

# **CITY OF ALLENTOWN**

## **Extra Duty and PD Uniform Services Accounts Receivable**

**Date of Report: May 06, 2025**

Accounts Receivable (AR) is money owed to the City of Allentown but not yet paid for by its constituents and/or customers.

In order to serve the taxpayers, the City of Allentown Police Department provides police services outside the normal duties of the police force. These services are considered Police Extra-Duty or PD Uniform Services.

It is the policy of the Allentown Police Department to regulate extra-duty of members of the Department to ensure on-duty efficiency, eliminate possible conflicts of interest, and maintain a fair system for participation. Policy and procedures regulating extra-duty employment for members of the Allentown Police Department is established under General Order #2-11 issued February 25, 2010.

### **OBJECTIVE**

The objective of the review was to:

- Verify the collectability of the Open AR for Police Extra-Duty or PD Uniform Services.
- Review the contracts/agreements and ensure all provisions of the contracts/agreements are met.

### **PROCEDURES**

This audit was conducted in accordance with generally accepted governmental auditing standards and utilized an approach that included reviews of documents and reports and examinations of financial records.

Our process began by reviewing the Open AR for Police Extra-Duty or PD Uniform Services as of 04/01/2025.

## **FINDINGS, RECOMMENDATIONS AND RESPONSES**

### **1. Write-Off of AR**

Regardless of the status of vendor payment for Police Extra-Duty or PD Uniform Services, the Police Officers are compensated for their Police Extra-Duty or PD Uniform Services through Payroll.

As of 04/01/2025, the Open AR for Police Extra-Duty or PD Uniform Services was comprised of 12 (twelve) customers and totaled **\$106,975.39**.

After reviewing the aged AR and the outstanding balances, POLICE determined 4 (four) customers Open AR could be written off. The last activity for these AR customers ranged from 2009 – 2020.

The total amount being written off was **\$19,108.79** or **18%** of the total AR.

#### **Recommendation**

POLICE and Administration should review the Open AR on a more frequent basis. A process should be established by POLICE and Administration to review the Open AR.

#### **Administration's Response**

With the retirement of the prior invoicing clerk in 2013, this process was assigned to the Administrative Officer Manager. All prior documentation before 2013, there was no tracking/documentation of invoices for extra duty jobs. Effective 2013, all invoices are tracked and followed for payments.

### **2. Contracts Not In Contract Module**

Per the City Charter Section 5-21 Contracts (6):

“The Administration shall establish and maintain an ongoing prioritized contract monitoring function consistent with established best practices to ensure that the objectives of City contracts are accomplished, and vendors meet their responsibilities. The Administration shall make available to Council and the Clerk's Office all information relating to this section.”

We reviewed 29 (twenty-nine) Police Extra-Duty or PD Uniform Services Agreements and noted none of the contracts/agreements could be located in the EDEN/Munis contract module nor were they forwarded to the Controller's Office as required.

### **Recommendation**

All contracts and written obligations should be properly entered into the Tyler contract module.

### **Administration's Response**

The extra duty jobs and contracts are selected and assigned by the FOP EJ Coordinator. The city's only responsibility is to process payment for the Officers who work the Ejs and to invoice the vendors.

### **3. Agreement Not Signed by Mayor**

Per the City Charter Section 308, L.:

“The Mayor shall have the following powers and duties:...Execute all bonds, notes, contracts and written obligations of the City.”

We reviewed 29 (twenty-nine) Police Extra-Duty or PD Uniform Services Agreements and noted only 1 (one) was signed by the presiding Mayor. The other 28 (twenty-eight) agreements were signed by various Police personnel.

### **Recommendation**

All contracts and written obligations should be authorized and signed by the Mayor.

### **Administration's Response**

The extra duty jobs and contracts are selected and assigned by the FOP EJ Coordinator. The city's only responsibility is to process payment for the Officers who work the Ejs and to invoice the vendors.

### **4. Contract Weaknesses**

We reviewed 29 (twenty-nine) Police Extra-Duty or PD Uniform Services Agreements and noted:

- Agreements vary in wording and terms.
- 6 (six) of the 29 (twenty-nine) had rate terms, the others did not address rates.
- None of the agreements addressed late payment terms.

### **Recommendation**

Consideration should be given to standardizing the Police Extra-Duty or PD Uniform Services Agreement and having LAW review for proper wording and to ensure the City is protected from loss.

### **Administration's Response**

The extra duty jobs and contracts are selected and assigned by the FOP EJ Coordinator. The city's only responsibility is to process payment for the Officers who work the Ejs and to invoice the vendors.

### **NOTE:**

After reviewing the above contract weaknesses/approvals, the Police Administration recognizes the City's interest needs to be better protected. A future meeting will need to be scheduled with the Police Administration, FOP EJ Coordinator, Controller's Office and Solicitor's office to review this process.