



Montgomery County Government

MONTGOMERY COUNTY COUNCIL
Office of Legislative Oversight

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TITLE

AN EVALUATION OF THE ANTI-HATE/VIOLENCE FUND

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SUMMARY OF MAJOR CONCLUSIONS AND RECOMMENDATIONS

This report evaluates the Anti-Hate/Violence Fund and concludes that:

- Since 1983, the Anti-Hate/Violence Fund has been used six times to pay rewards for information that led to the arrest of hate/violence offenders;
- The Anti-Hate/Violence Fund should be viewed as only one of many law enforcement tools that the Police Department uses to solve hate/violence incidents;
- There are no written procedures governing the use of the Anti-Hate/Violence Fund and there are different interpretations of the Police Department's authority to use money from the Fund to pay for publicity about the Fund;
- The current law limits the use of the Anti-Hate/Violence Fund to hate/violence incidents investigated by the County Police Department; and
- The financial management of the Fund needs review.

The report recommends extending the Anti-Hate/Violence Fund past its June 30, 1987 sunset date, and making the following legislative and administrative changes:

- Expand opportunities for using the Anti-Hate/Violence Fund to include hate/violence incidents investigated by the Fire Marshal and the Park Police;
- Amend Section 35-13A of the Code to clarify that monies from the Anti-Hate/Violence Fund can be used to publicize the Fund's availability;
- Develop written procedures for using the Anti-Hate/Violence Fund in the form of Executive Regulations already authorized in the County Code; and
- Consider modifying the financial management of the Anti-Hate/Violence Fund so that it is administered separately from the General Investigative Fund, subject to annual budget review, and monitored on a more routine basis.

I. AUTHORITY, SCOPE AND METHODOLOGY

A. Authority. Council Resolution No. 11-97, CY 1987 Work Program of the Office of Legislative Oversight, adopted February 24, 1987.

B. Scope. This report evaluates the utilization and management of the Anti-Hate/Violence Fund, which was created by Bill #44-82 (County Code Section 35-13A) in 1983 and is legislatively scheduled to sunset on June 30, 1987. The Anti-Hate/Violence Fund was established as a means for the County Police to offer and pay rewards for information leading to the

arrest of a person(s) for committing an act against an individual or an institution because of race, religion, or ethnic origin. Exhibit A (page 21) is County Code Section 35-13A, Anti-Hate/Violence Fund, in its current form.

C. Methodology. This project was conducted by Karen Orlansky, Program Evaluator, with assistance from Johanna Ettl, Public Administration Intern, during January - February 1987. Research for this project involved document reviews and interviews with staff from the County Departments of Police, Fire and Rescue Services, and Finance, the Human Relations Commission, the Offices of Management and Budget, the County Attorney and State's Attorney, and the Montgomery County Division of the Maryland National Capital Park Police. Information was also obtained from representatives of Crime Solvers, Inc. and B'nai B'rith Lodge #1776.

II. DEFINITION OF HATE/VIOLENCE

Unless otherwise indicated, this report uses the term "hate/violence" to mean:

Acts directed against an individual or an institution because of race, religion, or ethnic background. Acts include swastika paintings and other forms of vandalism, cross burnings, arson, assaults, telephone threats, racial name calling and distribution of Ku Klux Klan and Nazi literature¹.

III. BACKGROUND

A. Debate Leading Up to Enactment of Bill #44-82

A review of legislative files indicates that hate/violence activity became a growing concern of the Council in the early 1980's as the number of incidents recorded by the County's Human Relations Commission almost quadrupled from 25 incidents in 1980 to 98 incidents in 1981. During the legislative debate over the creation of the Anti-Hate/Violence Fund, it became clear that the number of recorded incidents in 1982 would almost double the 1981 level. (Exhibit B, page 22, reports the number of hate/violence incidents in the County since 1980.)

Bill #44-82, initially titled "The Crimesolvers Fund", was introduced on August 10, 1982. As introduced, the bill proposed creating a fund to pay for information leading to convictions for many crimes, including murder, rape, armed robbery, as well as acts of hate/violence. The original proposal also included a recommended \$250,000 appropriation.

Supporters and opponents of Bill #44-82 had an opportunity to testify at a public hearing held on October 13, 1982. Proponents, including representatives from the Human Relations Commission, Black Ministers Conference, B'nai B'rith, and the Montgomery County Alliance of Black School Educators, argued that creating such a reward fund would:

¹ Adapted from "Handling Hate/Violence, A Resource Booklet", Montgomery County Human Relations Commission, March 1986.

- Focus attention on the hate/violence problem and raise community awareness and concern;
- Provide a monetary incentive for citizens to report information relating to hate/violence incidents to the Police; and
- Encourage witnesses of hate/violence incidents, who often fear retaliation, to report information to the Police.

Those who opposed Bill #44-82 cited the existence of the private non-profit organization Crime Solvers, Inc. as a highly successful tipsters' fund which operates on private contributions and not taxpayers' dollars. Established in 1978, Crime Solvers, Inc. provides rewards up to \$1,000 for information leading to the arrest and indictment of an offender. Crime Solvers, Inc., although managed by its own citizens' Board of Directors, is operated in close coordination with the Police Department. The initial tipsters' fund proposed in Bill #44-82 was viewed as an unnecessary attempt by the County government to duplicate this already established non-profit organization.

In response to the issues raised at the public hearing and during Council worksessions, Bill #44-82 was substantially amended. By the time Bill #44-82 was considered for final vote, the title had been changed to the "Anti-Hate/Violence Fund" and the scope of the fund had been narrowed so that it was only to be used for solving crimes of hate/violence. The definition of an act of hate/violence was clarified by inserting references to the specific sections of State and County law that describe acts of racial and religious intimidation¹.

The criteria for considering a reward was also changed so that the information provided only needed to lead to an arrest or apprehension, and not conviction. A maximum reward amount of \$1,000 per incident was established, and the recommended level of appropriation was reduced from \$250,000 to \$50,000. Finally, an initial sunset date for the Fund of June 30, 1985 was established.

As amended, Emergency Bill #44-82, titled the Anti-Hate/Violence Fund, was enacted on November 30, 1982, along with a \$50,000 appropriation to the Fund². The passage of Bill #44-82 was made contingent upon the passage of Emergency Bill #43-82.

Emergency Bill #43-82, also enacted on November 30, 1982, created County Code Chapter 27, Division 4, Racial and Religious Intimidation to establish the legal framework for civil restitution

¹ Annotated Code of Maryland, Article 27, Section 10A, Burning cross or other religious symbol, and Section 111, Destroying, injuring, etc., property of another; County Code Chapter 27, Division 4, Racial and Religious Intimidation, Section 26A, Actions subject to civil restitution.

² Resolution No. 9-2044 was an emergency appropriation to the Anti-Hate/Violence Fund from the FY 1983 General Fund Unappropriated Surplus.

at the County level for acts of racial and religious intimidation. In addition to defining acts of hate/violence, Bill #43-82 specifically provided that civil restitution for acts of hate/violence could be sought by the victim for at least \$1,000 and by the County for \$1,000. Section 27-26D(b) provides that any restitution awarded to the County for a hate/violence incident is to be deposited to the Anti-Hate/Violence Fund created in Section 35-13A.

B. Legislative/Funding Action on Anti-Hate/Violence Fund since 1982

In June 1985, the Council enacted Emergency Bill #22-85 to extend the sunset date of the Anti-Hate/Violence Fund from June 30, 1985 to June 30, 1987. As enacted, Bill #22-85 also made what were classified as "stylistic changes" to Code Section 35-13A.

There have been no additional appropriations made to the Fund since 1982. Because the initial \$50,000 appropriation was placed in an expendable trust fund account, the fund balance has been carried over at the end of each fiscal year without need for appropriation action. The current financial status of the Anti-Hate/Violence Fund is fully discussed in the following chapter of this report.

IV. EVALUATION OF ANTI-HATE/VIOLENCE FUND

A. Format of Evaluation

The purpose of this evaluation is to provide the Council with information on which to base legislative and funding decisions that determine the future of the Anti-Hate/Violence Fund, as created in Section 35-13A of the County Code. The evaluation is divided into four parts:

Section B reviews the record of rewards paid out of the Anti-Hate/Violence Fund;

Section C discusses the procedures followed for making use of the Anti-Hate/Violence Fund;

Section D analyzes the financial management and oversight of the Anti-Hate/Violence Fund; and

Section E discusses how agencies, other than the County Police, are involved with hate/violence incidents, and the Anti-Hate/Violence Fund.

B. Reward Payments. Table I (page 5) lists the six times that a reward to an informant has been paid out of the Anti-Hate/Violence Fund since its creation in 1983. A total of \$4,600 in rewards has been paid: one \$100 reward, one \$500 reward, and four \$1,000 rewards. Two of the \$1,000 rewards were divided equally between two informants; one of the \$1,000 rewards was matched by a \$1,000 contribution received from B'nai B'rith Lodge #1776¹. The interval between the occurrence of an incident and the reward payment has varied from three to twenty months.

¹ Finance Department records indicate that the County paid out \$2,000 on April 22, 1985 and was repaid \$1,000 from B'nai B'rith Lodge #1776 on May 10, 1985.

Table I

Rewards from Anti-Hate/Violence Fund 1982-1986(a)

<u>Date of Incident</u>	<u>Incident</u>	<u>Date of Reward</u>	<u>Amount of Reward</u>
11/01/82	Shaare Tefila Congregation: vandalism of a synagogue, anti-Semitic slogans and drawings spray painted on the exterior wall and doors.	7/17/84	\$ 500.00
02/06/83	Francis Scott Key Jr. High School: vandalism of school property, obscenities and racial comments painted on walls.	7/17/84	\$ 100.00
07/29/84	Gaithersburg Hebrew Congregation: vandalism of a synagogue, swastika emblems spray painted on roof and exterior walls.	4/22/85	\$1,000.00(b)
11/02/85	Farmland Elementary School: vandalism of school property, swastikas and other Nazi-related remarks on the school building and blacktop area of the playground.	1/30/86	\$1,000.00(c)
05/10/86	Silver Spring residence: vandalism and an anti-Semitic note taped to the front door.	11/19/86	\$1,000.00
12/21/86	Wooton High School: vandalism of school property, racial and ethnic remarks.	3/13/87	\$1,000.00(c)
<hr/> Total amount of Anti-Hate/Violence Fund rewards paid as of March 18, 1987			<hr/> \$4,600.00

- (a) Source: Department of Finance and Department of Police records.
- (b) This \$1,000 reward from the County was matched by an additional \$1,000 from B'nai B'rith Lodge #1776; the County dispersed \$2,000 on 4/22/85 and was reimbursed \$1,000 from B'nai B'rith on 5/10/85.
- (c) Each of these \$1,000 rewards was divided in half between two informants.

All six of the incidents were classified as vandalism involving anti-religious and/or anti-racial slogans and comments. Five of the incidents involved property damage to institutions (three schools, two synagogues), and one involved property damage to a private residence.

Based upon a review of Police Department documents and information obtained through interviews with police officers, in the six cases documented in Table I, the Anti-Hate/Violence Fund seems to have achieved its purpose of assisting police to arrest persons charged with committing acts of hate/violence. Although it would have been useful to determine whether the existence of the Fund was absolutely essential to making the arrests associated with the six reward payments, it was not possible to make that determination. Because of the complex nature of events that lead to any arrest, it is virtually impossible to conclude whether specific arrests are made only because of information received from someone who was motivated only by the possibility of a monetary reward from the Anti-Hate/Violence Fund.

To place the number of reward payments from the Anti-Hate/Violence Fund in perspective, it is also important to acknowledge that other arrests of hate/violence offenders have been made without use of the Anti-Hate/Violence Fund. County Police arrest records indicate 19 arrests in 1985 and another 19 arrests in 1986 for hate/violence incidents. Park Police records show an additional four arrests in 1986 for hate/violence incidents that were made without use of the Anti-Hate/Violence Fund¹.

C. Procedures for Using the Fund. To date, no Executive Regulations (authorized in County Code Section 35-13A(e)) or other written procedures have been issued outlining how the Anti-Hate/Violence Fund is to be administered. Although there are internal Police Department Directives that provide guidelines for patrol officers and investigators to follow when responding to racial, ethnic, or religious motivated incidents, these guidelines do not include information about using the Anti-Hate/Violence Fund.

Interviews with Police Department staff indicate that when a hate/violence incident occurs, there are a number of steps which usually follow depending on the decision to offer and/or to pay a reward from the Anti-Hate/Violence Fund. Based upon information obtained from staff who have worked with the Fund, listed below are the events that have typically led to the use of the Anti-Hate/Violence Fund:

- Hate/Violence Incident Occurs. In accordance with Police Department Directive #82-47, the responding police officer classifies the incident as appearing to have a racial, ethnic or religious motivation; and the Police Community Relations Unit and the Media Services Section are immediately notified. As required in Police Department Directive #83-14, a copy of the event report is also forwarded to Community Relations, the office responsible for tracking all police reports of hate/violence incidents. As outlined in a Memorandum of Understanding negotiated in 1982, the Community Relations Unit reports the incident to the Human Relations Commission within three days.

¹ Arrest data for hate/violence incidents solved by County and Park police prior to 1985 is not available.

- Hate/Violence Incident Assigned to Investigator. All hate/violence incidents are assigned to an investigator for a full follow-up investigation. Memorandum #82-35 sent to all Police Department personnel from the Chief directs officers of this department "to investigate these [hate/violence] events to the fullest extent possible."

- Anti-Hate/Violence Fund is Always Available. Any individual who shares information that leads to the arrest of a hate/violence offender is automatically eligible to be considered for a reward from the Fund. At some point during an investigation the investigator or member of the Community Relations Unit staff may also suggest that doing some special outreach about the availability of a reward from the Anti-Hate/Violence Fund may help solve a particular hate/violence incident.

All "tips" on hate/violence incidents are received on the Crime Solvers' telephone line and immediately transferred to the Community Relations Unit. The information is then passed on to the investigator assigned to the incident.

- Arrest and Decision to Pay a Reward. If in the judgment of the investigating officer, a "tip" has led to an arrest and is deserving of a reward, the investigator sends a memorandum through the chain of command to the Chief of Police. The memorandum describes the situation and recommends an amount of a reward from the Anti-Hate/Violence Fund.

An internal Police Department committee composed of the Chief of Police, the Deputy Chief of Police, Commander of the Community Relations and Crime Prevention Units, and the investigator who is recommending a reward meet to consider whether to grant a reward, and if so, the amount to be rewarded.

- Payment of a Reward. Once a reward is approved, the investigator submits a "Request for Payment" in the reward amount to the Police Management and Budget Division. The Management and Budget Division then sends a "Reimbursement of the General Investigative/Hate-Violence Informant Fund" memorandum to the Department of Finance.

The Finance Department debits the General Investigative/Hate-Violence Informant Fund¹ for the amount of the reward and then reimburses the General Investigative/Hate-Violence Informant Fund from the Anti-Hate/Violence Fund. The cash reward is transferred back to Police Management and Budget Division from where the investigator is notified to pick up the reward money. The investigator then hand delivers the reward to the informant.

- Publicity after Reward Paid. The Police Department's Media Section often issues a press release publicizing the payment of the reward from the Anti-Hate/Violence Fund.

¹ The Police Department uses this imprest (i.e., petty cash) to withdraw cash for reward payments.

Although the above scenario describes how the Anti-Hate/Violence Fund has generally been used on the six occasions over the past four years, the process has varied somewhat from case to case. Interviews with individuals involved with investigating hate/violence incidents indicate a range of feelings about using the Anti-Hate/Violence Fund. In particular, whether and how to publicize the availability of the Fund seem to be decisions unique to each hate/violence incident.

The length of time between when an incident occurs and when a decision is made to do special outreach about the availability of the Anti-Hate/Violence Fund is not always the same. When asked about this variation, police officers who have investigated hate/violence incidents explained that an investigator's interest in employing a monetary incentive for information will vary depending upon factors such as the number of leads already available, the severity of the incident, and the circumstances under which the incident occurs. As reviewed earlier, the Anti-Hate/Violence Fund has been employed successfully in a number of specific cases, and there are those who believe that, if publicized more actively, the Fund could assist police even more.

A number of police officers interviewed perceive offering a monetary incentive for information as a technique to be tried only after existing leads have been fully investigated. In addition, it appears that the Anti-Hate/Violence Fund is more likely to be used if the investigating officer has reason to believe that there were eyewitnesses to the act, or if the offender was likely to "brag" about the incident to his/her peers.

While recognizing that in some cases "money talks", one officer noted a reluctance to use the Anti-Hate/Violence Fund; especially in cases where juveniles are involved, advertising a monetary reward can be seen as conveying the message that you should come forward because you can collect money and not because it is the right thing to do. In fact, in one case where the investigating officer felt a juvenile deserved a reward for providing valuable information to the Police, the juvenile's parents did not want their child to accept money for doing what they believed was his civic duty.

Techniques for publicizing the Fund have varied over the past few years. In April 1985, the Police Department paid \$497.23 for a quarter-page newspaper advertisement that described the Anti-Hate/Violence Fund. In most specific hate/violence incidents, publicity has been limited to a Police Department press release, and orally spreading the word that a monetary reward is available. In one case, flyers were distributed, and in another a neighborhood group assisted the Police Department to publicize the existence of the Anti-Hate/Violence Fund.

While conceding that widespread publicity about the Fund is not always necessary, overall the Anti-Hate/Violence Fund has received only a minimal amount of public exposure since 1983. One reason for this is that as Section 35-13A is currently written, it is unclear whether or not publicity about the availability of rewards is a permissible use of the Fund. Although the Anti-Hate/Violence Fund was used to pay for the April 1985 newspaper advertisement, staff currently involved with administering the Fund are unsure whether funds in the Anti-Hate/Violence Fund can legally be used to pay for posters, flyers, and other outreach efforts that are not direct reward payments for information leading to the arrest of a hate/violence offender.

D. Financial Management. A review of Finance Department records identified eight expenditures and one \$1,000 credit to the Anti-Hate/Violence Fund since the initial \$50,000 appropriation to the Fund in February 1983. Table II (page 10) outlines the history of financial activity in the Fund over the past four years. The seven expenditures representing \$4,600 in tipster rewards, the \$497.23 newspaper advertisement, and the \$1,000 matching reward have been reviewed earlier in this report. This section will discuss financial management of the Anti-Hate/Violence Fund, and specifically will address the two expenditures from the Fund that were not related to hate/violence.

As shown on Table II, the Anti-Hate/Violence Fund was debited on June 7, 1985 for \$350.70 and January 30, 1986 for \$755.47, for various general investigative expenses. Although these expenditures totalling \$1,106.17 appear to be valid investigative expenses, they were not related to hate/violence. When OLO brought this matter to the attention of the Police Department's Management and Budget Division and the Finance Department's Division of Accounting, all parties agreed that these two expenditures had been inappropriately charged through coding errors to the Anti-Hate/Violence Fund instead of to the General Investigative Fund. Within hours after the Department of Finance was alerted to the errors, the total amount of the two payments was restored to the Anti-Hate/Violence Fund. This is reflected on Table II as the \$1,106.17 credit on February 11, 1987.

While recognizing that the dollar amount of the errors was not large, the fact that they occurred at all raises some concerns about the financial management and oversight of the Anti-Hate/Violence Fund. When the Anti-Hate/Violence Fund was created in 1983 with a \$50,000 appropriation, the money was placed in an expendable trust fund¹. Managing the Anti-Hate/Violence Fund as an expendable trust fund account has had the advantage of earmarking the funds for a special purpose and not requiring an annual reappropriation. At the same time, however, routine monitoring of the expendable trust fund accounts did not identify the coding errors; in addition, the accounting classification of the Anti-Hate/Violence Fund enabled it to escape an annual budgetary review, which also might have identified sooner the two inappropriate charges to the Fund.

The responsibility for monitoring expenditures in the Anti-Hate/Violence Fund is shared between the Department of Police and Department of Finance. The Division of Accounting in the Department of Finance is responsible for ensuring requests for payments have adequate documentation and the appropriate signatures; accurately recording transactions; and maintaining an overall system of internal control over the accounting function. The Management and Budget Services Division in the Police Department is responsible for submitting documents with the correct pseudo-codes and reviewing department expenditures as they are recorded on monthly financial status reports. Within the Police Department, the coding errors should have been noticed in two places: the overcharge to the Anti-Hate/Violence Fund and the undercharge to the General Investigative Fund.

¹ The FY 86 Comprehensive Annual Financial Report for Montgomery County defines an expendable trust fund as, "a legal and accounting device used by government in discharging its responsibility for property of which it does not have absolute ownership, but which must be utilized for a certain purpose or group of purposes."

Table II

Financial Activity in Hate/Violence Informant Fund^(a)

<u>Date^(b)</u>	<u>Item(s)</u>	<u>Amount</u>	<u>Cumulative Total</u>
2/17/83	Original Appropriation		\$50,000.00
7/17/84	Hate/Violence Tipster Reward	- \$500.00	\$49,500.00
7/17/84	Hate/Violence Tipster Reward	- \$100.00	\$49,400.00
4/19/85	Newspaper Advertisement of Hate/Violence Informant Fund	- \$497.23	\$48,902.77
4/22/85	Hate/Violence Tipster Reward	- \$2,000.00	\$46,902.77
5/10/85	Credit to the Fund: Matching reward from B'nai B'rith Lodge #1776	+ \$1,000.00	\$47,902.77
6/7/85	General Investigative Expenditures	- \$350.70 ^(c)	\$47,552.07
1/30/86	Hate/Violence Tipster Reward	- \$1,000.00	\$46,552.07
1/30/86	General Investigative Expenditures	- \$755.47 ^(c)	\$45,796.60
11/19/86	Hate/Violence Tipster Reward	- \$1,000.00	\$44,796.60 (Pre-Audit Total)
2/11/87	Adjustment to correct coding errors	+ \$1,106.17	\$45,902.77
3/13/87	Hate/Violence Tipster Reward	- \$1,000.00	\$44,902.77 (Current Total)

(a) Source: Records of Department of Finance, Division of Accounting,
Accounts Payable Section - Subsidiary Number: 373790125,
Pseudo Code: 790105, Transaction Code: 2271, Object Code: 37

(b) Activity date recorded on RAM 320-1 report: payment of reward.

(c) These expenditures were unrelated to hate/violence.

The opportunity for coding errors between the Anti-Hate/Violence Fund and the General Investigative Fund is increased because the two funds are managed jointly through the Police Department's imprest (i.e., petty cash) fund. The Anti-Hate/Violence Fund is set up in an expendable trust fund account, but the Police receive the cash reward payments through a \$2,500 imprest fund called the General Investigative/Hate-Violence Fund. The General Investigative/Hate-Violence Fund is maintained at a fund level of \$2,500, of which \$1,000 is always available to cover a hate/violence tipster reward, and \$1,500 to cover general investigative expense requests.

The major advantage of this arrangement is that when a situation warrants, there is immediate access to cash without the usual delay necessary to process a check. The major disadvantage with this particular imprest fund, however, is the increased potential for a coding error because of the co-mingling between two different funds (the Anti-Hate/Violence Fund and the General Investigative Fund) with different uses and different pseudo codes.

E. Other Agency Involvement. Section 35-13A of the County Code designates the County Police Department as the only agency with authority to grant rewards from the Anti-Hate/Violence Fund. As discussed earlier in this report, the Department of Finance assists with the financial management of the Fund. This section will describe the roles of other agencies with respect to hate/violence incidents and the Anti-Hate/Violence Fund.

- **The Maryland-National Capital Park and Planning Commission Park Police.** The Park Police, appointed by the Commission, enforce all County laws and regulations and park regulations on park property. They investigate all hate/violence incidents on park property and have the authority to make arrests. Through a Memorandum of Understanding negotiated in 1986, all hate/violence incidents on park property are reported within three days to the County Human Relations Commission. Under current law, the Park Police have no authority to offer rewards from the Anti-Hate/Violence Fund.

- **The Fire Investigations Section, Division of Fire Prevention, Department of Fire and Rescue Services.** The Fire Marshal investigates the cause and origin of all fires and bombings that occur in the County, including those of a suspicious nature. Hate/violence incidents which involve fire are investigated by the Fire Marshal, who also has authority to make arrests. Under current law, the Fire Marshal does not have the ability to offer rewards from the Anti-Hate/Violence Fund.

- **Municipal Police Departments (Rockville, Gaithersburg, Takoma Park, etc.).** The various Police Departments enforce all laws and regulations within their respective municipalities. Except for in the City of Takoma Park, the County Police share jurisdictional authority with the municipal police departments, and there does not appear to be any restrictions on offering rewards from the Anti-Hate/Violence Fund for incidents that occur within municipal boundaries.

- **County Human Relations Commission (HRC).** In addition to enforcing the equal opportunity laws of the County Code in public accommodations, housing, and employment, HRC staff respond to racially, religiously, and ethically motivated violent acts by providing assistance to victims and communities which have experienced incidents, and working with law enforcement and criminal justice system agencies. HRC coordinates the Network of Neighbors/Network of Teens (support system for hate/violence victims), manages the STOP Program (counseling and education for juvenile perpetrators of hate/violence), staffs the County Executive's Coordinating Committee on Hate/Violence, and conducts special training in human relations for both public and private agencies.

In certain hate/violence incidents, if the court does not dispose of the issue of civil liability, HRC is authorized to conduct a public hearing, decide on the liability and order statutory civil restitution. HRC is also the administrator for the Hate/Violence Partnership Fund, a County program (enacted in 1986) to provide financial assistance to victims of hate/violence for the restoration of the victim's property damaged by a hate/violence incident.

HRC, in cooperation with the County Police and Park Police, keeps County-wide statistics on hate/violence incidents. Under current procedures, HRC has no formal input on the use of the Anti-Hate/Violence Fund.

- **County Attorney's Office.** Since 1983, the Police have reported all hate/violence incidents to the County Attorney's office on a routine basis. As part of the County Attorney's job of providing legal services to the County Government, the County Attorney is authorized by Section 27-26B of the Code to pursue \$1,000 in civil restitution on behalf of the County against a hate/violence offender. Any restitution collected is to be deposited into the Anti-Hate/Violence Fund.

- **State's Attorney's Office.** The State's Attorney is responsible for prosecuting hate/violence offenders.

V. OTHER ISSUES

The following issues, beyond the immediate scope of this evaluation deserve mention:

A. County's Collection of Civil Restitution. As described earlier in this report, on the same day that the Council enacted Bill #44-82 to establish the Anti-Hate/Violence Fund, the Council enacted Bill #43-82, to establish the legal framework for civil restitution at the County level for acts of racial and religious intimidation. Section 27-26B specifically provides that civil restitution for acts of hate/violence can be sought by the victim for at least \$1,000, and by the County for \$1,000. Section 27-26D(b) provides that any monies received by the County as restitution for acts of hate/violence shall be deposited to the Anti-Hate/Violence Fund, and if the Anti-Hate/Violence Fund no longer exists, into the General Fund.

A review of activity in the Anti-Hate/Violence Fund shows that, to date, no monies have been deposited to the Fund from the collection of civil restitution. When questioned about this, the Assistant County

Attorney with responsibility in this area since the Fall of 1985, explained that to his knowledge the County has never pursued the collection of civil restitution for an act of hate/violence. At least since the Fall of 1985, there has not been a hate/violence case where the County Attorney's office determined it would be possible and appropriate to pursue civil restitution under Chapter 27¹.

B. Internal Controls. While recognizing that this evaluation only reviewed the financial accounting of a relatively very small fund of money, the findings do support the observations made in 1985 by the County's independent auditor regarding the County's overall system of internal control over the accounting function. Although the 1985 management letter from the County's independent auditor stated that their examination disclosed no condition they believe to be a material weakness, the letter contained the following comments about the Division of Accounting:

"...The effect on the general accounting section of the extreme understaffing is a reduction in the quality and quantity of work performed. Specifically, the tasks being neglected are those that may not be necessary for the day-to-day operations of the Division but which add to the overall system of internal control over the accounting function. Examples are the reconciliation of subsidiary ledgers to the general ledger, review of bank reconciliations, and proper review of source documentation received from outside locations...."

The Recommended FY 88 Operating Budget indicates that staffing levels in the Finance Department's Accounting Division have remained essentially the same since FY 85.

VI. CONCLUSIONS

A. Use of the Anti-Hate/Violence Fund

1. Since 1983, the Anti-Hate/Violence Fund has been used six times to pay rewards for information that led to the arrest of persons charged with committing incidents involving racial, ethnic origin, or religious intimidation. In these cases, the Anti-Hate/Violence Fund did achieve its dual purpose to assist police arrest hate/violence offenders and to demonstrate the County's concern over hate/violence incidents.

¹ Information is not readily available about pursuing civil restitution for acts of hate/violence prior to the Fall of 1985 because the then responsible Assistant County Attorney is deceased.

2. The Anti-Hate/Violence Fund should be viewed as only one of many law enforcement tools that the Police Department has available to help solve hate/violence incidents. Although the Fund has only been used on six occasions, additional arrests not associated with information for which a reward was paid have been made in connection with hate/violence incidents.

3. Without doubting that in some situations "money talks", offering money in return for providing information to the police is not universally regarded as a consistently desirable crime solving technique. There are those who believe that, if appropriately publicized, the Anti-Hate/Violence Fund can be used very effectively to assist police in solving hate/violence cases. On the other hand, there are those who are reluctant, especially in cases where juveniles are involved, to encourage youngsters to come forward with information because there is the opportunity to receive money, and not simply because it is the "right" thing to do.

4. There are different interpretations of the Police Department's authority to use money from the Anti-Hate/Violence Fund to pay for publicity about the availability of the Fund. Although approximately \$500 was used from the Fund in 1985 to pay for a newspaper ad publicizing the existence of the Fund, staff currently involved with administering the Fund are uncertain about whether the law, as currently written, allows money from the Anti-Hate/Violence Fund to be used for anything other than actual reward payments.

B. Management of the Fund

1. There are no formal written procedures governing the use of the Anti-Hate/Violence Fund. Although several internal Police Department Directives outline guidelines for officer responsibility in hate/violence incidents generally, the Executive Regulations authorized by Code Section 35-13A have never been promulgated.

2. Expenditures from the Anti-Hate/Violence Fund have not been monitored adequately. A financial review of the Fund indicated that, in addition to being used for tipster rewards and a newspaper advertisement about the Fund, through two financial pseudo-coding errors, it was also used to pay for approximately \$1,000 in miscellaneous Police Department operating expenses. After OLO brought these errors to the attention of the staffs responsible, the errors were acknowledged and the Anti-Hate/Violence Fund balance appropriately adjusted.

C. Involvement of Other Agencies

1. Code Section 35-13A establishes the use of the Anti-Hate/Violence Fund for hate/violence incidents being investigated by the County Police. By not including incidents being investigated by the Fire Marshal, or the Maryland National Capital Park Police, the current legislative language limits the availability of the Fund.

2. The Human Relations Commission (HRC) focuses more time and energy on the overall problem of discrimination and hate/violence than any other County agency. Although HRC does have Memorandums of Understanding regarding reporting procedures of hate/violence incidents, the Commission has no official input concerning the use of the Anti-Hate/Violence Fund.

3. The County Attorney's office has the authority to pursue \$1,000 in civil restitution that is to be deposited in the Anti-Hate/Violence Fund. To date, the County Attorney has not collected civil restitution in any of the hate/violence cases.

VII. RECOMMENDATIONS

A. Expand opportunities for using the Anti-Hate/Violence Fund.

- While maintaining the designation of the County Police Department as the administrator of the Anti-Hate/Violence Fund, Code Section 35-13A should be amended to extend the availability of the Fund to the Fire Marshal (Department of Fire and Rescue Services, Division of Fire Prevention) for use when investigating hate/violence incidents, such as arson, cross burnings, bombings, and hoax explosive devices that are the Fire Marshal's responsibility.

- The Police Department should explore the feasibility of drawing up a Memorandum of Understanding between the County Police Department and the Maryland National Capital Park Police to authorize the availability of the Fund, under mutually agreed-upon conditions, for use by the Park Police when investigating hate/violence incidents on park property.

B. Strengthen Administration of the Anti-Hate/Violence Fund.

- Written procedures for using the Fund should be developed by the Police Department in the form of Executive Regulations, already authorized in Section 35-13A of the Code. Although certain aspects of the Fund's operation, such as the details of how reward money is delivered, may not be appropriate to include in Executive Regulations, written Regulations could include general guidelines describing when it is appropriate to use the Fund, procedures for nominating someone for a reward, and the process for deciding the amount of rewards to be granted.

- As part of the above Executive Regulations, the Police Department should consider establishing an inter-departmental board to make final decisions about rewards from the Anti-Hate/Violence Fund. Especially if availability of the Fund is expanded beyond the Police Department, then consideration should be given to involving representatives from the Fire Marshal's office and the Human Relations Commission. In establishing a more formal decision board, OLO recognizes it is important for the Police Department to retain the ability to call meetings and make decisions expediently.

C. Review Financial Management of the Fund.

- The Anti-Hate/Violence Fund's accounting classification and payment mechanism should be reviewed to determine what changes are needed to improve routine monitoring of Fund expenditures and minimize the chance of future pseudo-coding errors.

- Consideration should be given to administering the Anti-Hate/Violence Fund in such a way that it is totally separate from the General Investigative Fund.

- Based upon the record of expenditures from the Anti-Hate/Violence Fund over the past four years, consideration should also be given to making the Fund part of the annual budget and appropriations process.

D. Enhance Ability to Publicize Availability of the Fund.

- Section 35-13A of the Code should be amended to clarify that monies from the Anti-Hate/Violence Fund can be used to publicize the availability of rewards. Although the amount of money needed to print posters, flyers, etc. would most likely not exceed \$100.00 per incident, being able to draw upon the Anti-Hate/Violence Fund for these expenditures should encourage more publicity about the availability of the Fund.

- If the financial management of the Fund is changed so that it becomes subject to annual appropriations' action, then the amount of money allocated for publicity expenses could be designated each year as part of the budgetary decision on the Fund.

E. Extend Sunset of Anti-Hate/Violence Fund.

- Assuming that the above changes are made to expand the opportunities for using the Fund and strengthen administration of the Fund, then OLO recommends the Anti-Hate/Violence Fund be continued after its expiration date of June 30, 1987.

- To encourage continued review of the use and management of the Anti-Hate/Violence Fund, OLO also recommends that the Council again establish a sunset date for the Fund at a minimum of two years from the current June 30, 1987 sunset date.

VIII. OFFICE/DEPARTMENT COMMENTS

On March 30, 1987, a draft of this report was circulated to appropriate County government staff. Written comments received from the Department of Police, Department of Fire and Rescue Services, Department of Finance, the Human Relations Commission, and the Office of Management and Budget are included in their entirety starting on page 17.

All technical changes noted in both written and oral comments received by April 27, 1987, were incorporated into the report.



Montgomery County Government

ROCKVILLE, MARYLAND 20850

M E M O R A N D U M

April 24, 1987

TO: Andrew Mansinne, Director, Office of Legislative Oversight
FROM: Alastair McArthur, Acting Chief Administrative Officer
SUBJECT: OLO 87-2: Evaluation of the Anti-Hate Violence Fund

Attached are comments on the above-named report from the Police Department, Department of Fire and Rescue Services, Department of Finance, and the Human Relations Commission. The Executive Branch concurs with the reports recommendation that Executive Regulations be developed regarding the operation of the fund. As these regulations are developed further discussion will be required regarding how other investigatory agencies might participate in the use of the fund.

Should you have any questions, please contact Keith Kolodgie on extension 2539.

KEK:psa

Attachment



Montgomery County Government

April 14, 1967

MEMORANDUM

TO: Keith E. Kolodgie, Assistant to the Chief Administrative Officer

FROM: Bernard D. Crooke, Chief of Police *B. D. Crooke*

SUBJECT: ULU #67-2, An Evaluation of the Anti-Hate/Violence Fund

In reviewing the Office of Legislative Oversight Report, ULU #67-2, in reference to financial management and oversight of the Anti-Hate/Violence Fund, our comments and responses are as follows:

With regard to the financial management of the fund and specifically the coding errors, we submit the following: The two coding errors in question were made as the Accounts Payable Section was replenishing the general investigative fund. The accounts payable clerk when coding the input document used the anti-hate violence account codes rather than account codes charging our appropriation.

The Department of Police does not receive financial reports on the Anti-Hate Violence Fund being that it is one of many funds set up under an expendable trust fund. Therefore, we are not able to track entries, i.e., expenditures made against the fund. As for tracking expenditures made against our own appropriation, i.e., the General Investigative Fund, time does not always permit us to track individual lines item expenditures on a monthly basis.

In reviewing the recommendations as they apply to financial management of the fund, we are submitting requests for reimbursement for the Anti-Hate/Violence Fund independently of requests for the General Investigative Fund. This will reduce the chances of the Accounts Payable section using the incorrect account codes. We will also give consideration to a separate fund for the Anti-Hate/Violence Fund.

The other recommendation I would like to comment on concerns the expansion of the committee which oversees expenditures from the fund. We support the addition of a representative of the Human Relations Committee, but not representatives from other agencies. When Executive Regulations are promulgated and agreements established, other agencies will become more active in using the fund. However, a large committee is not necessary or desirable. The functioning of the committee will become unwieldy and progressively slower. As an alternative, I would recommend the Executive Regulations state that the department responsible for the respective investigation will have an "ad hoc" seat on the committee during consideration of the case.

My staff and I are in agreement with the need for Executive Regulations and we are prepared to draft them. If I can be of any further assistance, please feel free to contact me.

BUC/btm
plan/954



REC'D - APR 3 1987

Montgomery County Government

4/3/87
#338
TO: [Signature]

MEMORANDUM

April 2, 1987

TO: Karen Orlansky, Program Evaluator
Office of Legislative Oversight

VIA: Lewis T. Roberts, Chief Administrative Officer

FROM: Ramon F. Granados, Director
Department of Fire and Rescue Services

SUBJECT: OLO Report #87-2, An Evaluation of the Anti-Hate/Violence Fund

Thank you for the opportunity to comment on the above Draft Report. The Division of Fire Prevention is pleased to be included in the proposed changes to the Law and offers the following comments for the final Report:

1. Section I. C. Methodology. Please include the Fire Marshal as being interviewed.
2. Section II. Definition of Hate/Violence. Recommend insertion of the word Arson in the list of examples of acts.
3. Section VII. A. First paragraph, last sentence. Include the words Bombing, Hoak Explosive Devices before the word Arson.

If you have questions or need further assistance, please contact Captain D. Lowell Jackson on 251-2440.

RFG:ss

cc: Assistant Chief John M. Best, Fire Marshal
Captain D. Lowell Jackson, Assistant Fire Marshal

April 6, 1987

TO: Keith Kolodgie, Assistant to the Chief Administrative Officer

FROM: Max R. Bohnstedt, Director, Department of Finance *MB*

SUBJECT: OLO Report #87-2

The coding errors did occur as a result of human error. Human errors will occur and the low level of activity in the fund does mean that it will receive less intense monitoring than more active funds. This does not, however, mean that the control structure is inadequate. The level of review and approval of disbursements from this fund is significantly higher than most disbursements.

The low level of activity does, however, suggest that separate fund accounting may be inappropriate to the purpose of the legislation. The purposes of the legislation are:

1. To permit the payment of rewards. This can be done from general investigative funds without a separate fund.
2. To provide visibility to the actions and support of the government for anti-hate violence programs. This is better done by publicity and incident reporting than separate accounting of dollars.
3. To make dollars immediately available. This can be done as effectively as a part of the general investigative funds.

The FY 88 budget does not provide for additional staffing for the Accounting Division. Absent a material threat to the integrity of the system of internal controls, which was acknowledged, the need for improvement in staffing levels and the attendant increase in service levels has to be balanced against the general need for more resources. Other demands have been deemed more urgent. Given the need to balance competing needs, the budgetary decisions which have been made are not inappropriate.

MEMORANDUM

4/24/87
TO: Keith
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TO: Keith E. Kolodgie, Assistant to the Chief Administrative Officer
FROM: Jacqueline H. Rogers, Director
Office of Management & Budget
SUBJECT: Comments on the Anti-Hate/Violence Fund OLO Report #87-2

I have reviewed the OLO's report on the Anti-Hate Violence Fund. I found that the report was well written and covered key areas on the use and administration of the Fund. The comments below deal with the recommendations of the report.

I concur with the recommendation to expand the opportunities for using the Fund. Given the nature of hate violence incidents, it would seem that a natural expansion of the Fund would be to include the Department of Fire and Rescue Services and the Maryland-National Capital Park Police. The provisions set forth for proceeding with the expansion are acceptable.

With regard to the administration of the Fund, I believe Executive Regulations are necessary. Although the Department does have an internal procedure for administering and granting reward payment, the need for formal written guidelines does exist and should be pursued. The concept of an inter-departmental board to make final decisions about rewards is a good one, especially if availability of the Fund is expanded beyond the Police Department as recommended. In addition to the Department of Fire Services and the Human Relations Commission being given consideration, I suggest that the County Attorney's Office and the Park Police be considered as well. As a representative of the board, the County Attorney would have a high degree of involvement with the Fund and as a result possibly have a more favorable record with the collection of civil restitutions.

With regard to the recommendations on the financial management of the Fund, I take issue with the suggestion to make the Fund part of the annual budget process. At this time, I believe such action is premature. With the implementation of Executive Regulations and an inter-departmental board the administration of the Fund will become more established. As a result, the execution and accountability of the Fund will be enhanced. Consequently, I believe it would be in the County's best interest to let the other recommendations be implemented, take effect and be evaluated before the Fund is given further consideration as part of the annual budget process.

So that the Fund can be used as intended, I believe that more publicity about it is desirable. However, I do not believe that the Fund should pay for publicity. The agencies involved all have sufficient monies and could handle this without diminishing the Fund.

I concur with the recommendation to continue the Anti-Hate/Violence Fund beyond June 30, 1987 and that the Council establish a sunset date for the Fund at a minimum of two years from the current June 30, 1987 sunset date.

If you should have any further questions on the material found herein, please feel free to contact me.

JHR:jw/3353Q

EXHIBIT A

Montgomery County Code
Section 35-13A

Sec. 35-13A. Anti-hate/violence fund.

(a) There is an anti-hate/violence fund in the department of police.

(b) The department of police may:

(1) Offer rewards for information that leads to the arrest of a person who, within Montgomery County, commits any act described in section 27-26A of this Code or article 27, section 10A or 111, of the Annotated Code of Maryland; and

(2) Pay those rewards from the anti-hate/violence fund.

(c) A reward paid under this section must not exceed one thousand dollars (\$1,000.00).

(d) The county must deposit into the anti-hate/violence fund any money it receives under section 27-26D of this Code.

(e) The county executive may adopt regulations under method (2) of section 2A-15 of this Code.

(f) This section does not have the effect of law after June 30, 1987. (1983 L.M.C., ch. 27, § 1; 1984 L.M.C., ch. 24, § 40; 1984 L.M.C., ch. 27, § 24; 1985 L.M.C., ch. 55, § 1.)

Editor's note—Section 3 of 1983 L.M.C., ch. 27, made passage of this section contingent upon passage of Bill No. 43-82 (1983 L.M.C., ch. 26). That bill was adopted, and its provisions are found in section 27-26A et seq.

Exhibit B

Hate/Violence Incidents
Montgomery County 1980 - 86(a)

Type of Incident:	1980(b)	1981(b)	1982	1983	1984	1985	1986
Harassment	-	-	70	46	38	54	37
Vandalism	-	-	94	67	81	95	92
Assault	-	-	15	30	28	42	35
Arson	-	-	0	2	2	0	3
Cross Burning	-	-	6	0	2	4	3
Total	25	98	185	145	151	195	170

Total number of hate/violence incidents 1980-86: 969

a Source: Montgomery County Human Relations Commission, Hate/Violence Incidents Fact Sheet, January 1987.

b Data on type of incident not available for 1980 - 1981.