

# **Assistance and Guidance Report**



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## **TPD Take-home Vehicles**

**Report #1001**

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### **Summary**

This report provides additional information as follow up to Audit Report #0809 issued May 28, 2008, Audit of Take-home Vehicles. That audit addressed the cost of vehicles taken home by City staff to include TPD (Tallahassee Police Department) officers. The cost of vehicles taken home by TPD officers has continued to be discussed in meetings of the Financial Viability of the Government Target Issue Committee, and in workshops and regularly scheduled meetings of the City Commission. In addition, there has been continuing discussion on the cost of TPD vehicles taken home between TPD, the City's Department of Management and Administration, and the Office of the City Auditor. Audit conclusions are as follows:

- The average cost to police officers should they be required to commute in their own personal vehicle to and from TPD headquarters is approximately \$70 biweekly or \$150 per month. This average cost does not consider approximately 48 officers living outside Leon County.
- If the City Commission decides TPD officers should now share in the cost of such vehicle use, the amount of \$70 biweekly should be reduced because other factors need to be considered to arrive at a fair and equitable cost sharing amount. These additional factors benefit the City and the community.

- Should the City Commission decide to discontinue the take-home vehicle program and instead selects a quick rotation program or assigned pool program (where vehicles are housed at TPD headquarters or other locations when not in use), a methodology should be used that considers vehicle needs for the long-term. The methodology should address miles to be used each year for patrol (business) purposes, and the desired fleet size based on scheduled shifts and operational needs. Some of the economic and social benefits identified in this report with the current assigned vehicle take-home program would not be present in a quick rotation or assigned pool program.

### **Scope, Objectives, and Methodology**

The purpose of this report is to provide information to assist the City Commission and City Manager in their decision-making processes. Specifically, this audit addresses the following questions:

1. City staff estimated an average biweekly cost of \$46.50, net of depreciation, for TPD take-home vehicles. What would be the commuting cost if depreciation were additionally included? Also, are there additional factors that should be included in the cost estimate?
2. What factors should the City Commission and City Manager consider when assigning a value to the City and to

officers if TPD vehicles continue to be assigned and taken home?

This audit did not include a review of the revised Assigned Vehicle Policy for non-union take-home vehicles. The City Commission approved the revised policy in April 2009. The revised policy affects 86 take-home vehicles and requires the City Manager to make a determination of whether those vehicles should continue to be taken home. We will review the City Manager's determinations in a separate follow-up audit as of September 30, 2009.

This report covers the period May 28, 2008, to August 31, 2009.

This audit was conducted in accordance with Generally Accepted Government Auditing Standards and the Standards for the Professional Practice of Internal Auditing, and accordingly included such tests of the records and other auditing procedures as were considered necessary. 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.

### *Background*

In May 2008, the Office of the City Auditor issued Report #0809, Audit of Take-home Vehicles, as part of our 2007-2008 approved audit plan. The purpose of the report was to identify City vehicles taken home by City employees. Information presented in the report included the responsible department; the year and make of each vehicle; for police the commuting distance to TPD headquarters; and associated commuting cost to include vehicle depreciation, repairs and maintenance, and fuel. We provided the following recommendations:

- Revise the criteria on which take-home vehicle decisions will be made;

- Eliminate or define terms that can be interpreted in numerous ways;
- Require documentation to support take-home vehicle decisions;
- Expand the review and approval process for take-home vehicles;
- Develop limitations on how far employees are allowed to commute with City vehicles; and
- Clearly delineate the responsibilities of all parties involved in the take-home vehicle process.

During and subsequent to the issued audit, the City Manager reviewed information contained in the report and information gathered by staff, made additional analysis and inquiries, and took actions to reduce the number of vehicles taken home at the time. In addition, the City Manager appointed a Committee to review the take-home vehicle policy. The policy for TPD take-home vehicles used for patrol and investigative purposes was to be addressed separately.

Subsequently, at the April 22, 2009 City Commission meeting, City Commissioners discussed the issue of TPD take-home vehicles. Some Commissioners expressed concern that discussions may have taken place without their input as to value/cost of a take-home vehicle. One Commissioner commented the value being discussed (\$46.50 biweekly) was not a "fully loaded" number as it did not consider depreciation for the use of the vehicle. Another commented that the Commission should have input into any amount going forward. Subsequent to the City Commission meeting, the City Auditor requested the Director of Human Resources to provide documentation supporting take-home vehicle cost calculations for further review, verification, and feedback to the City Commission.

In preparing this report, we were provided additional historical information relating to TPD take-home vehicles. For example, in 1995 the City Commission approved an

increase in the fleet size from 256 vehicles to 342. This increase allowed officers living outside of the city, but within Leon County, to have an assigned take-home vehicle. The narrative that accompanied this agenda item indicated "take-home cars save time, improve availability of off-duty officers, enhance police visibility, and increase the service life of vehicles."

Whatever the Commission decides, there should be recognition that if take-home vehicles are eliminated and the fleet size and vehicle replacement costs reduced accordingly, any subsequent actions to go back to an assigned take-home vehicle program will require a significant appropriation in the first year of reestablishment.

### ***Issues and Recommendations***

***Issue 1 - City staff estimated an average biweekly cost of \$46.50, net of depreciation, for TPD take-home vehicles. What would be the commuting cost if depreciation were additionally included? Also, are there additional factors that should be included in the staff calculation?***

At the April 22, 2009, City Commission meeting, the TPD take-home vehicle program was discussed. The Commissioners were aware that executive staff had performed analysis and made some preliminary calculations. Subsequent to the City Commission meeting, the City Auditor requested and the Director of Human Resources provided documentation supporting take-home vehicle cost calculations for further review, verification, completeness, and feedback to the City Commission.

Worksheets provided by executive staff showed various scenarios had been considered. Calculations provided were supported by listings showing the distance from each officer's home to and from TPD headquarters. Significant effort went into the staff work. We also noted executive staff gave consideration to several options to address the cost of TPD assigned vehicles used for commuting.

In computing commuting mileage, we noted DMA followed a methodology similar to the one followed by the Office of the City Auditor in Audit Report #0809. That methodology involved calculating the distance from an officer's residence to and from TPD headquarters at the beginning and end of a shift. It is the most reliable measure available at this time.

In our meetings for this report, TPD questioned using the distance from the officer's home to TPD headquarters as the commuting mileage. They stated officers generally go directly to their assigned patrol area and not to and from TPD headquarters at the beginning and end of each shift. TPD stated in practice officers using marked patrol vehicles only report directly to TPD headquarters one day out of a four-day workweek.

Accordingly, for purposes of this report and in the absence of verifiable information to quantify TPD's assertion, we have reframed the issue as not what it cost the City for an officer to take a police vehicle home, but what it would cost an officer should they commute to and from headquarters in their personal vehicle to pick up a police vehicle for patrol and investigative purposes. As noted in Issue 2 that follows, this methodology redirects many of the issues identified by TPD back to a focus on the value to an officer and to the City to continue to allow take-home vehicles.

We have reviewed calculations supporting the \$46.50 biweekly commuting cost and have reviewed the methodology followed by City staff. As a starting point, we noted that executive staff had prepared a separate calculation based on commuting miles and the Internal Revenue Service mileage rate of 55 cents per mile. We are in agreement with that calculation. Some additional factors not considered in DMA calculations but for which we are now both in agreement included additions for a five-day workweek for selected staff as opposed to basing all calculations on a four-day workweek, additions for overtime on an officer's day off, additions for highway

mileage as opposed to the GIS calculation that did not consider the actual driven route, and other miscellaneous additions.

As a result of our joint review, the Office of the City Auditor and DMA now agree that the estimated average cost for an officer to commute to and from TPD headquarters to pick up a police vehicle is approximately \$70 biweekly, or \$150 per month. Given this amount, Issue 2 that follows addresses additional factors for the City Commission and City Manager to consider in assigning a value to take-home vehicles should the TPD vehicle take-home program continue.

***Issue 2 - What factors should the City Commission and City Manager consider when assigning a value to the City and to officers if TPD vehicles continue to be assigned and taken home?***

In recent meetings between TPD, the Department of Management and Administration, and the Office of the City Auditor, discussions have focused on methodologies to calculate the value to a TPD officer, to the City, and to the community when an officer has an assigned vehicle that is taken home at the end of a shift and taken back to work from home at the beginning of the next shift. The alternative would be for an officer to make his/her own travel arrangements to police headquarters to use a vehicle permanently stationed at headquarters.

There has been agreement that a value exists (a cost and a benefit) to the officer and the City to authorize TPD vehicles to be taken home. There has not been agreement on an amount to assign to that value. In meetings, additional factors have been identified that cannot be readily captured individually and consistently by a cost analysis. These additional factors would be expected to be valued differently within and between TPD, the City Commission, and citizen groups. Accordingly, the issue of value needs additional dialog in order to arrive at a fair and equitable cost/value.

We have been told by TPD that in actual practice:

- A. Patrol officers normally report to TPD headquarters at the beginning of their shifts only one day per week if they are working a four-day shift. For the other three days, officers normally report directly to their assigned patrol district. Therefore, TPD has asserted that to calculate the cost to the City for an officer to drive from home to TPD headquarters and back to home at the end of a shift is not what happens in actual practice.
- B. Patrol officers are considered on call and available for duty when they leave their driveway prior to the beginning of a shift if living in the city limits. If living in the county, the officer is also on call and available for duty when leaving their driveway; however, enforcement powers would not generally begin until the officer reaches the city limits. The reverse is true when returning home at night. From discussion, we understand that an officer is expected to be at the location of their assigned duty by a certain time. Therefore, the officer technically starts their shift for pay purposes at a certain time and at an assigned duty location different than their driveway. The officer is expected to arrive at the assigned duty area from home by that starting time. If the officer arrives at the assigned duty area earlier than the assigned starting time for the shift, they are available for duty but not technically on duty for pay purposes. Officers are not paid while in route from home to their normal assigned duty location.
- C. If an officer stops for an accident or other incident while in route to their normal assigned duty area, the officer is allowed to end the day early as long as he/she works a full shift.
- D. If an officer completes a full shift and stops for an accident or other incident on the way home, the officer is entitled to compensatory time or overtime pay.

The above would suggest that calculating the cost to the City for an officer to commute from home to and from their normal assigned duty location would vary widely as shifts, events, and assigned duty locations are subject to change. A study over time would be needed to best accomplish this task. Even then, the information would have a limited useful life, as TPD staffing would have changed from the time the study began. To date, data has not been collected to show how far each officer drives from their home to an assigned duty area to see if that distance is farther or closer than the distance from the officer's home to TPD headquarters or from TPD headquarters to the officer's normal assigned duty location. Such analysis would have to be made on an officer-by-officer basis.

Therefore, we have addressed the issue of costs in a different manner and in a way that refocuses many of the above variables. The question to be addressed is:

If an officer did not have an assigned take-home vehicle, what would be the cost to the officer to provide his/her own transportation to TPD headquarters to pick up a TPD vehicle for work purposes? Further, under this methodology, what are the identified advantages and disadvantages to the officer and the City?

To estimate the cost for an officer to use their own vehicle to go to TPD headquarters, the IRS rate of 55 cents per mile is recommended. Both the Department of Management and Administration and the City Auditor have mapped miles from home to headquarters and back home for officers living inside the county. At this time, calculations do not include approximately 48 officers living outside the county, as a final decision on whether they will be allowed to continue to take vehicles out of the county has not been made.

Based on our joint efforts, we believe the commuting cost to the officer would be approximately \$70 biweekly, or \$150 per month. This amount is based on mileage from home to

TPD headquarters and back to home times the published IRS mileage allowance of 55 cents per mile. The IRS rate of 55 cents per mile includes fuel, repairs and maintenance, insurance, and depreciation. The costs and benefit to the officer and the City include but are not limited to the following advantages and disadvantages. Each identified factor should be subject to additional dialog and consideration.

1. Advantages to the officer to have an assigned vehicle to take to and from home
  - A. The officer would not have to make other arrangements to go from home to their police vehicle and back home at the end of a shift. Such avoided arrangements could include (1) purchasing another vehicle, (2) additional use of a vehicle already owned, or (3) making other arrangements. In most all of the above options, there is a cost to the officer.
  - B. For those officers working overtime on their scheduled days off, the officer would not have to make arrangements to pick up and return a police vehicle to TPD headquarters.
  - C. Some officers may receive reduced rent if living in an apartment complex and parking their police vehicle at that location when off duty.
2. Advantages to the City to have officers commute to headquarters in the officer's personal vehicle to start their workday at police headquarters
  - A. Police vehicles should last longer as the vehicle would not be placed in service until picked up from police headquarters.  
*Note: Data has not been collected to show how many miles are needed to drive a police vehicle from headquarters to the officer's normal beginning duty location or miles needed to drive the vehicle from the end of the day duty location back to headquarters. One would expect this distance to vary daily depending on the assignment. Arguably,*

*duty would always start when the officer leaves TPD headquarters.*

- B. Normally, marked police vehicles are used for four shifts per week. This means that if the officer does not work on days off, the vehicle remains parked at the officer's home for three days per week. Without consideration to other factors, this is not an economical or efficient use of the vehicle. While the vehicle will last longer, older vehicles generally have less residual value when the time comes to replace the vehicle and results in a lower sales price or trade-in value for the City.
3. Disadvantages to the officer when returning home at the end of a workday in a police vehicle
  - A. The officer would be expected to respond to an incident when returning home at the end of the shift. This could have a negative impact for an officer having other after hour plans or responsibilities at the end of a normal shift. *Note: This is not intended to imply that an officer would ignore a need for service. However, if the officer were in his/her own private vehicle, the officer would likely be told to stay at the scene only until an on duty officer arrived and likely told not to pursue a violator in their personal vehicle.*
4. Disadvantages to the City when officers start their workday from police headquarters
  - A. If officers are required to come to police headquarters to pick up a vehicle, the City will have to determine whether current parking is sufficient or whether other parking will have to be provided in the form of additional parking lots, parking garages, or other arrangements.
  - B. The officer will have to change equipment from one vehicle to another at the beginning and end of each shift. This could take additional time at the beginning and end of a shift that may take away from duty time. This could also involve safety and security issues in terms of computers, weapons, and other equipment whether taken home in a private vehicle or left in a police vehicle at a central location. This issue was often identified in other studies we reviewed.
5. Benefits to the City to allow officers to have an assigned take-home vehicle that is taken home
  - A. Most agree citizens feel more safe when (1) seeing a police vehicle drive through their neighborhood, (2) when a police vehicle is parked in the neighborhood, and (3) when a citizen needs immediate assistance and believes he/she can get help by going to a home/apartment complex where a police vehicle is parked. There has been agreement that intuitively, the presence of a police vehicle in the neighborhood should have an effect on crime; however, there has also been agreement that it is not possible with confidence to place a value on crimes not committed. *Note: Currently officers choose where they live and from a crime and/or traffic standpoint this may not be where the City would want them to live. Therefore, where an officer lives might be different if the City made living in a certain neighborhood a condition of receiving an assigned vehicle and is counter to the view that an officer is considered on duty when they start their vehicle in their driveway at the beginning of a shift, especially if crime is not currently an issue in that neighborhood.*
  - B. An officer can immediately respond from home to an emergency if called from police headquarters.
  - C. An officer can respond to an incident, accident, or emergency on their own when on the way to or from their normal assigned duty location (when coming to work or when going home) or when

called by headquarters to respond to an incident, accident, or other emergency on the way to or from their normal assigned duty location. *Note: At the current time, data has not been collected to show how many times officers respond to incidents or calls for assistance on the way to their normal duty area or how many times officers respond to incidents or calls for assistance on the way home from their normal duty area.*

- D. Studies have reported the view that officers having an assigned vehicle take better care of the vehicle. In discussion with TPD, they also support that view.
- E. The TPD Police Chief stated that having an assigned vehicle take-home program significantly assist TPD in recruiting efforts to obtain the best possible candidates for available positions. Assigned take-home vehicles are provided by many police departments and the absence of a take-home program in Tallahassee would negatively affect recruiting and retention.

Based on studies conducted by the Office of the City Auditor, the average cost to an officer to commute to and from TPD headquarters is approximately \$70 biweekly, or \$150 per month. We recommend that the City Commission and/or City Manager use this number as a starting point, if a decision is made that TPD officers should share in the cost of vehicles.

The following summarizes the above factors. Each factor listed, or all factors collectively, should be considered in reducing the \$70 biweekly commuting cost noted above.

1. Increased safety and crime deterrence through neighborhood visibility,
2. More efficient use of officer's time by not having to change out equipment at the beginning and end of a shift,
3. Availability to be immediately called to duty at home after hours or while in route to or from an assigned duty location,

4. No need to provide additional parking facilities for private vehicles,
5. Better care and maintenance of police vehicles, and
6. An assigned take-home program assists TPD in recruiting and retaining officers.

If a decision is made that officers should share in the cost of take-home vehicles, we recommend multiplying the cost-sharing amount by the number of vehicles taken home to arrive at a total amount to be collected by the City over a budget cycle. Further, the City Commission should direct management to implement their direction in an equitable manner. Implementation issues could address varying levels of contribution based upon the officer's proximity to TPD headquarters, whether the officer lives inside or outside the city limits, whether the officer is a patrol or investigative officer, and whether the officer lives outside the county.

We are aware of one other study where the government allowed officers living outside the county to be grandfathered into the program and then to pay an increasing percentage of cost such that at the end of a five-year period, for example, the officer would be paying the full vehicle operating and depreciation cost for a take-home vehicle traveling from outside the county to the county line or city limits.

Whether the City Commission decides to continue with the current take-home program or moves to a quick rotation or assigned pool program will be a decision based on many factors.

Whatever the Commission decides, there should be recognition that if take-home vehicles are eliminated, any subsequent actions to go back to an assigned take-home vehicle program will require a significant appropriation during the first year of implementation.

If the City Commission decides to further study a quick rotation or assigned pool program where vehicles are parked at TPD or some other location when not in use, many of the benefits

identified with a take-home program are lost. As noted in Issue 2, there is a financial benefit to the officer to continue the assigned take-home vehicle program. For the City, there are both financial and social benefits to continue the take-home program.

### ***Conclusion***

The City take-home vehicle program has a significant impact on the City budget and staff having an assigned take-home vehicle. Should the City Commission move forward in their decision making process, we have the following recommendations:

- Decide whether TPD officers will share in the cost of assigned vehicles taken home. If so, determine the cost-sharing amount and factor that amount into the annual budget process.
- If the TPD take-home program is discontinued, decide whether the TPD fleet will be administered as a quick rotation program, an assigned pool program, or in some other manner.

We believe information presented in this report can be used by the City Commission in its decision making process and the City Manager in making recommendations to the City Commission. We thank all staff for assistance provided during this review.

Copies of this Assistance and Guidance Report #1001 may be obtained from the City Auditor's website (<http://www.talgov.com/auditing/auditreports.cfm>) or via request by telephone (850-891-8397), by FAX (850-891-0912), by mail or in person (Office of the City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail ([auditors@talgov.com](mailto:auditors@talgov.com)).

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