operational Master Plan: Phase I Report/Strategic Plan, July 2005, p. 1

Audit Scope and Objectives

This audit was part of the 2005 King County Auditor's work program, as approved by the Metropolitan King County Council. The primary objectives were to review the KCSO's OMP, to follow up on our 2004 audit recommendations, and to evaluate how these recommendations were being addressed through the OMP. The audit scope also included other issues of interest to the council, including the operations of the contract cost model as applied to the Metro Transit and King County International Airport contracts, and a review of the KCSO's management of federal grants in light of recent State Auditor's Office reports that found the KCSO was not in compliance with federal grant management requirements.

Specifically, the audit's objectives were to:

1. Review the KCSO's Operational Master Planning efforts and follow up on implementation of 2004 audit recommendations.
2. Evaluate the Sheriff's Office's contract cost models for the Metro Transit Police and the Police/Aircraft Rescue Fire Fighting (ARFF) services provided to the King County International Airport.
 - Do the models include the appropriate services and costs?
 - Are the cost calculations and allocation methodologies appropriate?
 - Are expenditures being recovered per the contract models?
3. Review the adequacy of financial management of federal grants.

Methodology

Audit staff used the operational master planning requirements identified in the King County Code to review the KCSO's Operational Master Plan (OMP), and evaluated the KCSO's

strategic planning efforts using guidelines developed by the Countywide Performance Measurement Workgroup.² The KCSO's OMP and strategic plan were also used as a resource to follow up on implementation of our 2004 report recommendations, because the KCSO intends to address our primary findings in the context of these efforts.

To evaluate the contract cost model and its application to the Metro Transit and King County International Airport contracts, we:

- Reviewed the model's design for completeness and internal integrity.
- Analyzed the cost allocation methods and checked their application to the specific contracts.
- Researched contract expenditures and interagency reimbursements.

To assess the KCSO's management of federal grant funds, audit staff reviewed the findings of the 2002 and 2003 State Auditor's Office (SAO) reports, researched financial records in the ARMS system, and worked with staff from the Sheriff's Office and U.S. Department of Justice to identify the causes and determine if the issues had been resolved.

This audit included a review of internal controls only in the area of federal grants management. We evaluated the controls established to ensure compliance with federal administration and reporting requirements.

² In July 2003, the King County Auditor's Office contracted with a consultant to assist in further developing the county's performance measurement capabilities. Results of this effort include the *Final Report of the Countywide Performance Measurement Program*, which was completed in August 2004, and a Business Plan Analysis Tool for evaluating county business plans, including the utility of agency performance measures.

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2 OPERATIONAL MASTER PLAN AND PERFORMANCE AUDIT FOLLOW-UP

Chapter Summary

This chapter discusses our evaluation of the Operational Master Plan (OMP) developed by the Sheriff's Office (KCSO), which was initiated partly in response to the findings of our 2004 performance audit. Also covered is our follow-up review of the KCSO's efforts to implement our prior report's recommendations in the areas of strategic planning, management of patrol operations, and overtime.

OMP Approach Is Comprehensive and Substantive

We found that the KCSO has taken a comprehensive, substantive approach to developing an OMP and a new strategic plan that are consistent with our 2004 audit recommendations and with the county's requirements and guidelines for the development of such plans. While the new strategic plan is logically structured, the alignment between agency activities and the achievement of high level goals remains somewhat unclear. The KCSO plans to complete its work selecting strategies and performance measures during the second phase of its OMP project.

More Analysis Required to Define Patrol Staffing Needs

In addition, the KCSO is using a sound approach to analyze and define its patrol staffing requirements as part of its effort to develop a more systematic method of managing patrol resources. However, further analysis and decision making to determine operational goals, objectives and related resource needs are required for the KCSO to effectively develop a more systematic approach to managing patrol resources.

Finally, the KCSO has begun preliminary work to address our recommendations with regard to overtime tracking, patrol relief

staffing, and compensatory (comp) time management; and the KCSO plans to continue its work in these areas over the next year.

This chapter makes recommendations to the Sheriff's Office to clarify the linkage between its officewide goals and program activities, strengthen its scenarios modeling capabilities, develop outcome oriented objectives for patrol operations, and continue efforts to construct a patrol staffing model that incorporates the core workload drivers and operational needs of unincorporated county areas.

OPERATIONAL MASTER PLAN DEVELOPMENT

OMP Was Initiated to Address Annexation Impacts and Audit Recommendations

The Sheriff's Office is conducting a comprehensive review of its current and future operations through development of an Operational Master Plan (OMP). The KCSO initiated this project in response to the substantial operational changes it is facing due to the pending annexations and incorporations of large unincorporated county areas. The OMP was also a response to our 2004 performance audit and questions from KCSO contract partners and county policy makers about future KCSO resource needs.

Strategic Plan Review

The first phase of the OMP was completed in July 2005. It includes the development of a new strategic plan and an evaluation of how the KCSO's operations will be affected by external and internal changes the agency is facing in the coming years. The KCSO strategic plan includes a new vision, mission, and goals, as well as draft strategies and performance measures.

Strategic Plan Is Comprehensive and Consistent with County Guidelines

Audit staff evaluated the structure and cohesiveness of the new strategic plan, and the performance measures under consideration, using the performance measurement template developed by the Countywide Performance Measurement Workgroup to guide the development of county strategic plans.³ Our review found that the new strategic plan is comprehensive and well organized, with a logical connection between the agency mission and goals. The goals also appear to be appropriately outcome oriented. In addition, consistent with the guidelines, the performance measures under consideration include measures of both efficiency and effectiveness.

KCSO Took Strategic Plan a Step Further

One notable aspect of the new strategic plan is that the KCSO and its consultant took the strategic planning process a step further by categorizing the program functions of the Sheriff's Office into several core businesses that were then aligned with new agencywide goals. "Purpose statements" were developed for each functional program area, such as emergency response and community policing, and the programs were then aligned with one or more of the KCSO's core businesses. Finally, performance measures were drafted for each program area.

A strength of this cross cutting approach is the identification of common goals and business objectives shared between separate divisions and programs of the KCSO. Although the strategies and measures ultimately selected by these separate organizational units will differ, focusing on common goals and business objectives should help separate programs understand how their efforts are related.

We recognize that the performance measurement and strategy information in the OMP and strategic planning documents is still

³ Audit staff reviewed the strategic plan and performance measurement information in the Phase I OMP report and in the KCSO's Strategic Business Plan: 2006 Budget Update.

in draft form, and would like to offer some guidance as the Sheriff's Office continues to refine this strategic planning approach.

Connection Between Programs Activities and Overall Goals Is Not Always Clear

One area where the plan could be improved is to more clearly explain how the activities of individual programs and organizational sections will support achievement of agencywide goals. While the plan explains which goals the individual programs are aligned with, it does not appear that specific objectives have been identified for the programs themselves. Agencywide strategies have been drafted, but they do not readily relate to program activities. Without program level objectives, it is difficult for the plan to communicate how program activities will be expected to support agency goals.

Similarly, the performance measures under consideration have been aligned with the programs, which are in turn aligned with overall agency goals. However, without mid-level program objectives, it is not always clear what activities are being measured, or what activities each performance measure supports. Although the connection between the measures and agency goals can be inferred from some of the information in the purpose statements, this relationship is not explicit.

Program Level Objectives Would Strengthen Plan

Identifying intermediate level objectives for individual programs would explain how their activities will be linked to agency goals. In addition, developing measures and strategies for reaching these objectives would help the Sheriff's Office communicate (internally and externally) how it plans to achieve its goals. This would also help ensure that the agencywide goals are reasonably achievable and that progress towards their achievement can be readily measured.

OMP Review

Audit staff also used county OMP requirements to review the KCSO's planning efforts. Some of the OMP components required by the King County Code are:⁴

- An analysis of alternatives
- Projected workload
- Needed resources
- Performance measures

“Staffing Allocation Model” Developed to Project the Impact of Annexations and Incorporations

Our review shows that while much of the OMP Phase I work consisted of higher level strategic planning as discussed in the previous section, other aspects are consistent with county OMP requirements. For example, the KCSO worked with a consultant to develop an agencywide “staffing allocation model” that simulates the effect that impending annexations of the county's urban unincorporated areas would have on their staffing and resource needs. This model enables the Sheriff's Office to develop potential operational scenarios and improve their planning abilities, and will help the KCSO provide information to county policy makers with regard to its future resource needs.

The development of this model required the KCSO to review the basis for their staffing levels across the entire department, including analyzing factors such as:

- projected workload
- legal mandates
- future service delivery expectations
- contracts
- geographical coverage needs, and
- origin of historical staffing policy decisions

⁴ King County Code 4.04.020 LL

The model is designed to simulate the effect of potential annexation and incorporation scenarios on the KCSO's officewide staffing based on existing workload, staffing policies, and contract arrangements. While the model reflects current staffing policies and workload assumptions, it was also designed to allow for changes in these factors so that the KCSO could assess the impact of potential changes in these areas. Where it was possible, the KCSO and its consultant incorporated the established workload drivers and staffing factors that determine the staffing levels of various functional areas. This enables the KCSO to adjust workload levels or staffing policy assumptions incorporated into the model and identify the immediate impact on staffing.

**Data Model Gives
Patrol Operations New
Planning Capabilities**

In the case of patrol operations, the KCSO and its consultant were able to integrate the established staffing levels currently used to support workload by geographic area. This has given the KCSO the new capability to quickly identify, under current staffing policies, how their patrol resources would be either redistributed or reduced as various unincorporated areas are annexed or incorporated.

In some operational areas, the staffing levels associated with each potential annexation and incorporation are based on a separate scenario analysis completed outside the model itself. In these cases, the model does not include the underlying factors that determine these staffing levels. In the case of patrol, the reason for this is because of the complexity of patrol operations, and because the Sheriff's Office has not yet specifically defined how staffing levels are related to underlying factors such as workload levels, standards for officer safety and backup support, or performance objectives.⁵ Consequently, KCSO staff must conduct a manual process to determine, on a case-by-case

⁵ This is discussed in more detail in our 2004 Performance Audit of the King County Sheriff's Office.

basis, how changes in any of these factors might affect their patrol staffing needs. As will be discussed further in the next section, the KCSO is continuing its work to refine its patrol staffing plan as part of Phase II of the OMP.

Inclusion of Staffing Policies Would Strengthen Model's Capabilities

The model's ability to create scenarios and aid in decision making could be further strengthened if the factors supporting staffing levels and resource needs were included in, or tied to, the model. This would enable the KCSO to more easily simulate and explain how underlying factors such as workload, operational needs, and staffing policies are affected by changes in their geographic service area. This would also allow the KCSO to develop a more powerful scenario building capability. We encourage the KCSO to continue integrating staffing standards and workload factors into this data model to the extent feasible.

Geographically Based Workload Analysis Is Now Possible

As part of the OMP, KCSO staff completed a project that allows them to determine their workload at a small geographic level. Previously, the KCSO could not accurately determine the impact future annexations would have on their workload in part because of the way their computer systems tracked workload information. They now have the ability to more accurately determine the geographic origin of their workload, and to estimate how potential annexations might affect their workload and related resource needs.

KCSO Is Taking a Comprehensive Approach to Planning for the Future

The OMP also included a comprehensive review of how external factors such as projected changes in crime rates, service population, and demographics could impact the KCSO's future operations and resource needs. These steps and the data modeling efforts described above are all consistent with the county's OMP requirements. Together with the strategic planning project, they indicate the KCSO is taking a

comprehensive, substantive approach to aligning its operations to meet strategic goals and future operational needs.

2004 AUDIT FOLLOW-UP

The KCSO's OMP project is in part a response to our 2004 report findings that the KCSO could strengthen its strategic planning and performance monitoring capabilities, as well as the techniques used to manage its patrol staffing resources. This audit follows up on our recommendations that the KCSO identify objectives and measures that explain how its activities are related to overall agency goals, specifically in the area of patrol operations. This audit also follows up on the recommendation that the KCSO develop a more systematic method for establishing and monitoring its patrol staffing needs.⁶

Strategic Planning Recommendations

The KCSO has made substantial progress towards implementing our strategic planning recommendation for the overall strategic plan and for patrol operations. As discussed in the previous OMP section, the new strategic plan is logically structured, and draft strategies, measures and purpose statements have been developed for each program area and section of the agency. Phase II of the KCSO's OMP, which is expected to be drafted by April 2006, will include further refinement and selection of final strategies and performance measures.

Performance Measures Have Been Drafted for Patrol

The measures under consideration for patrol operations are consistent with the need to monitor both resource use and effectiveness, and they reflect the type of workload and performance indicators needed as the basis for a systematic patrol staffing plan. For example, some workload and efficiency measures under consideration include calls handled per officer

⁶ *Performance Audit of King County Sheriff's Office: Report 2004-06, King County Auditor's Office*

and amount of time officers are available for service. Potential measures of effectiveness include targeted response times to 911 calls and the percent of incidents where the suspect is apprehended. These measures were not in place when we reviewed the KCSO's strategic plan in 2004 and they demonstrate clear progress in this area.

**Connection Needed
Between Patrol Activity
and Overall KCSO Goals**

However, as was also discussed earlier in this chapter, the overall strategic plan lacks specificity with regard to what objectives programs will pursue to help the KCSO meet its goals. In the case of patrol, a KCSO goal is to "effectively respond to critical incidents," an area where patrol has a primary responsibility. While the performance measures under consideration include patrol "response time" and targets for high and medium priority calls, as well as measures for apprehending subjects, the plan does not identify objectives that explain what "effective response" means for patrol. Although some of this information can be inferred from the purpose statements, the activities being measured are not explicitly identified.

**Strategic Plan Can Be
an Effective
Management Tool**

Developing more explicit objectives, such as "Patrol will respond in a timely manner to critical incidents (such as high priority calls)" and "Patrol will attempt to apprehend suspects during critical incidents," would provide context for the measures and explain how patrol's activities are related to key KCSO goals. Specific targets for improvement can then be selected (like the target response times for priority calls), and finally strategies and timelines for meeting these targets. Again, as discussed earlier, making a connection between daily activity and overall goals is a key part of implementing a strategic plan that will be used as a management tool to monitor, report, and improve performance.

Patrol Staffing Recommendations**2004 Audit
Recommended a More
Systematic Patrol
Staffing Plan**

Our 2004 audit also identified the need for the Sheriff's Office to develop a more systematic, objective approach to managing its patrol staffing plan. Through development of the data model discussed in the OMP section above, the KCSO has taken a significant step towards articulating how the underlying workload and policy factors are related to patrol staffing needs. Including current staffing policies into the model and explicitly demonstrating the relationship between core county needs and those of neighboring contract cities is especially important. The ability the KCSO now has to simulate the patrol staffing impact of changes in their geographic service areas and associated workload should make this model a very effective planning tool.

**Further Analysis of
Patrol Workload and
Operational Needs Is
Needed**

As the KCSO is aware, further analysis and decision making is necessary to build a patrol staffing plan that is objectively grounded on workload factors and well defined operational needs. As discussed in our 2004 audit, this is a critical part of developing a patrol staffing plan that will enable the KCSO to more effectively:

- Monitor agencywide resource utilization and staffing needs, and understand how they are impacted by workload changes;
- Ensure that these resources are allocated uniformly with policy goals and operational requirements; and
- Improve its decision-making and planning abilities.

The KCSO's work in this area is ongoing and plans to develop a more uniform staffing plan. Current efforts include:

- A benchmark survey of comparable law enforcement offices to determine how KCSO resources allocation and service levels compare to others;
- A review of supervision levels and the span of control; and

- A review of current patrol operations in light of the new strategic plan and OMP.

The KCSO has also been evaluating “off the shelf” patrol staffing software products to identify one that will best meet its needs; however, it has not yet identified one.

KCSO Encouraged to Add Results Oriented Objectives and Measures for Patrol

In conclusion, as the Sheriff’s Office continues its work to complete its strategic planning for patrol operations, we encourage adding objectives and measures that demonstrate the results and effectiveness of patrol’s activities, especially in terms of how patrol activities relate to the KCSO’s agencywide goals. In addition, the selected objectives and measures should be consistent with the operational requirements, performance expectations and outcome measures that will ultimately form the basis of the KCSO’s patrol staffing plan.

Other Follow-Up Topics

Our 2004 audit also identified limitations in the KCSO’s overtime tracking abilities, and the potential for improved cost-effectiveness in compensatory (comp) time management and patrol relief staffing. These issues are outside of the OMP project scope, and the Sheriff’s Office is addressing these recommendations separately.

Review of Overtime Tracking Has Begun, but More Work Is Required

Our review found that KCSO staff have taken initial steps to review the design of the overtime data collection system, including a review of the rule governing how the data is collected for payroll purposes. However, the KCSO has not yet determined what is required to improve its tracking capability or implemented additional management oversight to review the reasons for changes in overtime use. An analysis of overtime data shows that overtime use declined slightly from 2003 to 2004, and that expenditures remained within budgeted amounts.

This indicates that the sharp increase in overtime between 2002 and 2003 discussed in our 2004 audit was not a continuing trend, and that new controls for managing overtime budgets appear to be working.

**KCSO to Review
Feasibility of Sharing
Relief Staff**

The KCSO has completed some preliminary work in response to our recommendation that it assess and identify the potential for sharing deputies between precincts. We made this recommendation because sharing deputies, instead of paying overtime for additional deputies to come in, could potentially result in significant cost savings. By analyzing its daily staffing information, the KCSO has identified a method for determining how frequently staffing exceeds minimum requirements. The KCSO plans to further review the feasibility of implementing a shared staffing system, with consideration for how it will fit in with their new agency strategic plan and priorities, and the administrative time required to manage it.

**KCSO Will Discuss
Comp Time Issues With
HRD**

Our 2004 report also recommended that the KCSO “assess the potential to...control the staffing and cost impact of compensatory time.” Per our recommendation and the KCSO’s official response, the KCSO is discussing the issue and will be working with the county’s Human Resources Division (HRD) to assess options for the next round of labor discussions. They plan to submit a report to HRD by December 31, 2005.

RECOMMENDATION 1

Within the strategic plan, clarify the linkage between program level activities and officewide goals. Consider developing program level objectives, measures, and strategies.

RECOMMENDATION 2

Strengthen planning and management capabilities by:

- Identifying underlying staffing factors and, to the extent possible, adding them to the data model.
- Continuing efforts to develop a systematic patrol staffing plan that incorporates the underlying workload factors and operational needs of unincorporated county areas.

RECOMMENDATION 3

Add strategies and measures that demonstrate the results of patrol's activities and the relationship of these results to program objectives and the KCSO's agencywide goals.

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3 CONTRACT COST MODEL: METRO TRANSIT AND KING COUNTY INTERNATIONAL AIRPORT

Chapter Summary

This chapter discusses our review of the KCSO's contract cost model as applied to internal county contracts with Metro Transit (Transit) and the King County International Airport (Airport). Our audit evaluated the overall design of the contract cost model and reviewed how the service costs are calculated and allocated to these county contracts.

Cost Model Is Comprehensive and Reasonable

We found that the cost model is comprehensive and the methods used to allocate costs were reasonable and accurate.

Additionally, the cost model was appropriately applied to the Metro Transit and Airport contracts. While we did not identify major issues with application of the cost model itself, both Transit and Airport management raised concerns about the cost impact of the car-per-officer (CPO) policy on their contracts.

This chapter makes recommendations to the Sheriff's Office for improving the automation and transparency of the cost model. We also recommend that the County Council clarify the application of the car-per-officer policy to the Transit and Airport contracts.

KCSO Provides Services to Transit and Airport

Background

The Sheriff's Office provides law enforcement services to two county agencies, Metro Transit and the King County International Airport, under interagency agreements called Memoranda of Understanding. The KCSO began providing services to both of these agencies in the late 1990's, following the merger of the King County and Metro governments.

**KCSO Provides Transit
With Law Enforcement
Services**

The Metro Transit Police function is responsible for providing security and emergency response services to the transit system's buses and facilities throughout the county, with the goal of protecting the safety of Transit's customers and employees. Its primary law enforcement responsibilities include bus, car and bike patrol, response to emergency calls, tunnel security, and proactive crime prevention activities.

**KCSO Provides Airport
With Firefighting and
Airport Security
Services**

The King County International Airport contracts with the Sheriff's Office to provide Aircraft Rescue Fire Fighting (ARFF) and Airport security services. This unit is responsible for emergency response and firefighting services in the event of an aircraft emergency or fuel spill, and is responsible for the Federal Aviation Administration regulated Airport Safety/Inspection program that ensures the safety of the taxiways and runways. The Airport Police has law enforcement responsibilities on airport property, including responding to calls for police assistance, preventing unauthorized access in restricted areas, and some typical patrol activities.

Contract Cost Model Review**Model Uses Systematic
Cost Allocation
Methods**

The Sheriff's Office has developed a central contract cost model to calculate and allocate the costs of its law enforcement service contracts with other parties. Our review found that this model uses standard, systematic methods to allocate the costs of direct services such as staffing, and indirect costs such as supervision, administrative support, and agency overhead. We tested its design and integrity and found it to be sound.

It is also notable that it is a comprehensive cost model, in that it includes the entire Sheriff's Office budget and uses total costs, direct and indirect, in its allocation methodologies. The relative cost share of a particular program is determined based on the contract entity's percentage use of the program, or the number of dedicated FTEs that are purchased.

KCSO Costs Divided into Two Categories: Chargeable and Non-Chargeable

The cost allocation approach divides KCSO costs into two broad categories: chargeable and non-chargeable. At its foundation is the goal to obtain full cost recovery while complying with the state accountancy act that prevents government entities from profiting through their contracting activities.⁷

Non-chargeable costs are typically those that the Sheriff's Office is mandated by state or county law to provide, such as the Search and Rescue function, as well as the costs for functions that have independent revenue sources.⁸ Fixed positions such as the elected position of Sheriff itself are also non-chargeable. Chargeable costs include direct staffing costs and supervision, indirect administrative support, supplies, and agency overhead. The most significant chargeable cost is direct staffing, which includes the total cost of employment including salary, benefits, retirement, overtime, and training.

Cost Designations Reflect Current Interlocal and Interagency Agreements

While an in-depth evaluation of whether individual costs should be chargeable or non-chargeable was beyond the scope of this audit, this topic has been the subject of recent evaluations and discussions, including an external 1998 consultant's evaluation⁹ and 2004 budget proviso discussions.¹⁰ Our office also reviewed

⁷ Revised Code of Washington 43.09.210

⁸ The Regional Automated Fingerprint Identification System (AFIS) is an example of a function that is non-chargeable to contract parties. It is funded through a five-year King County property tax levy.

⁹ *Regional-King County Public Safety Contract Services and Financial Review*, Public Administration Services, December 1998.

¹⁰ Budget and Finance Management Committee staff report for proposed motions 2004-0300 and 2004-0301.

its overall design during the first phase of this performance audit in 2004.

One conclusion of the budget discussions was that the rationale for designating program costs as non-chargeable was clear in many cases, but in other instances this designation was instead policy choice.¹¹ It is important to note that these charges are also the subject of ongoing review and negotiations between the KCSO and the contracting entities. Their current designation as chargeable or non-chargeable represents the existing legal contract agreements between the county, suburban cities, and other county agencies.

**Cost Allocation
Formulas Are Not
Formally Documented**

The contract cost model is complex and detailed, and although its framework is logically laid out in the printed contract “cost book,” the underlying formulas behind the costs and their allocations are not formally documented. The manual is also only in a printed format, which made it difficult for audit staff to determine how total costs are allocated and required KCSO staff to verbally explain the allocation methodologies. The model’s utility and ease of use could be improved if its various components were electronically integrated and its cost allocation formulas were more explicit. This would also enable KCSO staff to more easily update the model and allow for more effective quality control and review.

We also observed that the cost allocation model does not identify the operational costs and staffing required to support unincorporated county activity. We questioned what happens when contracts use more of the resources they share with unincorporated areas than was anticipated in the annual contracts, and were satisfied that the model is equitable for both the county and contract parties.

¹¹ Ibid, p. 11.

**Cost Model
Appropriately Applied
to Transit and Airport
Contracts**

Transit and Airport Contracts

Our analysis of the Transit and the Airport contracts confirmed that the KCSO's charges for 2004 were consistent with the model's standard allocation methods, and that the Sheriff's Office received full payment for these services. Transit and Airport management expressed general satisfaction with how the staffing and service costs are allocated; however, both parties expressed some concern over the costs of the county's car-per-officer (CPO) policy. This is discussed in more detail in the following section.

**Car-per-Officer Policy
Initiated by Council in
1987**

Other Cost Model Observations

Car-per-Officer Policy

The car-per-officer (CPO) policy provides all fully commissioned officers within the Sheriff's Office a take-home vehicle, including those working for Transit and Airport under interagency contracts. The policy was initiated in 1987 by the County Council with the intent of:

- Improving patrol officer coverage and response times,
- Reducing vehicle maintenance costs,
- Increasing the visible law enforcement presence throughout the county,
- Improving off-duty emergency response capabilities, and
- Improving officer morale.¹²

The original council motions and budget documents describe these intended benefits and explain how the cars were purchased for patrol deputies as well as detectives, and phased in, precinct by precinct, between 1987 and 1992. However, these documents do not specify whether this policy would extend to deputies and detectives outside of field operations, or to the

¹² King County Council motions 6839 and 8718.

entities contracting with the KCSO for police services. A 2001 auditor's office report on county take-home vehicles suggested that the council's original policy intent be clarified.

**Transit and Airport
Management
Expressed Concerns
About Cost Impact of
CPO**

As a consequence of the policy, the service contract requires Transit and the Airport to bear the cost of acquiring and maintaining a car for each officer under their contracts. Their management is concerned because the cost impact of the cars is significant, with new patrol vehicles costing approximately \$34,000 and requiring replacement every four to seven years. In 2005, Transit contracted for 35 commissioned officers, and the Airport contracted for 18.

**Transit and Airport
Have Unique Functions
So Some CPO Benefits
May Not Apply**

Airport and Transit management also pointed out that the Transit Police and Airport Police/ARFF have unique functions that differ from other KCSO operations, and that some of the intended benefits of CPO may not directly apply to them. For example, improving patrol officer response time and precinct coverage during shift changes was an objective of CPO. However, the patrol responsibilities of the Airport Police/ARFF deputies are limited to short patrols around Airport property, and some Transit functions, such as bike patrol, may not require the use of patrol vehicles. Other anticipated benefits of CPO, such as reduced maintenance costs, improved law enforcement visibility, off-duty and emergency response capabilities, and officer morale may still apply to the cars used by Transit and the Airport.

**Clarification of Council
Intent Is Warranted**

It is important to point out that the contracts with Metro Transit and the Airport were developed fairly recently, in 1999, and were thus not in place when the County Council initiated the CPO policy in 1987. Given that the original council policy could not have addressed the extension of CPO to these two contracts, a clarification of council's intent relating to Transit and the Airport appears warranted. Although the CPO program is not included

in current labor contracts, consideration of existing workplace practices may be needed if changes in this policy are considered.

Vehicle Purchase and Maintenance

County Is Not Using a Unified Approach to Managing KCSO Vehicles

Our review found that the county is not using a unified approach to managing KCSO vehicles. Transit and Airport management have both chosen to purchase and service their own cars rather than use the KCSO's standard method of leasing and maintaining cars through Fleet Administration, under the assumption that they can use their own service facilities to maintain and repair the cars at a lower cost. While all three county agencies report they are purchasing cars through a bulk contract with the state, they are using three different approaches to maintaining and replacing KCSO vehicles.

For example, neither Transit nor the Airport has conducted a full cost analysis of their vehicle replacement life cycle, so their true vehicle costs, and how they would compare to Fleet Administration's costs, are unknown. As found in a recent audit, Transit's approach to analyzing vehicle replacement costs is not complete.¹³ The Airport has not yet had to replace any KCSO vehicles and has not performed any cost analysis.

Cost Effectiveness of Current Methods Not Verified

Fleet Administration appears to have a soundly designed model for calculating the life cycle costs of KCSO vehicles that incorporates the appropriate life cycle cost analysis principles. However, an actual validation of how that model is applied to KCSO vehicles and of how the program is managed was beyond the scope of this audit. We are therefore unable to comment on whether the various methods in use by the county to maintain its patrol cars is the most cost effective.

¹³ *Performance Audit of Transit Capital Planning*, Report 2005-? King County Auditor's Office, p. 11

RECOMMENDATION 4

The Sheriff's Office should improve the contract cost model's automation and the transparency of its allocation methods.

RECOMMENDATION 5

The County Council should clarify the application of the car-per-officer policy to the Transit Police and Airport Police/ARFF contracts.

4 MANAGEMENT OF FEDERAL GRANT FUNDS

Chapter Summary

This chapter summarizes conclusions about the KCSO's management of federal grants. The State Auditor's Office reports for 2002 and 2003 found that the KCSO did not comply with federal requirements for two U.S. Department of Justice (DOJ) Community Oriented Policing Services (COPS) grants, calling into question whether the KCSO used approximately \$1.2 million in federal grant funds for the grants' intended purposes. The DOJ subsequently initiated follow-up reviews of the KCSO's management of these grants.

Our review focused on assessing the KCSO's efforts to address the compliance issues identified in the State Auditor's reports. We reviewed the KCSO's management controls over grant financial processes and obtained information on the current status of the DOJ's reviews of the compliance issues. The outcomes of the DOJ's reviews are significant because the department has the authority to require the KCSO to return reimbursements for any questioned COPS grant charges.

KCSO Has Significantly Improved Grant Management Practices

The KCSO significantly improved its practices in response to the State Auditor's Office reports, and the DOJ was proceeding to close its investigations of all audit findings as of August 2005. Our review found that several factors contributed to the issues identified in the State Auditor's Office reports, including the absence of a systematic method for ensuring compliance with federal grant requirements and the county's time-sensitive need for additional deputies during the Green River homicide investigations. In addition, inconsistent accounting for grant revenues and expenditures made it difficult to ensure that grant

reimbursements were requested in a timely manner. The KCSO has addressed most of these issues and is continuing to improve its grant management practices.

To further improve the efficiency and effectiveness of its grant management practices, the KCSO should develop a systematic method for tracking grant status and compliance requirements, and should continue improving its reimbursement and other accounting practices. These new practices should be documented in written policies and procedures.

BACKGROUND ON SHERIFF'S OFFICE USE OF FEDERAL GRANTS AND STATE AUDITOR'S FINDINGS

The KCSO receives federal and state grants to support a range of activities that fund personnel or equipment to supplement existing operations. Grant-supported activities include homeland security efforts, as well as programs to reduce violence against women and increase policing in schools. In 2003, grant funds supplemented the costs of investigating the Green River homicides, homeland security programs, and the violent crimes review team. In 2004, the KCSO's grant expenditures for nine active grants totaled approximately \$1.3 million.

State Auditor Found That KCSO Did Not Adhere to Federal Grant Requirements

The State Auditor's Office reports found that the KCSO did not adhere to federal requirements for two COPS grants that provided funding to support the hiring of new deputies. The grants were awarded in 1996 and 2003, and provide a total of \$11.5 million over the life of both grants. The 1996 and 2003 grants are scheduled to end in 2005 and 2006 respectively.

The specific issues identified in the State Auditor's Office reports were that the KCSO did not:

- Provide adequate documentation to support costs charged to its DOJ COPS grants;
- Ensure that costs reimbursed by grant funds were incurred during the period of availability;
- Submit financial reports within 45 days after the end of a quarter; or
- Ensure that grant funds supplement, rather than supplant, local funds.

Not Adhering to Requirements Could Place Grant Funds at Risk

The Department of Justice (DOJ) subsequently initiated a follow-up review of the KCSO's management of these two COPS grants, as well as its overall grant management practices. Not adhering to grant requirements could place grant funds at risk. In fact, during the process of resolving the audit issues, the DOJ requested that the KCSO provide adequate supporting documentation for questioned grant charges, or return the funds.

The KCSO began improving its grant management practices and working with the DOJ in 2004 to address concerns identified in the State Auditor's Office reports. Our review found that the DOJ was proceeding to close all of the issues arising from the State Auditor's Office reports as of August 2005. County audit staff also confirmed that the new management practices implemented in 2004 were consistent with grant requirements.

Causes of Compliance Issues

Causes of KCSO's Compliance Issues Have Been Resolved

We concluded that the compliance issues were caused by the county's time-sensitive need for additional deputies during the Green River homicides investigation; a lack of understanding of specific financial reporting and documentation requirements; and the absence of a systematic method for tracking the requirements. The time-sensitive need for additional deputies to support the Green River homicides investigation arose due to unusual circumstances, and is not likely to recur. The KCSO's

understanding of grant requirements and the importance of documenting grant activities has improved significantly. This is demonstrated by the KCSO's substantial revision of its financial grant practices and ongoing development of new policies and procedures.

However, the KCSO could further strengthen and streamline its practices for monitoring grant status and compliance processes. During our review, KCSO staff needed to conduct a manual review of the paper grant files to determine whether or when specific compliance steps were completed. This was time-consuming (particularly because of recent turnover in the KCSO's finance staff) and contributed to delays in providing information to both the DOJ and audit staff. Developing a documented, systematic method to monitor grant process steps, such as a simple tracking system, could further improve the efficiency and effectiveness of the KCSO's grant management. The KCSO indicated that the office is now implementing a grant monitoring and tracking process.

RECOMMENDATION 6

The KCSO should develop a systematic method for tracking grant status and compliance requirements, and document the new practices in written policies and procedures.

RELATED GRANT MANAGEMENT ISSUES IDENTIFIED

We found that a lack of policies and procedures resulted in delayed reimbursement requests and inconsistent accounting for grant revenues and expenditures. However, the KCSO began improving its reimbursement and accounting practices in 2004 and is continuing to improve its practices in 2005.

Before 2004, the KCSO did not request reimbursement of expenditures for the two COPS grants in a timely manner. Grant

KCSO's Reimbursement Requests Were Frequently Delayed

requirements do not stipulate a timeframe for requesting reimbursements, but the grant owner's manual indicated that agencies typically request monthly or quarterly reimbursements. The KCSO generally made reimbursement requests on an annual basis, so requests were frequently made up to a year after the grant expenditures were incurred.

As a result of the KCSO's delayed reimbursement requests, Current Expense funds that supported grant-funded activities were not recovered in a timely manner after the expenditures were incurred. However, the KCSO indicated that it revised its practices to request reimbursements on a quarterly basis, and we verified that requests were made in a timely manner in 2004.

Inconsistent Reimbursement and Other Accounting Practices Have Been Corrected

The KCSO's financial staff also acknowledged that the office has not accounted for grant revenues or expenditures consistently or properly in the past. For example, before 2004, the KCSO did not consistently record its grant revenues in the county's accounting system when the revenues were earned. Grant revenues are "earned" once eligible costs are incurred. Instead, the KCSO recorded grant revenues when the reimbursement from the DOJ was received. KCSO now consistently records revenues when it incurs eligible costs and requests reimbursements from the DOJ COPS office in a timely manner.

A lack of separate accounting codes for each grant also made it difficult for audit staff to verify specific grant expenditures and revenues. The KCSO now establishes discrete expenditure codes for each new grant and plans to establish discrete revenue codes later this year. The KCSO's new accounting practices should improve the tracking of grant expenditures and revenues, and allow for independent reviews of financial activity.

RECOMMENDATION 7 The KCSO should develop written policies and procedures to document its new reimbursement and accounting practices.

THE SHERIFF'S OFFICE PLANS TO IMPLEMENT FURTHER GRANT MANAGEMENT IMPROVEMENTS

In addition to the noteworthy improvements already implemented, the KCSO is also conducting an organizational review and planning additional new practices to further enhance its grant management. The KCSO's Chief Financial Officer indicated that the organizational separation between grant program staff and grant finance staff made it more difficult to monitor grant application, award, and financial processes, and ensure that grant compliance requirements are met. The grant program staff are responsible for identifying available grant awards and eligible KCSO programs, and for applying for grant funding. The finance staff are responsible for ensuring that the KCSO meets financial reporting, documentation, and other compliance requirements. The KCSO has begun to address concerns about the organizational separation by planning a consolidation of the grant program and finance staff.

KCSO Is Implementing Organizational and Other Improvements to Strengthen Grant Management

Other planned improvements include:

- Establishing an online directory for grant activity to improve information sharing;
- Enhancing communication processes; and
- Assigning grant financial administration responsibilities to a specific finance team member.

The KCSO expects to implement these majority of the improvements by the end of 2005.

APPENDICES

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SHERIFF'S RESPONSE



KING COUNTY SHERIFF'S OFFICE
516 Third Avenue, W-116
Seattle, WA 98104-2312
Tel: 206-296-4155 • Fax: 206-296-0168

Susan L. Rahr
Sheriff

September 16, 2005

TO: Cheryle A. Broom, King County Auditor

FROM: Susan L. Rahr, King County Sheriff

RE: RESPONSE TO PROPOSED FINAL REPORT OF KCSO PERFORMANCE AUDIT

Thank you for providing us with this opportunity to respond to Phase II of the King County Sheriff's Office (KCSO) Performance Audit. As we noted in Phase I and the Phase II technical review, we believe that the Auditor's Office has conducted a balanced review and analysis of our performance and operations.

Many of the recommendations you have provided relate to projects that are currently in progress. These projects will enhance our ability to plan and allocate resources based on overall goals, objectives, and performance measures. Some of these recommendations also will require a significant investment of staff time and funding for new software, consultants, and/or training. As with Phase I recommendations, successful implementation will depend in part on our ability to identify employees with the necessary time, expertise, and technology tools or training. Thus, we partially concur with many of the recommendations only because we are concerned that we may not have the resources to implement all recommendations.

The following are our specific responses, in the format you requested.

Recommendation	Agency Position	Schedule for Implementation	Comments
1. Within the strategic plan, clarify the relationship between program level activities and officewide goals. Consider developing program level objectives, measures, and strategies	Partially Concur	The work will be accomplished in Phase II of the OMP. Initial program level goals will be drafted by March 31 st , 2006	Development of specific program level goals will happen subsequent to Phase I of the KCSO Strategic Plan and will occur concurrently with the development of the department's official OMP. We agree program objectives should be designed to help the KCSO achieve agency-wide goals, but with the variety of programs and services provided by the KCSO, a phased implementation is advisable.

SHERIFF'S RESPONSE (Continued)

RE: RESPONSE TO PROPOSED FINAL REPORT OF KCSO PERFORMANCE AUDIT

September 16, 2005

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Recommendation	Agency Position	Schedule for Implementation	Comments
<p>2. Strengthen planning and management capabilities by:</p> <ul style="list-style-type: none"> • Identifying underlying staffing factors and, to the extent possible, adding them to the data model. • Continuing efforts to develop a systematic patrol staffing plan that incorporates the underlying workload factors and operational needs of unincorporated county areas. 	<p>Partially Concur</p>	<p>Phase II of the OMP</p>	<p>During Phase II of the OMP, the KCSO will assess the capability of the data model to add new staffing rules that can automatically calculate and allow us to model staffing requirements based on these rules. Potential rules will cover labor agreements, legal mandates, safety standards, and/ or performance objectives.</p> <p>It is important to note that the data model was designed to help identify possible changes to existing resources due to annexations. Although the data model is flexible, it was not designed to create staffing scenarios based on new objectives.</p> <p>The KCSO is already working with a professional firm to develop a systematic patrol staffing plan. The plan will include factors such as workload and performance measures (e.g., response time), as well as recommendations regarding schedules. This work should be completed by early 2006.</p> <p>It may become more reasonable to use the two models in tandem, rather than performing extensive work on the data model. The KCSO will evaluate its options over the coming months.</p>
<p>3. Add strategies and measures that demonstrate the results of patrol's activities and the relationship of these results to program objectives and the KCSO's agencywide goals.</p>	<p>Concur</p>	<p>Phase II of the OMP</p>	<p>As with recommendation 1, the KCSO agrees its strategies and measures should relate to program and agency-wide goals. The initial work on performance measures in OMP Phase I carefully linked new agency goals to purpose statements for each program, including patrol. Potential measures were then identified for each program. In Phase II, KCSO will select and implement appropriate measures.</p> <p>The KCSO also has identified agency-level strategies for achieving its goals. We believe that we will accomplish this recommendation when we develop action plans for the strategies in Phase II of the OMP.</p>
<p>4. The Sheriff's Office should improve the contract cost model's automation and the transparency of its allocation methods.</p>	<p>Concur</p>	<p>The KCSO is in the process of creating an internal standard operating procedure for producing the cost allocation book. This is anticipated to be completed by December, 2005.</p> <p>Further work on the cost model would occur in March of 2006.</p>	<p>The cost allocation book does contain an overview of the methodology and assumptions, including how the cost-book is used in conjunction with workload factors to determine the contract city costs. The KCSO is working on a detailed description of the cost-model that will help it to identify areas in the model that may benefit from</p>

SHERIFF'S RESPONSE (Continued)

RE: RESPONSE TO PROPOSED FINAL REPORT OF KCSO PERFORMANCE AUDIT
Final Draft

September 16, 2005
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			linked data sources or other automated processes. This work must be balanced with our customers' preference for hard-copy rather than electronic formats.
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Recommendation	Agency Position	Schedule for Implementation	Comments
5. The County Council should clarify the application of the car-per-officer policy to the Transit Police and Airport Police/ARFF contracts.	Concur	The KCSO will work with the Council, Executive, and the affected departments and labor unions if the Council decides to conduct a review of the policy.	The KCSO can assess the potential for implementing a change to the car-per-officer program, but notes that it may be a negotiated item in the Guild and Local 519 C labor contracts.
6. The KCSO should develop a systematic method for tracking grant status and compliance requirements, and document the new practices in written policies and procedures.	Concur	In process, to be completed by December 31, 2005	The KCSO's Chief Financial Officer has created new grant administration policies and procedures with respect to time and effort reporting, supplanting, and financial reporting and documentation. In addition to these written policies and procedures, the KCSO has developed a shared directory for grant administration and is in the process of refining an access database of information that will be used to track grant status and compliance with state and federal grant rules and regulations.
7. The KCSO should develop written policies and procedures to document its new reimbursement and accounting practices.	Concur	Completed September, 2005	The KCSO's Chief Financial Officer has created new grant administration policies and procedures with respect to financial reporting and documentation. These written policies are to ensure the agency reports expenditure information within the required time frame and requests reimbursement on a timely basis. In addition, the KCSO will establish discrete revenue codes for each grant source for 2005 and beyond. The work to separate revenue sources in the accounting records for 2005 will occur in the October/November time frame. This practice will provide for more effective accounting of and budgeting for grant revenues and expenditures.

We enjoyed working with you on Phase II of this audit, and believe that the process was educational for all parties. If you have any questions about our response, please contact Chief Denise Turner of our Technical Services Division at 205-0965.

cc: Chief Rich Krogh, Field Operations Division
Chief Denise Turner, Technical Services Division
Connie Griffith, Chief Financial Officer
Jason King, Budget and Accounting
Captain James Graddon, Auxiliary Services Section

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LIST OF RECOMMENDATIONS & IMPLEMENTATION SCHEDULE

Recommendation 1: Within the strategic plan, the Sheriff's Office should clarify the linkage between program level activities and officewide goals, and consider developing program level objectives, measures, and strategies.

Implementation Date: July 2006

Estimate of Impact: This will align the KCSO's operational activities with agencywide goals, improve its ability to monitor and report on its performance, and help it determine where changes should be made if goals and objectives are not being met.

Recommendation 2: The Sheriff's Office should strengthen its planning and management capabilities by:

- Identifying underlying staffing factors and, to the extent possible, adding them to the data model.
- Continuing efforts to develop a systematic patrol staffing plan that incorporates the underlying workload factors and operational needs of unincorporated county areas.

Implementation Date: July 2006

Estimate of Impact: This will improve the KCSO's ability to make well informed resource allocation decisions that are supported by objective data, defined operational needs, and established performance objectives. It will also help ensure that patrol resources are effectively and efficiently allocated to where they are most needed.

Recommendation 3: The Sheriff's Office should add strategies and measures to its strategic plan that demonstrate the results of patrol's activities and the linkage of these results to program objectives and the KCSO's agencywide goals.

Implementation Date: July 2006

Estimate of Impact: This will help ensure that patrol operations activities are contributing to the KCSO's outcome oriented agencywide goals, and provide a means for monitoring and improving the effectiveness of patrol operations.

LIST OF RECOMMENDATIONS & IMPLEMENTATION SCHEDULE (Continued)

Recommendation 4: The Sheriff's Office should improve the contract cost model's automation and the transparency of its allocation methods.

Implementation Date: March 2006

Estimate of Impact: This will improve the ability of KCSO staff, external reviewers, and contract partners to understand the cost allocation methods, enable the model to be more easily updated, and allow for more effective quality control and review.

Recommendation 5: The County Council should clarify the application of the Car-per-Officer (CPO) policy to the Transit Police and Airport Police/ARFF contracts.

Estimate of Impact: This will resolve the questions that periodically arise regarding the policy intent of CPO.

Recommendation 6: The KCSO should develop a systematic method for tracking grant status and compliance requirements, and document the new practices in written policies and procedures.

Implementation Date: December 2005

Estimate of Impact: This will help the KCSO ensure its federal grants management practices consistently meet federal requirements, and that they follow a standard process that can be easily monitored.

Recommendation 7: The KCSO should develop written policies and procedures to document its new reimbursement and accounting practices.

Implementation Date: December 2005

Estimate of Impact: This will help the KCSO more effectively monitor individual federal grant expenditures and revenues, and ensure that reimbursements are received in a timely manner.