



# *City of Albuquerque*

## **Office of Internal Audit**

### FOLLOW-UP OF THE ALBUQUERQUE POLICE DEPARTMENT OFFICER RETENTION PLAN AUDIT

FOLLOW-UP #14-12-104F

August 27, 2014

#### **INTRODUCTION**

The Office of Internal Audit (OIA) performed a follow-up of Audit No. 12-104, Albuquerque Police Department (APD), Officer Retention Plan (Retention Plan) during fiscal year (FY) 2014. The purpose of this follow-up is to report on the progress made by APD and the Department of Finance and Administrative Services (DFAS) in addressing our findings and recommendations. Our follow-up procedures rely on the departments providing the status of the recommendations.

Our follow-up is substantially less in scope than an audit. Our objective is to report on the status of corrective actions in regard to our findings and recommendations.

We limited our scope to actions taken to address our audit recommendations from the final audit report dated June 27, 2012, through the submission of actions taken email correspondence with APD on June 19, 2014.

#### **BACKGROUND INFORMATION**

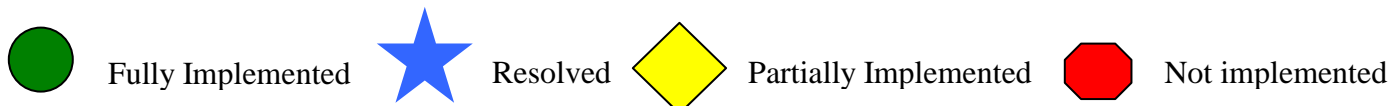
The intent of the Retention Plan was to retain qualified experienced officers who were essential to meeting the public safety goals and mission of APD, and to ensure the safety of the citizens of the City. The Retention Plan was implemented on January 1, 2008 and was in effect until June 30, 2011. During that time, APD made and entered into 274 individual Retention Plan agreements with 129 employees.

On October 9, 2013 the City Council voted to reserve \$2.4 million towards salary increases and recruitment and retention programs for APD. However, when the proposed contract was presented to the Albuquerque Police Officers' Association (APOA), it was overwhelmingly rejected by its union members during the January 23, 2014 vote. The most recent approved Collective Bargaining Agreement, effective July 16, 2014 to July 16, 2015, between the City of Albuquerque and the APOA, does not include a Retention Program.

#### **SUMMARY**

APD discontinued the Retention Plan on July 1, 2011 after it was negotiated out of the Collective Bargaining Agreement with the APOA. The most recent Collective Bargaining Agreement effective July 16, 2014 to July 16, 2015, does not reinstate the Retention Plan in any form. Therefore, OIA did not perform any follow-up procedures to ensure the recommendations made during the FY 2012 Retention Plan audit had been implemented. OIA will however continue to monitor APD to ensure that if any future Retention Plans are created APD will consider the recommendations from OIA in the design and operation of the program.

The status of the recommendations is identified by the symbols in the following legend:



**Recommendation #1:** APD should develop and maintain comprehensive records for all future agreements in order to measure efficiency and effectiveness, and evaluate performance.

**Response:** The Albuquerque Police Department agrees that the recommendation made by the Office of Internal Audit represents valid concerns and further agrees that should a similar program be created in the future, the recommendations will be implemented in full.

Under the previous Administration, the City of Albuquerque entered into a memorandum of Understanding (Agreement) with the Albuquerque Police Officers' Association (APOA) to pay retention bonuses with the goal of retaining experienced police officers who were eligible for retirement. The Agreement was drafted by APOA representatives and the City's Employee Relations Director; the Agreement was not submitted to, or reviewed by, the Legal Department prior to its execution.

**Recommendation #2:** APD and DFAS should ensure compliance with the conditions and limitations set forth in all future agreements.

**Response from APD:** No contracts based on the Agreement have been entered into since June 30, 2011 and the program in its prior form will not be reinstated.

**Response from DFAS:** The City agrees with this finding. There were four (4) individuals that were paid prior to their anniversary date of hire. To correct this issue Central Payroll asked APD to submit the forms to Central Payroll only when they were to be paid.

**Recommendation #3:** APD should ensure that it:

- Complies with written agreements and does not commit the City to unnecessary expense.
- Collects any deferrals paid incorrectly.

**Response:** The Albuquerque Police Department agrees that the recommendations made by the Office of Internal Audit represent valid concerns and further agrees that should a similar program be created in the future, the recommendations will be implemented in full.

**Status Reported by APD as of June 19, 2014:** The Albuquerque Police Officers' Association (APOA) negotiated the Retention Contract Program to be removed from the Collective Bargaining Agreement effective July 1, 2011. The APD has no knowledge of future agreements; however, if the Retention Contract Program is reinstated, the recommendations outlined in Audit #12-104 shall be reviewed to avoid noncompliance and inconsistencies in future agreements.



Resolved – OIA determined that since the Retention Contract Program had been removed from the Collective Bargaining Agreement as of the beginning of FY 2012, and has not been reinstated as of FY 2015, no follow-up procedures would be performed. However, OIA plans to continue to monitor APD for any future Retention Programs.

Follow-Up  
Officer Retention Plan – Albuquerque Police Department  
Date: August 27, 2014

FUP #14-12-104F

---

Principal Auditor

REVIEWED:

---

Internal Audit Manager

APPROVED:

APPROVED FOR PUBLICATION:

---

Debra Yoshimura, CPA, CIA, CGAP, CICA  
Director, Office of Internal Audit

---

Chairperson, Accountability in  
Government Oversight Committee