



Independent Audit Committee

City & County of Denver

Meeting Minutes

Thursday, January 21, 2016

Opening

Committee Chairman Auditor Timothy M. O'Brien, CPA, called the meeting to order.

Members Present

Vice-chairman Rudy Payan, Jack Blumenthal, Jeff Hart, Leslie Mitchell, and Edward Scholz were present.

Also Present

Deputy Auditor Valerie G. Walling, Director of Audit Services Kip Memmott, and Committee staff Mollie Horne were also in attendance.

Approval of December 17, 2015 Minutes

The minutes were approved as written.

Briefing: Budget and Management Office Audit Report

Audit Supervisor Katja Freeman, Lead Auditor Rudy Lopez, and Senior Auditor Robert Farol, along with Kip Memmott, presented the audit findings and recommendations. Deputy Chief of Operations David Quinones, Director of Data Analysis Unit Chris Wyckoff, and Captain Kris Kroncke were present on behalf of the Denver Police Department (DPD) to respond to the audit.

The Audit Report was discussed, and the DPD staff were in agreement with only *one out of three* of the Audit Team's findings and recommendations, summarized below.

Recommendation 1.1

Community Policing Self-Assessment Tool (CP-SAT) – DPD should reach out to the Community Oriented Policing Service (COPS) to explore options on how to utilize CP-SAT or a similar tool. The results of the assessment should be used to inform strategic planning, identify

training needs, promote DPD's community policing initiatives to the public, and enhance overall community policing efforts.

Result – The Denver Police Department (DPD) has made initial contact with the COPS to explore options to assess the DPD's community policing efforts. COPS has informed us that the CP-SAT tool is primarily designed for agencies receiving funding under the Cops Hiring Program (CHP). The feasibility of implementing this tool will require further review for non-grantee (like DPD) use. The target date for implementation is within 90 days, or by April 13, 2016.

Recommendation 1.2

Biased-Policing Policy – DPD should update its Biased-Policing Policy to include at least an annual assessment of the demographic data collected (as suggested in *Recommendation 2.1*) in order to inform Command about compliance with policy.

Result – DPD disagrees with *Recommendation 1.2*, which is based on the assumption that collecting demographic data on all contacts is the best way to assess the department's compliance with our Biased-Policing Policy. There are many components that should be considered when evaluating evidence of biased policing, and DPD regularly reviews both our Biased-Policing policy, as well as officer compliance through various mechanisms and oversight.

DPD maintains and monitors a Personnel Assessment System (PAS) and the Early Identification and Intervention System (EIIS) to identify performance deficiencies of personnel. Command officers and supervisors develop and implement effective interventions to address performance or behavioral issues that are contrary to the mission, vision, goals, and policies of the Department.

Specifically related to this recommendation, DPD captures complaints of biased policing, impartial attitude, discrimination/harassment, and retaliation. This data allows the Department to review and address any issues identified. Over the past four years, we have seen a significant decrease in these types of allegations. For instance, in 2015 there were over 200,000 Class 2 police interactions and only 12 allegations related to biased policing, which may or may not have resulted from Class 2 actions.

Recommendation 2.1

Demographic Data Collection – DPD should require officers to collect demographic data, at minimum, for all pedestrian and traffic self-initiated contact (Class 2 actions). DPD's Data Analysis Unit should analyze the data to ensure that officers conduct self-initiated actions in compliance with the departments Biased-Policing Policy, and if necessary determine why discrepancies exist. We have provided a list of variables officers might collect at minimum for each contact:

- i. Date/time/location (both district and precinct)
- ii. Length of contact

- iii. Date of Birth
- iv. Gender
- v. Race/ethnicity
- vi. Reason for contact
- vii. Action taken/outcome
- viii. Officer ID/badge number

Result – DPD disagrees with this data collection recommendation based on three considerations: 1) the offered approach is intrusive and may turn positive police contacts into negative interactions, 2) the offered approach does not support an efficient use of resources based on departmental goals, and 3) there is currently no mechanism to collect the subject data. Acquiring a mechanism will require additional fiscal resources. Additionally, there are current discussions at the legislative level related to demographic data collection. DPD is a participant in the ongoing discussions and believes it is premature to subscribe to the recommendation prior to the conclusion of the legislative efforts.

The mission of the DPD is to focus efforts on preventing crime in a respectful manner, demonstrating that everyone matters. As part of this mission, we make hundreds of thousands of proactive contacts that may or may not result in enforcement action. As highlighted in the Auditor’s report, demographic information is collected through enforcement actions, such as arrests and traffic citations, which may be viewed as negative encounters. However, non-enforcement interactions are often positive for both officers and community members. If officers are required to gather demographic information on all contacts, there is a likelihood that positive interactions could change to negative contacts due to the intrusive nature of the data collection. For instance, the positive youth contacts that DPD is actively seeking would, under the noted recommendation, now require officers to obtain demographic and/or identifying information from these youth.

Over the past three years, more resources have been added to the patrol districts through civilianization, hiring of patrol officers, and restructuring of the department, in order to create more proactive time for officers to enhance crime prevention. Officers are encouraged to utilize their proactive time to engage with the community in various manners that are not necessarily enforcement actions. This is in line with community policing practices which recommend 35% available time as a target minimum for officers to engage in proactive activity for crime prevention. Patrol officers currently have 26% time allocated to proactive work due to time spent on 911 calls and administrative work. Adding additional administrative work would not be an efficient use of resources based on departmental goals.

Finally, collecting demographic data on all pedestrian and traffic contacts is currently not available through the Computer Aided Dispatch system where call information is maintained. Currently, data would need to be collected on a paper data card, then sent to a centralized repository where it would be scanned into a database. On average, it would take an officer up to 10 minutes to complete the data card, which would reduce the amount of time for proactive activities. The amount of time required to implement this would convert to an officer cost ranging from \$700,000 to \$2,000,000, or the equivalent of 7 to 20 officers, and would require additional personnel to process the data.

Briefing: 2015 Prevailing Wage Report

Prevailing Wage Supervisor Rob Merritt and Director of Contracts & Accountability Jeffrey Garcia gave a presentation on behalf of the Prevailing Wage Division. They offered an introduction to Prevailing Wage Ordinance as it pertains to contractors and workers employed by the City, as well as a summary of the Prevailing Wage Division's 2015 accomplishments. Prevailing Wage Division staff Carol Carter and Valerie Ramirez were also present.

Denver's Prevailing Wage authority is two-fold: 1) the U.S. Davis Bacon Act of 1931 requires the payment of the regional prevailing wage on all federal contracts; 2) Denver's Prevailing Wage Ordinance of 1950 requires the payment of the prevailing wage on contracts with the City. This ordinance grants the City Auditor's Office sole authority to enforce the payment of prevailing wage.

Every worker employed by any contractor or subcontractor in the work of construction, improvement, repair, maintenance or demolition of any public building or public work on behalf of the City shall be paid no less than the prevailing wage for the same class and kind of work in Denver.

The Prevailing Wage Ordinance benefits the City in a number of ways. It provides for a more competitive bidding process and keeps the City competitive in the labor market. It provides the City a higher grade of worker and contract performance. Additionally, Prevailing Wage Ordinance enforcement ensures City contractors are properly paying employees. It also safeguards against negative business practices and helps retain quality contractors and tradespeople in the Denver market.

Within the Auditor's Office, the Prevailing Wage Division's investigations consist of pre-contract meetings with prospective contractors, digital and manual auditing of individual employee's wages, worksite inspections, and multi-lingual employee and employer interviews. Prevailing Wage Division investigators verify that appropriate labor classifications are reported, work closely with the Department of Labor, and engage in community education and outreach.

In 2015 alone, the Prevailing Wage Division of the Auditor's Office audited wages on 645 City projects. It audited contracts with budgets exceeding \$563,000,000, including more than \$82,000,000 in wages, and investigated 34,036 payrolls. Prevailing Wage Division investigators approved the payment of more than 29,000 invoices while rejecting almost 2,200 invoices due to non-compliance with the Prevailing Wage Ordinance. In total, the Prevailing Wage Division recovered underpayments for 1,086 workers in 2015.

The next Audit Committee meeting will be held on Thursday, February 18, 2016 at **9:00 a.m.** in the Parr-Widener Community Room (#389) on the 3rd floor of the City and County Building at 1437 Bannock Street.

With no other business the Committee adjourned at 10:13 a.m.

Prepared by Mollie Horne, Audit Committee staff