

Police Unclaimed Funds



Objective

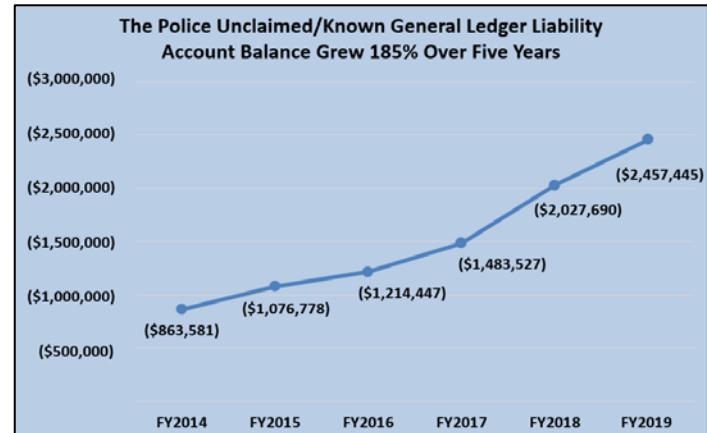
To ensure that monies accounted for as a liability in the City's police unclaimed funds account did not represent funds that could be recognized as City revenue and/or paid to another agency.

Background

The Fort Worth Police Department (FWPD) records money, obtained as a result of criminal activity and/or found, within the City's Police Unclaimed/Known general ledger liability account. The Unclaimed/Known general ledger liability account balance was \$2,457,444.85 at September 30, 2019, and reflected a 185% growth over the past five years.

What We Found

- As of September 30, 2019, \$768,352.86 was awarded to the City of Fort Worth, but not transferred from the Police Unclaimed/Known general ledger liability account to City revenue.
- The City unnecessarily escheated \$390,802.09 to the state of Texas between FY2015 and FY2019. Additionally, based on the City's practice during our audit, the City would have escheated over \$200,000.00 that remained in its possession, provided the money was not claimed three years after notifying the owner.
- During our audit, the FWPD began making journal entries to move monies from the Unclaimed/Known general ledger liability account to City revenue, and discontinued escheating police unclaimed funds to the state.
- Court orders specified that \$10,336.50 be submitted to entities other than the City of Fort Worth. However, the \$10,336.50 was not submitted to the other entities.
- Internal Audit was unable to determine whether the FWPD took necessary action to properly resolve cases totaling approximately \$378,000.00.



What We Recommended

- Move unclaimed funds, awarded to the City of Fort Worth, to a City revenue account
- Discontinue escheating unclaimed funds to the state
- Determine whether unclaimed funds, previously escheated to the state, can be recouped
- Distribute awarded funds to the rightful owners, as outlined in the respective court judgments
- Require a review of unclaimed funds to identify money that can be legally converted to City revenue