

Subject: **Limited Review of Timekeeping Practices – Sheriff’s Civil Division**

To: Edward Reilly, Sheriff

From: Jane Levine

Date: August 13, 2004

Background

Pursuant to the Comptroller’s authority to audit county payrolls, County Charter Section 402(4), a routine payroll limited review was conducted of the timekeeping practices employed in the Sheriff’s Civil Division. This division is composed of several units including family court, landlord tenant, and the sheriff’s location of assets and property unit (“SLAP”).

Scope

The scope of the review was limited to an assessment of the internal control practices and procedures of the timekeepers in the civil division. We interviewed departmental personnel, and conferred with Comptroller’s Office payroll section staff. To determine if the division’s timekeeping practices were deficient, we performed limited testing of timesheet record keeping for all the division’s units, and also tested time and leave documentation for the family court unit, the division’s largest unit.

Summary of Findings

Timekeeping Practices(1):

In a review of the timekeeping practices at the family court unit, we noted the following exceptions from accepted county procedures:

Audit Finding:

Although procedures require employees to enter their actual time of arrival and departure, timesheets instead are completed by the timekeeper, not by employees. Additionally, the timekeeper only records the scheduled tour hours for each employee, does not record overtime worked and initials the entries, thereby approving her own work.

Recommendation:

Whenever possible, employees should personally sign in upon their arrival and out upon their departure from a work location. On a daily basis, the timekeeper should review these entries and document the review by initialing the timesheet.

Department Response:

For reasons of consistency and accuracy the timekeeper has been responsible for the completion of timesheets. It should be noted that the Department has serious concerns about your recommendation to implement the procedure of having employees enter their own start and end time on the timesheets. We understand that in a typical office environment this procedure could be effectively implemented, but many deputy sheriffs work non-business hours signing on and off duty in the field. This procedure would require the deputy sheriff to make his out of service entry the following day. If that deputy is off the following day this could cause delays and inaccurate entries to the time and leave sheet. Our present procedure which directs the timekeeper to record employees start and end time is in compliance with the timesheet document provided by your office (Compt. – 3024 6/77 Rev. 5/97), it states "The department may elect to

have a designated timekeeper(s) record the entries for all or some (e.g. field personnel) of their employees." The actual arrival and departure time are currently being recorded on the timesheets.

Auditor's Follow-Up Response:

The ideal internal control environment is for each employee (field deputy sheriffs) to record their arrival time when they come in to pick up their daily assignments and vehicle. When they are on field assignment, then it would be appropriate for the timekeeper to record this information on their behalf. However, whenever possible, these employees on field assignment should contact the timekeeper when they arrive and depart from their tour of duty. When the timekeeper has prepared the entire timesheet in advance, it negates the review control feature wherein the timekeeper attests to the daily attendance record of the section by his/her initials. The segregation of duties function is lost and the timekeeper is thereby reviewing their own work.

Audit Finding:

Overtime is not being recorded on the timesheets.

Recommendation:

All hours worked by employees should be recorded on timesheets including overtime.

Department Response:

This has been our practice for some time. It has not been brought to our attention in previous audits performed by the Comptrollers Office. We are now recording all hours worked by employees, including overtime on the timesheets.

Auditor's Follow-Up Response:

We concur with the corrective action being taken by the department, however, whenever possible recording of time worked, including overtime, should be done by the employee and not the timekeeper.

Audit Finding:

Leave time is only reflected on the timesheet by the amount of time taken, i.e. ¼ day - sick leave, 2 hours - compensatory time. The actual arrival or departure times for partial days worked by employees is not entered.

Recommendation:

The actual arrival and departure times for partial days should be reflected on the timesheets. Per the timesheet instructions, part day leave should be marked in the "in" or "out" column with an asterisk and explained in the "Remarks" column.

Department Response:

This concern has not been brought to our attention in previous audits performed by the Comptrollers Office. We will review the instructions provided by your office and make the necessary adjustments.

Auditor's Follow-Up Response:

We concur with the corrective action being taken by the department.

Audit Finding:

Procedures require that the Family Court Unit timekeeper sign leave slips to verify that leave taken is posted to timesheets; instead, leave slips are signed by the payroll clerk in the Sheriff's main office in Mineola when posting into NUHRS.

Recommendation:

The Family Court Unit timekeeper should sign leave slips to verify that leave was posted to timesheets.

Department Response:

The Deputy Sheriff branch of the Sheriff's Department has 52 employees, 24 of whom are located in our Mineola office. The timekeeper in our Mineola Office also serves as the payroll clerk. The Department is unaware of any directive that prohibits us from this procedure. If one exists please forward it to our office for examination. The timekeeper does review and initial the timesheet. The timekeeper does sign leave entitlement slips.

Auditor's Follow-Up Response:

The Family Court Unit timekeeper who posts the leave to the timesheet should sign the time and leave entitlement slips not the Mineola payroll clerk. The Mineola payroll clerk should continue to sign the leave entitlement slips verifying that they have been posted to NUHRS.

Daily Logs (2):

Audit Finding:

The Deputy Sheriffs in the Family Court Unit complete a daily log to record their transports, summons and warrants served. Additionally, the logs contain the tour start and end times, mileage amounts, and time spent on each assignment. The captain, lieutenants and unit clerical workers do not complete a daily log because their duties are within the office.

The auditors selected four days of daily logs randomly to evaluate whether they documented time recorded on timesheets: two in January, one in February and one in March 2004. When the auditors examined 63 of the logs, they noted that:

- Nine start and/or end of tour times were missing.
- Logs were not on file for two deputies on the February 20 th test date, although the timesheet reflects their tour hours.
- Unlike the official timesheet where overtime is not recorded, the deputies record their actual hours worked on the daily log. This caused 12 start time variations and 22 end time variations from the timesheet hours.
- Many deputies, instead of recording the start and end time of each trip, enter the amount of time spent on each trip.
- The daily log does not require the employee's signature.

Recommendations:

As official records of employees' activities, the daily logs should be signed by the employees.

Daily logs should contain all information relevant to the day's assignments, including start and end tour times, and the actual start and end time of each trip.

Documentation of employees' daily activities, including timesheets, daily logs and overtime slips, should be consistent. The Division should determine if the two deputies for whom a log was not on file for February 20th reported to work that day.

Department Response:

Daily log sheets are kept as an internal record for the Division to assist deputy sheriffs and their supervisors in recalling activities of that day and not as time and leave records. Our department continually strives to improve our record keeping practice and may in the future modify this log to include such things as the employee's signature. That notwithstanding, as with all County employees, signing of the timesheets serves as verification of the deputy sheriff's attendance for that day. Deputy activities such as the service of summons and execution of warrants are certified with the court.

The Department contacted Manuel Mosquera, in the Comptroller's Audit Division in order to obtain the names of the 2 deputies in question. It was verified that these deputies worked 0900-1700 on that day. This was verified after a review of the timesheet for that pay period and a review of the tour commander's activity sheet for that day.

Auditor's Follow-Up Response:

As previously stated, documentation of employee's daily activities should be properly and consistently reported on all pertinent records (including, but not limited to, timesheets, daily logs and overtime slips).

Absent Employee (3):

Audit Finding:

The Family Court Unit's timesheets contain the name of an employee on a "No Pay status". This employee is on record in NUHRS as being in unpaid absent status since November 2002. The auditors questioned the employees who signed the timesheet and were told that this particular employee may be receiving workers' compensation. Because neither the timekeepers nor the lieutenant could provide details, we noted a potential weakness in the monitoring of this employee's current status.

Recommendation:

The department should investigate this employee's current status.

Department Response:

This employee is presently on sick no-pay status and is not receiving worker's compensation at this time. We are reviewing available options with regard to continuous employment of this employee.

Auditor's Follow-Up Response:

Replacement of absent employees reduces departmental overtime and should be promptly addressed.

Division Timekeeping Practices (4):

The Comptroller's Office payroll staff has experienced multiple problems with payroll entries made by the Sheriff Department's payroll clerk. Although the Comptroller's Office has provided corrective guidance, incorrect entries are still being made. Inappropriate entries noted by the Comptroller's Office payroll unit include:

Audit Finding:

Double meal allowances entered for the same day -This is of particular concern because the Family Court Unit has a material number of meal allowance payments. For 2003, the Family Court Unit paid a total of \$31,605 to the 22 active employees, representing 2,107 meals. Thirteen of these employees received meal allowances of more than \$1,000; nine of these employees received payment for more than 120 meals.

Recommendation:

The department should investigate the validity of meal allowances paid to employees in the Family Court Unit.

The payroll clerk should review information before entering it into NUHRS to avoid errors and duplicate entries.

Department Response:

A sampling of overtime slips has been reviewed. Of this sampling, no employee requested or received a double meal allowance. If your office has specific instances where an employee received, but was not entitled to a meal money allowance, please provide us with those specific instances.

The payroll clerk does review information before entering it into NUHRS. Any specific instance of duplicative entries should be made known to this office.

Auditor's Follow-Up Response:

Intervention by the Comptroller's Payroll Unit prevented duplicate payments from being made.

Audit Finding:

Improper Use of NUHRS Leave Codes – An employee claiming workers' compensation for an on-the-job injury was improperly coded as Authorized Leave with Pay ("AWIP"). The proper NUHRS code is Use of Injured on Duty ("UIOD"). With proper coding in the system, NUHRS would have automatically deducted sick and vacation from the employee.

Recommendation:

The payroll clerk should use the proper codes for entries into the NUHRS system.

Department Response:

Without the specific name of the employee, this office cannot intelligently respond to your concern.

Auditor's Follow-Up Response:

The improper use of NUHRS leave codes including this specific issue was discussed through various meetings our Comptroller's Payroll Section has had with the department's staff. We will furnish the department with the name of this specific employee as 2 days sick leave need to be reduced from their NUHRS balance.

Audit Finding:

Failure to use Authorized Leave Slips - The Sheriff's payroll clerk stated that leave time is entered into NUHRS for certain employees even though those employees do not document their leave time on authorized leave slips; instead, entries are based on information contained on timesheets.

Recommendation:

Only leave properly documented by an authorized leave slip should be entered into NUHRS.

Department Response:

The practice of completing time and leave slips for all staff assigned to the Family Court and Mineola Units has always been and continues to be Department practice.

Auditor's Follow-Up Response:

The departmental records do not contain leave authorization slips for three senior level employees. These employees work at the Correctional Center, but the Mineola payroll clerk posts their leave. All leave should be authorized and properly documented.

Audit Finding:

Uncertain Signature Identification - The payroll clerk could not recognize the requesting, authorizing or verifying signatures for certain NUHRS overtime entries.

Recommendation:

To identify the requesting, authorizing and verifying signatures on overtime slips, authorized employees should also include their badge numbers.

Department Response:

It should be noted that overtime slips do not provide for the printed name of the authorizing signature. As per a previous document that was sent to your office in response to your petty cash account audit, the including of the officer's badge number with signature was our suggested remedy. This policy has been implemented. It should also be noted that we do not agree that it is the responsibility of the payroll clerk, who performs data entry functions, to specifically identify the signature of the requesting, verifying or authorizing individual on each individual overtime slip.

Auditor's Follow-Up Response:

Although the department has agreed to the use of badge numbers for purposes of petty cash, it has not agreed to its use on overtime slips. The department should reconsider implementing our recommendation of including badge numbers on this document. Additionally, the responsibility of identifying signatures should be the payroll clerk's duty since they are entering the information into NUHRS for payment. Requiring badge numbers on these documents would make their job easier.

Based upon the multitude of inappropriate entries still being made by the payroll clerk, we recommend that proper supervision and additional training be given to ensure that NUHRS entries are made in compliance with county payroll procedures.

The Nassau County Unified Human Resource System ('NUHRS'), the official Nassau County record of employee pay, time and leave benefits.