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**Office of the City Auditor**

**Audit Report**

**AUDIT OF THE DALLAS POLICE DEPARTMENT'S  
OFF-DUTY EMPLOYMENT PROGRAM**

(Report No. A19-001)

**November 9, 2018**

**Interim City Auditor**

Carol A. Smith

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## Executive Summary

The Dallas Police Department’s (DPD) Off-Duty Employment Program (Program) allows sworn DPD officers to work off-duty law enforcement jobs (off-duty employment) in addition to regular on-duty work hours.<sup>1</sup> Studies show off-duty employment programs can provide benefits both to the City of Dallas (City) and to the individual police officers (see textbox).

The DPD’s General Order 421.00, *Off-Duty Employment* (General Order 421.00),<sup>2</sup> establishes the policies and procedures for the Program; however, DPD officers do not always comply with the existing internal controls included in General Order 421.00. Additionally, DPD does not have adequate information and internal controls to manage and monitor the Program. As a result, the potential benefits of the Program may be diminished.

For example, internal controls are not adequate to ensure DPD officers are not: (1) working excessive hours; (2) performing tasks that do not align with DPD’s General Orders; and, (3) working at unapproved times and locations.

The following issues were noted where additional information and internal controls are needed to improve the Program. Specifically,

- Internal controls specified in General Order 421.00 do not consistently align with the best practices<sup>3</sup> of the:
  - International Association of Chiefs of Police Model Policy for *Secondary Employment*

<b>Benefits of an Off-Duty Employment Program</b>
<ul style="list-style-type: none"><li>• An off-duty police officer’s presence deters crime similar to an on-duty police officer</li><li>• Off-duty police officers have direct access to on-duty police officers in the event of an emergency</li><li>• Off-duty employment programs place fully trained, uniformed police officers on the street at no direct cost to a city</li><li>• Off-duty employment helps supplement police officers’ pay</li><li>• Off-duty employment programs that are structured to reimburse the police department for the use of uniforms, equipment, and vehicles may help departmental budgets</li></ul>
<p><b>Source:</b> Office of the City Auditor’s compilation of various journal and news articles (see Appendix I)</p>

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<sup>1</sup> Between October 1, 2015 and September 30, 2017, there were 276,455 off-duty employment requests made by 2,627 officers, of which the Dallas Police Department (DPD) approved 273,828, or 99 percent. The DPD officers requested a total of 1,481,004 off-duty employment hours. During the two-year period, the off-duty employment hours requested per officer ranged from a minimum of one hour to a maximum of 3,920 approved hours. Although General Order 421.00 requires DPD to maintain up-to-date records of all off-duty employment hours worked, DPD only tracks off-duty employment requests; therefore, it is not clear whether the requested and approved hours were worked.

<sup>2</sup> The DPD has General Orders to help guide the decisions and actions of officers. General Order 421.00, *Off-Duty Employment* (General Order 421.00), establishes policies and procedures for requesting, approving, and monitoring off-duty employment. **Source:** General Order 421.00

<sup>3</sup> The International Association of Chiefs of Police (IACP) Model Policy for *Secondary Employment* (IACP Model Policy) is a model policy developed for law enforcement agencies “to set forth guidelines to govern secondary employment.” The majority of the 19 city police departments judgmentally sampled have incorporated certain guidelines from the IACP Model Policy or have adopted other best practices to reduce the risks associated with administering an off-duty employment program.

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- Majority of the 19 city police departments judgmentally sampled to benchmark policies and procedures for administering an off-duty employment program
- DPD officers do not always comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment requests
- The off-duty module of the Intelligent Workforce Management System, DPD’s automated workforce management system, does not include the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities

We recommend the Chief of Police improves the information and the internal controls related to the Program by addressing the recommendations made in this report.

The audit objectives were to evaluate: (1) the DPD internal controls over off-duty employment; and, (2) whether DPD officers adhere to the DPD policies related to off-duty employment. The audit scope was Fiscal Years 2016 through 2017; however, certain other matters, procedures, and transactions occurring outside that period were reviewed to understand and verify information related to the audit period.

Management’s Response to this report is included in Appendix III.

# Audit Results

## General Order 421.00 Does Not Consistently Align with Best Practices

The Dallas Police Department's (DPD) General Order 421.00, *Off-Duty Employment* (General Order 421.00), does not consistently align with the International Association of Chiefs of Police (IACP) Model Policy for *Secondary Employment* (IACP Model Policy)<sup>4</sup> and the best practices of the majority of the 19 city police departments judgmentally sampled to benchmark policies and procedures for administering an off-duty employment program.

As a result, DPD does not have important internal controls needed to mitigate certain risks related to DPD's Off-Duty Employment Program (Program). Specifically, General Order 421.00 does not:

### Certain Benefits of Following the International Association of Chiefs of Police Model Policy

Cities can increase control over off-duty employment programs and reduce the risks to officers, such as:

- Vulnerability to fatigue, which may compromise officer and citizen safety
- Taking unnecessary risks when a private employer requires tasks contrary to the cities' policies
- Increased exposure to liability events such as lawsuits resulting from personal injury claims and Workers' Compensation claims
- Not adhering to off-duty employment policies and procedures

Source: International Association of Chiefs of Police

- **Provide for firm and consistent control over DPD officers' off-duty employment**

Fifteen of 19, or 79 percent of benchmarked city police departments have a dedicated or centralized authority over the off-duty employment program, such as a contract system.<sup>5</sup> In contrast, the current Program structure is decentralized and managed through DPD chain-of-command. For example, General Order 421.00 does not require DPD to:

- Manage the Program using a dedicated or centralized authority
- Screen the private employers to ensure no debts are owed to the City of Dallas (City) before authorizing DPD officers to work off-duty employment
- Contract with the private employers needing off-duty employment services

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<sup>4</sup> The International Association of Chiefs of Police (IACP) Model Policy for *Secondary Employment* (IACP Model Policy) is a model policy developed for law enforcement agencies "to set forth guidelines to govern secondary employment."

<sup>5</sup> Contract system – a system used by a police department to provide consistent control over an off-duty employment program by contracting with employers for paid details (officers), assigning officers to details, and paying them from reimbursement by employers, often through standard payroll plans. Source: IACP Model Policy

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- Negotiate directly with private employers on the DPD officers’ behalf for scheduling, salary, working conditions, or collection of payments due the officers
- Charge an administrative fee, either per officer, per shift, or per hour to recover the administrative costs of the Program

Exhibit I below shows examples of city police departments that have implemented some of the internal controls discussed above.

**Exhibit I**

**Examples of Other City Police Departments’  
Off-Duty Program Requirements**

Police Department	Requirement
Houston, Texas	The Extra Employment Office within the Houston Police Department has primary administrative authority over all off-duty employment applications, investigations, and permits.
Cincinnati, Ohio	The Cincinnati Police Department sets the minimum off-duty employment pay rate and allows the private employer to remit all payments for special duty work through the City of Cincinnati’s payroll. A higher off-duty pay rate must have command approval.
Charlotte-Mecklenburg, North Carolina	The Charlotte-Mecklenburg Police Department tracks off-duty employment hours worked by requiring police officers to “close” the off-duty record in the off-duty employment system. Police officers must indicate, within seven days from completing the off-duty employment, the total hours and minutes worked.
Various <sup>6</sup>	Of the 19 city police departments judgmentally sampled, 12 of 19, or 63 percent, have an established rate of pay for police officers participating in an off-duty employment program, usually according to rank.

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**Source:** The Office of the City Auditor’s analysis of the off-duty employment policies and procedures of 19 city police departments

Revising General Order 421.00 to provide for firm and consistent control over the Program would allow DPD greater administrative control over the actions of the DPD officers and the private employers.

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<sup>6</sup> The following twelve city police departments establish a rate of pay for police officers: (1) Atlanta, Georgia; (2) Charlotte-Mecklenburg, North Carolina; (3) Cincinnati, Ohio; (4) Columbus, Ohio; (5) Detroit, Michigan; (6) Denver, Colorado; (7) El Paso, Texas; (8) Fort Worth, Texas; (9) Kansas City, Missouri; (10) Salt Lake City, Utah; (11) San Antonio, Texas; and, (12) Tucson, Arizona.

- **Limit hours of off-duty employment to no more than 24 hours per week**

General Order 421.00, Section 421.01, *Restrictions and Regulations Affecting All Off-Duty Employment*, D.1 limits DPD officers’ total work hours to 16 hours a day and 112 hours per week with certain exceptions. A 40 hour on-duty work week with no overtime or court time would allow DPD officers to work 72 hours of off-duty employment. The DPD officers, therefore, have the potential to work the equivalent of approximately three full-time jobs.

Comparatively, 11 of 15,<sup>7</sup> or 73 percent of benchmarked city police departments, have policies and procedures that restrict off-duty employment hours to no more than 36 hours per week.

**The Alarming Consequences of Police Working Overtime**

“A small but growing body of research links long hours and officer fatigue to a host of public safety issues.” The article discusses the following examples:

- Impaired driving performance
- Inability to exercise good judgement
- Heighten pre-existing implicit biases
- Increased chances of involvement in use-of-force incidents
- Increased number of citizen complaints

Source: Governing Magazine, October 2017

- **Include clear guidelines on prohibitions regarding off-duty employment**

The DPD’s guidelines for restrictions and prohibitions related to off-duty employment are dispersed throughout General Order 421.00. This contributes to a more disjointed and less coherent policy. Developing a more organized and succinct section on off-duty employment restrictions and prohibitions would help provide DPD officers with a clearer understanding of appropriate activities related to off-duty employment. For example, the Austin Police Department has a policy section dedicated to clearly listing all restricted and prohibited activities when working off-duty employment.

- **Provide clear definitions for important terms**

General Order 421.00 does not clearly define important terms.<sup>8</sup> For example: (1) on-duty, off-duty, special-duty, and/or extra-duty employment; (2) personal illness or injury; (3) extra job; (4) earned leave or split work day; (5) recurring or regular permanent job; and, (6) trainee, apprentice, and probationary officer. In addition, certain terms are used interchangeably which may cause officers to misinterpret the policy. Defining important terms related to the Program helps

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<sup>7</sup> Four of 19 benchmarked city police departments did not provide confirmation that they allowed no more than 36 hours of off-duty employment per week. The exclusion of these four city police departments resulted in 15 responses versus the 19 used for all other calculations.

<sup>8</sup> The IACP Model Policy includes the following definitions: (1) **Employment** – “the provision of a service, whether or not in exchange for a fee or other service. Employment does not include volunteer work for charitable organizations;” (2) **Extra-Duty Employment** – “any employment that is conditioned on the actual or potential use of law enforcement powers by the police officer employee;” and, (3) **Regular Off-Duty Employment** – “any employment that will not require the use or potential use of law enforcement powers by the off-duty employee.”



ensure DPD officers currently working off-duty employment and new officers wanting to participate have a clear understanding of the specific conditions of the Program, including eligibility, and any restrictions or prohibitions. For instance, the Charlotte-Mecklenburg Police Department has a policy section with very clear and detailed definitions of secondary employment, outside employment, probationary period, and what constitutes an alcohol establishment.

- **Include clearly written and up-to-date procedures**

Some areas of General Order 421.00 do not reflect current DPD practices and include ambiguous wording and/or instructions:

- General Order 421.00, Section 421.03, *Off-Duty Police Service* (Section 421.03), B4 states, "*A copy of the Special Duty Request will be faxed to the geographic division where the job will be worked.*" In practice, however, this information is not faxed but uploaded electronically to DPD's Jack Evans' Report System.
- General Order 421.00, Section 421.09, *Off-Duty Employment at Apartment Complexes*, C states, "*The geographic division commander will review the location and notify the approving commander if any foreseeable conflicts or problems exist.*" This procedure is unclear as it does not specify whether this notification requires written documentation of the geographic division commander's review and approval or whether a DPD officer can work off-duty employment pending the review.

Clearly written and up-to-date procedures will help DPD officers comply with General Order 421.00.

- **Give supervisors direct oversight of the off-duty employment**

While DPD requires internal approval of off-duty employment requests through DPD's chain-of-command, General Order 421.00 does not give DPD supervisors direct oversight of off-duty employment requiring fewer than five DPD officers. Giving direct oversight to supervisors for all off-duty employment could benefit DPD by helping to:

- Prevent conflicts of interest between the independent employers' off-duty employment needs and DPD policy
- Ensure DPD officer readiness by closely monitoring the number of off-duty employment hours worked
- Identify internal discipline needs when appropriate

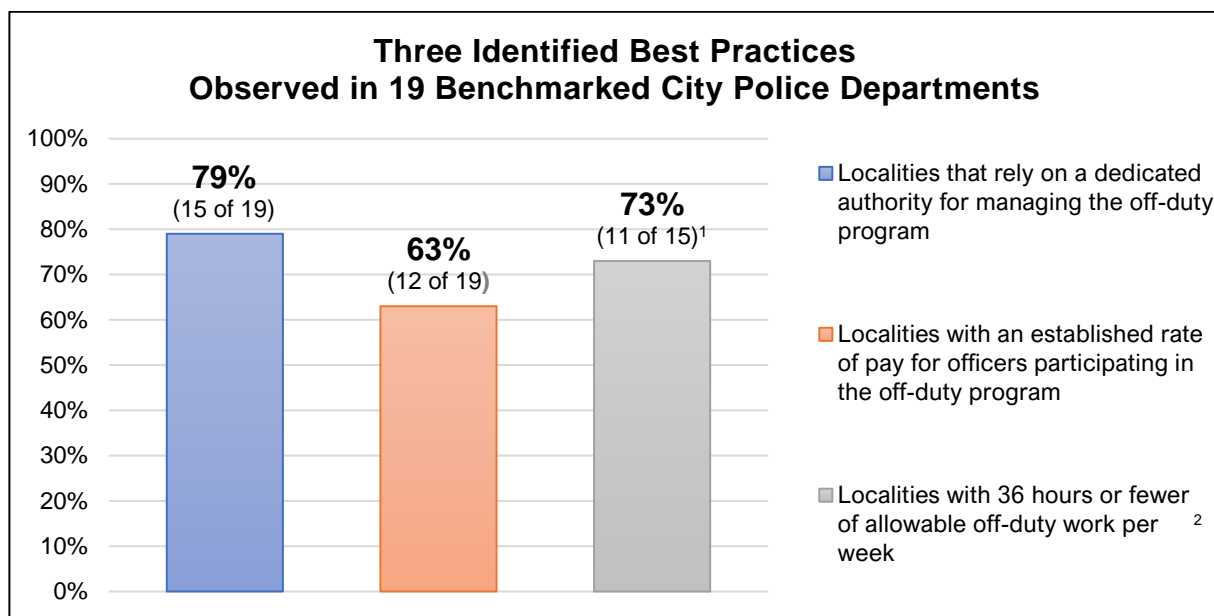
For example, the Tucson, Arizona Police Department established an Administrative Resources Division Commander (Commander) responsible for auditing and monitoring

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off-duty assignments to ensure that officers observe departmental rules related to Tucson’s off-duty program. The Commander can cancel a job or refuse to schedule workers for the job if the action is in the best interest of the department.

In addition, a judgmental sample of 19 city police departments’ off-duty employment policies and procedures showed DPD does not follow three best practices. Two of the three best practices directly support the guidelines identified in the IACP Model Policy as shown in Exhibit II below:

### Exhibit II



**Source:** The Office of the City Auditor’s analysis of 19 city police departments’ off-duty employment policies and procedures

#### Notes:

<sup>1</sup> Four of 19 benchmarked city police departments did not provide confirmation that they allowed no more than 36 hours of off-duty employment per week. The exclusion of these four city police departments resulted in 15 responses versus the 19 used for all other calculations.

<sup>2</sup> Rather than the 24 hours recommended by the IACP Model Policy, the Office of the City Auditor used 36 hours for this analysis because the majority of city police departments benchmarked limited off-duty employment hours to allow 36 hours or fewer.

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The IACP Model Policy provides guidelines to law enforcement agencies to inform them of the types of secondary employment that are appropriate, and “*to establish procedures to maintain accountability for the welfare of the agency.*” Further, “[t]hese requirements are essential for the efficient operation of the agency and for the protection of the police officer, the agency, and the community” (see Appendix I for more details).

## **Recommendation I**

We recommend the Chief of Police implements additional internal controls over the Program to align with the IACP Model Policy and the best practices of the majority of the 19 city police departments benchmarked by:

- Implementing a dedicated central authority within DPD with responsibility for Program oversight, such as a contract system
- Decreasing total work hours from 112 hours per week to an amount that minimizes the risks that the IACP identified. Note: Total work hours consist of regular-duty hours (including overtime and court duties) and off-duty employment hours.
- Consolidating guidelines for restrictions and prohibitions related to off-duty employment into one section of General Order 421.00
- Providing clear definitions for important terms in General Order 421.00, including aligning DPD’s terms with the IACP Model Policy definitions for secondary employment
- Updating all areas of the General Order 421.00 to reflect current DPD practices and procedures
- Giving DPD supervisors authorizing off-duty requests direct oversight of the off-duty employment

Please see Appendix III for Management’s Response to the recommendations.

## The Dallas Police Department Does Not Always Comply with Existing Internal Controls Included in General Order 421.00

The DPD does not always comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment (see textbox). As a result, the risk is increased that DPD officers could: (1) work excessive hours; (2) perform tasks that do not align with DPD’s General Orders; and, (3) work at unapproved times and locations.

Between October 1, 2015 and September 30, 2017, of the 276,455 off-duty employment requests made:

- 273,828, or 99 percent, off-duty requests were approved by supervisors
- 86,851 of the 273,828 approved requests, or 32 percent, were not approved until after the start date of the DPD officers’ off-duty employment
- 43,435, or 16 percent, were not submitted 24 hours prior to the start date of the DPD officers’ off-duty employment

Existing Internal Controls
General Order 421.00:
<ul style="list-style-type: none"><li>• Stipulates that DPD officers should request permission for off-duty employment 24 hours in advance of the assignment</li><li>• Emphasizes that “<i>under no circumstances may an officer engage in off-duty security or traffic control work until permission has been granted</i>”</li><li>• Requires a late notice that documents the circumstances requiring approval with less than 24 hours</li><li>• Specifies that “<i>employees cannot work at any off-duty employment within 24 hours from the beginning of the shift in which they fail to report for duty due to personal illness or injury</i>”</li><li>• Details specific procedures for off-duty officers who need to file documentation with their requests and for supervisors verifying that documentation</li><li>• Orders that the person performing the on-site verification forward “<i>a copy of the completed [Off-Duty Employment Verification] forms to the Inspections Unit</i>”</li><li>• Dictates that “<i>each organizational level will maintain an up to date record of all off-duty and extra job hours worked by each employee within that organizational unit</i>”</li></ul>
Source: General Order 421.00

In addition, 21,612 instances were identified where regular-duty hours worked and off-duty employment hours approved, exceeded the 16 hours in a day limit. Because DPD does not track off-duty employment hours worked as required, DPD cannot ensure that off-duty employment records for each employee are up-to-date.

Seven instances were also noted where Police Officer Trainees (trainee officers, apprentice officers, or probationary officers) worked off-duty employment jobs prior to promotion from trainee to officer, which demonstrates that DPD does not have the necessary internal controls in place to ensure only eligible DPD officers work off-duty employment.

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An analysis of the records from the off-duty module of the Intelligent Workforce Management (IWM) System, DPD’s automated workforce management system, compared to the City’s Human Resources Information System payroll data, showed 3,165 records where DPD officers did not report for duty due to personal illness or injury during the corresponding period that an approved off-duty employment request was recorded in the IWM System. Because the IWM System only includes off-duty employment requests, DPD cannot: (1) effectively monitor all DPD officers’ compliance with General Order 421.00; and, (2) readily confirm noncompliance through audit procedures.

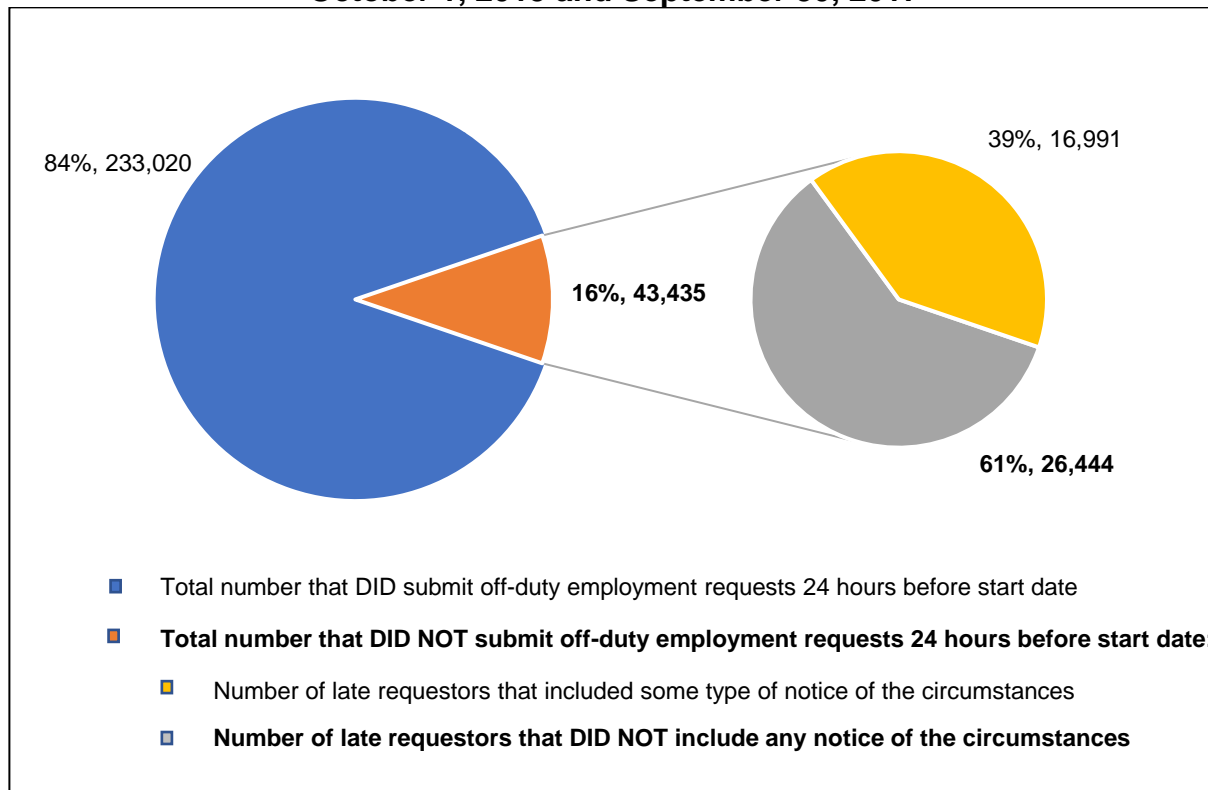
The DPD’s practices of: (1) allowing DPD officers to submit off-duty employment requests with less than 24 hours’ notice; and, (2) approving off-duty employment requests after the actual occurrence of the off-duty employment contribute to noncompliance with General Order 421.00. The following two examples illustrate how late off-duty employment requests and approvals can result in noncompliance with General Order 421.00:

- The DPD officer number one requested approval for off-duty employment on February 7, 2017 at 6:36 p.m. The request was for a job beginning on February 7, 2017 at 7:00 p.m.; however, DPD officer number one used eight hours of sick leave the same day. Supervisory approval of this request did not take place until June 19, 2017.
- The DPD officer number two requested approval for off-duty employment on December 2, 2016 at 2:39 p.m. The request was for a job beginning on December 2, 2016 at 4:30 p.m.; however, DPD officer number two used two hours of sick leave the same day. Supervisory approval of this request did not take place until January 6, 2017.

As shown in Exhibit III on page 12; of the 43,435 off-duty employment requests submitted late, 26,444, or 61 percent of these requests, were approved without having late notices which document the circumstances requiring approval with less than 24 hours’ notice.

Exhibit III

Off-Duty Employment Requests Submitted Between  
October 1, 2015 and September 30, 2017



Source: The Office of the City Auditor’s analysis of off-duty requests.

Finally, the DPD’s Safety Unit and Inspections Unit did not consistently maintain appropriate documentation. For example:

- For a judgmental sample of 11 off-duty employment requests, no long forms, which are required before DPD officers are authorized to work at an establishment whose principal specialty is dispensing/selling alcoholic beverages,<sup>9</sup> were on file in the Safety Unit

<sup>9</sup> General Order 421.00, Section 421.07, *Off-Duty Police Employment at Businesses Where Alcoholic Beverages are Dispensed or Sold*, D requires “Officers wishing to work off-duty police service at such an establishment will submit:

1. A completed Application for Off-Duty Employment at Businesses Whose Principal Specialty is Dispensing/Selling Alcoholic Beverages
2. A Special Duty Request, indicating:
  - a. Whether the location has previously been approved, and if so, the approved application date (obtained from the long form on file).
  - b. The names of other officers working the same location.”

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- The Inspections Unit also could not produce the on-site verification forms DPD supervisors are required to complete when performing on-site verifications of off-duty employment

Causes for non-compliance with General Order 421.00 are related to the absence of: (1) penalties for not following General Order 421.00; (2) basic training in how to adhere to the requirements of the Program; and, (3) deficiencies in the information and internal controls in the IWM System.

## **Recommendation II**

We recommend the Chief of Police ensures DPD officers comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment by:

- Developing and implementing training that includes General Order 421.00, and requiring DPD officers to complete the training prior to requesting off-duty employment
- Confirming DPD officers submit off-duty employment requests timely and properly document late requests
- Requiring DPD supervisors to compare DPD officers’ sick leave requests and off-duty employment requests prior to approving the off-duty employment requests
- Confirming DPD supervisors approve off-duty employment requests timely
- Verifying the Safety Unit confirms and files long forms for off-duty employment requests where the DPD officers obtained approval to work at an establishment whose principal specialty is dispensing/selling alcoholic beverages
- Verifying that DPD supervisors: (1) complete periodic on-site inspections of off-duty employment locations; and, (2) document and properly file the *Off-Duty Employment Verification* form
- Establishing a monitoring process to periodically evaluate DPD officers’ and supervisors’ compliance with General Order 421.00

Please see Appendix III for Management’s Response to the recommendations

## **The Off-Duty Module of the Intelligent Workforce Management System Does Not Have Adequate Information and Internal Controls**

The IWM System does not include the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities. As a result, DPD cannot readily determine whether DPD officers are complying with General Order 421.00 which could increase the risk that police officers may be more fatigued, less efficient, and less likely to behave in a professional manner.

Specifically, the IWM System does not:

- Include the actual off-duty employment hours worked
- Notify DPD supervisors that off-duty employment requests are pending approval. Instead, DPD supervisors must periodically check the IWM System to determine whether off-duty employment requests are awaiting approval.
- Allow DPD supervisors authorizing off-duty employment requests to independently confirm the DPD officers' compliance with General Order 421.00 prior to approving the requests. For example, DPD supervisors cannot confirm:
  - The DPD officers' total projected work hours do not exceed 16 hours a day and 112 hours per week
  - The DPD officers are not Police Officer Trainees
  - The DPD officers have not taken sick leave within 24 hours of the planned date of off-duty employment
- Include edit checks that automatically reject certain off-duty employment requests when:
  - Certain parameters are not met, such as confirming the requestor is not a Police Officer Trainee and is authorized to participate in the Program
  - The DPD officers' projected hours exceed specified thresholds, such as exceeding the 16 hour a day limit. For example, between October 1, 2015 and September 30, 2017, the IWM System showed 3,104 days where more than 24 hours of regular-duty and off-duty were recorded because the IWM System allows DPD supervisors to approve multiple requests for the same DPD officer on the same day. One DPD officer submitted three off-duty employment requests for March 22, 2017 and received approval for a total of 52 hours.
- Include a mobile friendly application that could expedite the off-duty employment request and approval process



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According to Section 421.03, F.1. *Services that Will Not Be Approved*, “*Permission will not be granted for off-duty security or traffic control service if the officer is classified as a trainee officer, apprentice officer, or probationary officer.*”

Administrative Directive 4-09, *Internal Control*, requires the City to establish a system of internal control in accordance with the *Standards for Internal Control in the Federal Government by the Comptroller General of the United States* (Green Book). According to the Green Book, “*Management designs control activities over the information technology infrastructure to support the completeness, accuracy, and validity of information processing by information technology.*” [11.09]

### **Recommendation III**

We recommend the Chief of Police ensures the IWM System or an alternative automated system includes the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities by:

- Including the actual off-duty employment hours worked
- Notifying DPD supervisors authorizing off-duty employment requests when off-duty employment requests are pending approval
- Ensuring DPD supervisors authorizing off-duty employment requests can independently confirm the DPD officers’ compliance with General Order 421.00 prior to approving off-duty employment requests
- Including edit checks that automatically reject certain off-duty employment requests when:
  - Certain parameters are not met, such as confirming the requestor is eligible to participate in the Program
  - DPD officers’ projected hours exceed specified thresholds, such as exceeding the 16 hour a day limit

Please see Appendix III for Management’s Response to the recommendations.

## APPENDIX I

### Background, Objectives, Scope, and Methodology

#### Background

The Dallas Police Department's (DPD) Off-Duty Employment Program (Program) allows sworn DPD officers to work off-duty law enforcement jobs (off-duty employment) in addition to regular on-duty work hours. Studies show off-duty employment programs can provide benefits both to the City of Dallas (City) and to the individual police officers, such as:

- An off-duty police officer's presence deters crime similar to an on-duty police officer
- Off-duty police officers have direct access to on-duty police officers in the event of an emergency
- Off-duty employment programs place fully trained, uniformed police officers on the street at no direct cost to a city
- Off-duty employment helps supplement police officers' pay
- Off-duty employment programs that are structured to reimburse the police department for the use of uniforms, equipment, and vehicles may help departmental budgets

#### Dallas Police Department's Off-Duty Employment Program

Between October 1, 2015 and September 30, 2017, there were 276,455 off-duty employment requests made by 2,627 DPD officers, of which DPD approved 273,828, or 99 percent. The DPD officers requested a total of 1,481,004 hours of off-duty employment. During the two-year period, the off-duty employment hours requested per DPD officer ranged from a minimum of one hour to a maximum of 3,920 approved hours.

The DPD's General Order 421.00 *Off-Duty Employment*, (General Order 421.00), establishes the policies and procedures for the Program. The following are some key provisions of General Order 421.00:

- Working extra jobs is a privilege and not a right
- Upon completion of the probationary period (promotion to officer), DPD wishing to perform off-duty security or traffic control services may submit a Special Duty Request for supervisory approval, prior to working an off-duty job

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- The DPD officers require additional approval if the off-duty employment is at a business whose principal specialty is dispensing/selling alcoholic beverages
- Officers can work a total of 112 hours of on-duty and off-duty work, including overtime and court time

In addition, General Order 421.00 does not specify how DPD officers will be compensated for off-duty employment; however, once the off-duty employment requests are approved, DPD’s practice is that the officer and the employer have autonomy to negotiate a pay rate.

**Fair Labor Standards Act and Off-Duty Employment**

As explained in Title 29, *Labor*, of the Code of Federal Regulations (C.F.R.), §553.227, *Outside Employment*.

*Section 7(p)(1) of the Fair Labor Standards Act, 29 United States Code § 207 makes special provisions for fire protection and law enforcement employees of public agencies who, at their own option, perform special duty work in fire protection, law enforcement or related activities for a separate and independent employer (public or private) during their off-duty hours. The hours of work for the separate and independent employer are not combined with the hours worked for the primary public agency employer for purposes of overtime compensation.*  
[29 C.F.R. §553.227 (a)]

*The primary employer may facilitate the employment or affect the conditions of employment of such employees. For example, a police department may maintain a roster of officers who wish to perform such work. The department may also select the officers for special details from a list of those wishing to participate, negotiate their pay, and retain a fee for administrative expenses. The department may require that the separate and independent employer pay the fee for such services directly to the department and establish procedures for the officers to receive their pay for the special details through the agency’s payroll system. Finally, the department may require that the officers observe their normal standards of conduct during such details and take disciplinary action against those who fail to do so.*  
[29 C.F.R. §553.227 (d)]

### **International Association of Chiefs of Police**

*“For over 30 years, the mission of the [International Association of Chiefs of Police (IACP) Law Enforcement Policy Center (Policy Center)] has been to identify leading practices and provide sound guidance to law enforcement agencies in an effort to assist them in the development of their own policies. With documents on over 130 topics, the Policy Center focuses on the following three key deliverables:<sup>10</sup>*

- *Model Policy - provides concrete guidance and directives for law enforcement to follow (“what” you do)*
- *Concepts & Issues Paper - furnishes background information, outlines relevant case law, and highlights areas of debate (“why” you do it)*
- *Need to Know... - synthesizes the key points in the Model Policy and Concepts & Issues Paper into a brief, one-page overview”*

### **International Association of Chiefs of Police Model Policy for Secondary Employment**

The IACP Model Policy for *Secondary Employment*<sup>11</sup> (IACP Model Policy) includes the following six guidelines “*essential for the efficient operation of the agency and for the protection of officers, the agency, and the community,*” specifically:

1. Provide for strong control over the off-duty program through a “*contract system*”
2. Allow no more than 24 hours of off-duty work per week, “*or a total of 64 hours in combination with regular duty*”
3. Include clear guidelines on prohibitions regarding off-duty employment
4. Clearly defined definitions
5. Clearly defined and current procedures for engaging in off-duty employment
6. Give supervisors direct oversight the off-duty job

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<sup>10</sup> **Source:** International Association of Chiefs of Police Law Enforcement Policy Center

<sup>11</sup> According to the IACP National Law Enforcement Policy Center staff and advisory board, “*law enforcement administrators should be cautioned that no ‘model’ policy can meet all the needs of any given law enforcement agency. Each law enforcement agency operates in a unique environment of federal court rulings, state laws, local ordinances, regulations, judicial and administrative decisions and collective bargaining agreements that must be considered.*”

## Objectives, Scope, and Methodology

This performance audit was conducted under the authority of the City Charter IX, Section 3 and in accordance with the Fiscal Year 2017 Audit Plan approved by the City Council. The audit objectives were to evaluate: (1) the DPD internal controls over off-duty employment; and, (2) whether DPD officers adhere to the DPD policies related to off-duty employment. The audit scope was Fiscal Years 2016 through 2017; however, certain other matters, procedures and transactions occurring outside that period were reviewed to understand and verify information related to the audit period. This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

To achieve the audit objectives, we performed the following procedures:

- Reviewed City Administrative Directives, General Order 421.00, and other relevant City documents
- Interviewed DPD personnel
- Reviewed the IACP Model Policy for *Secondary Employment*
- Reviewed the off-duty employment policies and procedures for a judgmental sample of 19 city police departments
- Tested all DPD off-duty employment requests processed between October 1, 2015 and September 30, 2017
- Reviewed and researched relevant news articles such as:
  - 5 benefits of using off-duty police for your next business event. *Prudential Associates Newsletter*. Retrieved from <https://prudentialassociates.com/5-benefits-of-using-off-duty-police-officers-for-your-next-business-event/>
  - Johnson, J. (2014, April 3) Moonlighting benefits officers but concerns others *Lagniappe Weekly*. Retrieved from <https://lagniappemobile.com/moonlighting-benefits-officers-concerns-others/>
  - Maciak, M. (2017, October) Alarming consequences of police working overtime. *Governing Magazine*. Retrieved from <http://www.governing.com/topics/public-justice-safety/gov-police-officers-overworked-cops.html>

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- O’Hara, P. and Sainato, A. (2017, March). Monetizing the police: corruption vectors in agency managed off-duty work. *Policy and Society*, 34(2), 151-164. <https://doi.org/10.1016/j.polsoc.2015.05.002>
- Vila, B. and Kenney, D.J. (2002) Tired cops: the prevalence and potential consequences of police fatigue. *National Institute of Justice Journal*, 248. Retrieved from <https://www.ncjrs.gov/pdffiles1/jr000248d.pdf>

**Major Contributors to the Report**

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Robert Rubel, CPA, CIA, CISA – Audit Manager  
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Theresa Hampden, CPA – Interim First Assistant City Auditor

## Management's Response

### Memorandum

RECEIVED

OCT 15 2018

City Auditor's  
Office



CITY OF DALLAS

DATE: October 12, 2018  
TO: Craig D. Kinton, City Auditor  
SUBJECT: Response to Audit Report:  
Audit of the Dallas Police Department's Off-Duty Employment Program

Our responses to the audit report recommendations are as follows:

#### Recommendation 1

We recommend the Chief of Police implements additional internal controls over the Program to align with the IACP Model Policy and the best practices of the majority of the 19 city police departments benchmarked by:

- Implementing a dedicated central authority within DPD with responsibility for Program oversight, such as a contract system
- Decreasing total work hours from 112 hours per week to an amount that minimizes the risks that the IACP identified. Note: Total work hours consist of regular-duty hours (including overtime and court duties) and off-duty employment hours.
- Consolidating guidelines for restrictions and prohibitions related to off-duty employment into one section of General Order 421.00
- Providing clear definitions for important terms in General Order 421.00, including aligning DPD's terms with the IACP Model Policy definitions for secondary employment
- Updating all areas of the General Order 421.00 to reflect current DPD practices and procedures
- Giving DPD supervisors authorizing off-duty requests direct oversight of the off-duty employment

#### Management Response / Corrective Action Plan

Agree  Disagree

- The department agrees with the creation of an off duty employment authority to control and regulate off duty employment by DPD officers. The department believes this should

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be controlled by non-sworn personnel. The department will begin the research to look at model agencies with units controlling off duty employment. This entity should also regulate and coordinate off duty employment of DFR personnel. A request for additional personnel would have to be submitted in the next budget. The department is going to rewrite General Order 421. Changes to G.O. 421 will also be implemented as part of the CALEA accreditation process. These updates will include consolidating guidelines for restrictions and prohibitions related to off-duty employment into one section of General Order 421.00 and providing clear definitions for important terms in General Order 421.00. The general Order will also address supervisory responsibilities regarding the oversight of off duty employment.

### **Implementation Date**

December 1, 2018 for rewrite of General Orders.

October 1, 2019 for submission of new civilian positions

### **Responsible Manager**

Deputy Chief Scott Walton

### **Recommendation II**

We recommend the Chief of Police ensures DPD officers comply with existing internal controls included in General Order 421.00 when requesting, approving, and monitoring off-duty employment by:

- Developing and implementing training that includes General Order 421.00, and requiring DPD officers to complete the training prior to requesting off-duty employment
- Confirming DPD officers submit off-duty employment requests timely and properly document late requests
- Requiring DPD supervisors to compare DPD officers' sick leave requests and off-duty employment requests prior to approving off-duty employment requests
- Confirming DPD supervisors approve off-duty employment requests timely
- Verifying the Safety Unit confirms and files long forms for off-duty employment requests where the DPD officers obtained approval to work at an establishment whose principal specialty is the dispensing/selling alcoholic beverages
- Verifying that DPD supervisors: (1) complete periodic on-site inspections of off-duty employment locations; and, (2) document and properly file the Off-Duty Employment Verification form
- Establishing a monitoring process to periodically evaluate DPD officers' and supervisors' compliance with General Order 421.00

### **Management Response / Corrective Action Plan**

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Agree

Disagree

The department will implement manual audit and oversight until the software can be purchased and integrated for use. The audit will ensure that supervisors are confirming DPD officers submit off-duty employment requests timely and late requests are documented. The audits will also verify that the officer has not used sick time in conjunction with the hours of off-duty employment. Lieutenants will be responsible for ensuring supervisors are approving off-duty employment prior to the employment being worked. Lieutenants will be responsible for verifying that DPD supervisors: (1) complete periodic on-site inspections of off-duty employment locations; and, (2) document and properly file the Off-Duty Employment Verification form. Establishing a monitoring process to periodically evaluate DPD officers' and supervisors' compliance with General Order 421.00

The department will issue a roll call training bulletin that includes the new 421.00 General Order. The training order will have to be acknowledged by every officer. All new requirements, including supervisory audit responsibilities will be outlined in the new General Order.

**Implementation Date**

01/01/2019 for implementation of new General Orders with roll call training bulletin.

**Responsible Manager**

Assistant Chief Lonzo Anderson

**Recommendation III**

We recommend the Chief of Police ensures the IWM System or an alternative automated system includes the necessary information and internal controls to properly manage off-duty employment requests, the associated supervisory approvals, and ongoing monitoring activities by:

- Including the actual off-duty employment hours worked
- Notifying DPD supervisors authorizing off-duty employment requests when off-duty employment requests are pending approval
- Ensuring DPD supervisors authorizing off-duty employment requests can independently confirm the DPD Officers' compliance with General Order 421.00 prior to approving off-duty employment requests
- Including edit checks that automatically reject certain off-duty employment requests when:
  - Certain parameters are not met, such as confirming the requestor is eligible to participate in the Program
  - DPD officers' projected hours exceed specified thresholds, such as exceeding the 16 hour a day limit

**Management Response / Corrective Action Plan**

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Agree  Disagree

The department is exploring the purchase of Off Duty Employment tracking software. The software would have to be compatible with the new work force software that will be replacing Lawson Payroll system. It is virtually impossible to do accurate accounting and controls with the current IWM software that is utilized by the department. Until new software can be purchased and integrated.

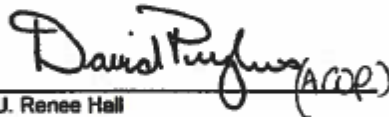
Until such time that new software can be purchased compliance will have to be done manually as indicated in the above responses

**Implementation Date**

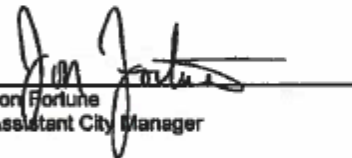
10/20/2018 Work will begin on creating tracking sheets in an excel database for tracking compliance and report audits.

**Responsible Manager**

Assistant Chief Angela Shaw

 (A.C.P.)

U. Renee Hall  
Chief of Police



Jon Fortune  
Assistant City Manager

C: T.C. Broadnax, City Manager  
Chris Caso, Interim City Attorney  
Kimberly B. Tolbert, Chief of Staff

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