

**Nassau County
Office of the Comptroller
Field Audit Bureau**



**Nassau County Correctional Center
Personnel Unit**

**Examination of Internal Controls
For Overtime and
Time & Leave Record Keeping**

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Background

It is the responsibility of the Nassau County Sheriff's Department Corrections Division (the Correctional Center) to provide a safe and secure environment for staff and inmates alike, and to provide for the care and control of those committed to its custody by the courts. The Department is subject to the oversight of the New York State Commission of Correction. In addition, it must abide by the provisions of various consent decrees and court orders, including a consent decree entered into between the County and the US Department of Justice.

The Correctional Center has approximately 1,150 employees, with payroll expenditures of \$100 million in 2003 and \$92.5 million in 2002. The Center's personnel unit is responsible for keeping employee records, reviewing time and leave and entering biweekly pay.

Audit Scope, Objective and Methodology

The objective of the audit was to evaluate the adequacy of the Correctional Center's internal controls for overtime and the recording of time and leave. We tested recorded transactions to determine if the records complied with county payroll procedures as set forth in the labor contracts of the County of Nassau Sheriff Officers Association ('ShOA'), the Civil Service Employees Association, Inc. ('CSEA'), and in the county ordinance covering exempt employees. ShOA represents correction officers and CSEA represents civilian employees.

The audit period was from 2002 through the conclusion of field testing in April 2004. The methodology included examining personnel actions, supporting documentation in the personnel files, and entries in the Nassau County Unified Human Resource System ('NUHRS'), the official county record of employee payroll, time and leave benefits. The Nassau Integrated Financial System ('NIFS'), the official accounting and reporting system for the county, was used for obtaining overtime and salary cost data.

This audit was conducted in accordance with generally accepted government auditing standards. These standards require that the audit be planned and performed to obtain reasonable assurance that the audited information is free of material misstatements. An audit includes examining documents and other available evidence that would substantiate the accuracy of the information tested, including all relevant records and contracts. It includes testing for compliance with applicable laws and regulations, and any other auditing procedures necessary to complete the examination. We believe that the audit provides a reasonable basis for the audit findings and recommendations.

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Summary of Significant Audit Findings

Under Nassau County's labor agreements, department heads are responsible to ensure that (a) time and attendance records conform to the requirements of the County Comptroller and/or the Nassau County Civil Service Commission, and (b) the terms of county labor agreements are administered uniformly.¹ The Comptroller's Office has previously noted chronic problems with the Corrections payroll and deficiencies in its timekeeping practices. In October 2002, the Chief Deputy Comptroller notified the Sheriff of the deficiencies (See Appendix 1). Since that time, the Comptroller's Office payroll section has offered assistance to the Correctional Center to rectify these problems. This audit, however, finds that the Correctional Center has not yet implemented effective corrective actions and that many of the deficiencies still exist.

The Correctional Center suffers from an overall failure to supervise personnel time and leave. Establishing good internal controls requires that a tone be set at the top by both directive and example. The important oversight position of Commissioner of Corrections has remained vacant for more than four years, despite the Nassau County Charter's requirement that the Sheriff shall appoint such a Commissioner, who shall be responsible for the management of the county jail and the care, custody and transportation of those committed to its charge.² While the Correctional Center maintains that the duties of the position are fulfilled by a Deputy Under-Sheriff/Chief Administrative Officer, that position, too, had been vacant for five months when we began this audit. Prior to that, it had been occupied for only nine months, from January 2003 to September 2003.

The Corrections personnel unit is not adequately staffed. It includes no employees holding job titles requiring an accounting or financial background; nor does it have employees with a demonstrated understanding of internal control procedures. During the audit period, a sergeant, a captain, and a chief investigating officer were, in turn, given responsibility for the unit, sometimes in addition to their duties in other units. Their short tenure and dual responsibilities, however, seemingly impaired their ability to manage the department effectively. Due to the constant turnover, the unit was overseen by a Clerk Typist III for much of the audit period, a title not commensurate with the responsibility of managing the unit.

The audit found weak internal controls over:

- authorization and management of overtime;
- administration of shift differentials; and
- administration of various leave categories such as Supplemental Leave Half Pay

¹ The CSEA labor agreement section 9.2.1 and. Section 9.3

² Nassau County, N.Y., Charter § 2003 (1999)

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("SLHP"), Bereavement Leave, Donated Leave, Military Leave and Firefighting Emergency Leave.

In addition to the lack of oversight, we found a serious failure to follow established procedures, such as a failure to require proper authorizations before awarding overtime, and a failure to verify overtime hours worked. Additionally, the unit lacked copies of the procedural directives that govern its day-to-day operations.

As a result of these factors, the personnel unit operates in a negligent and inefficient manner. It grants leave entitlements improperly and with little or no justification, resulting in significant preventable costs to the county. These practices also necessitate continual corrective actions in NUHRS, increasing the workload of both the personnel unit and the Comptroller's Payroll Section. There are no comprehensive controls over payroll processing and personnel functions; such controls are desperately needed to increase accuracy and efficiency, and ensure that benefits are granted only in accordance with labor agreements.

Other significant audit findings were as follows:

Overtime Costs

Overtime costs at the Correctional Center have almost doubled over the past four years, from \$10.3 million in 2000 to \$20 million in 2003. During 2003, 32 correctional officers each earned more than \$50,000 in overtime. Of the top 10 overtime earners, six were in the transportation unit, including one employee who earned \$118,330 in overtime. The 10 top overtime earners in 2003 had total compensation ranging from approximately \$137,000 to \$197,000.

In part, the increase in overtime spending is due to a decrease in staffing levels, with overtime costs rising as staffing levels fell. The number of employees decreased by 138, even as the number of inmates increased by 245. The Correctional Center bases its staffing needs on the New York State Commission of Correction Position and Staffing Analysis. This analysis may be outdated, as it was based on another analysis prepared in 1995.

Until the Spring of 2003, a significant amount of compensatory time was logged by the Sheriff, Under Sheriff and the Deputy Under-Sheriff, even though county policy prohibits discretionary overtime for such administrators, except with the approval of the Deputy County Executive, and then only in extraordinary circumstances. Despite these prohibitions, during the period 2000 to 2002, two of these employees accumulated *over a year each* of compensatory time, with an equivalent value of approximately \$194,000. These senior officials did not comply with basic internal controls governing authorization for working overtime. The Sheriff's overtime was self-authorized, and seven of the eight overtime slips tested that were submitted by the Deputy Under-Sheriff contained no

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authorization to work overtime. There was no indication on the slips of a need for the overtime due to extraordinary circumstances.

We noted instances in which avoidable overtime was not prevented. For example, one employee was allowed to routinely work excessive overtime, compensated at time and one-half. Compounding the unnecessary cost to the county, the employee was then granted excessive leave time by the Acting Deputy Under-Sheriff, averaging 93 compensatory days off in each of the past two years.

The result was that, over a 15-month period, this employee worked less than half the normal scheduled work days, 147 out of 307. The employee routinely earned enough overtime, at time and one-half, to take 160 days off that otherwise would have been worked on a straight time basis. Instead, these excessive absences were filled by other correction officers, also working, unnecessarily, on an overtime basis.

Verification of Overtime

Overtime should be properly authorized, supervised and verified to ensure that it is necessary and that the work is properly performed. The authorization and verification of overtime is performed through the use of overtime slips. We tested a random sample of 428 time slips, submitted by various units over a two-week period, to ensure that the overtime claimed agreed with hours worked as documented on the corresponding timesheets or “line-up” sheets. We found exceptions 36 percent of the time. For some units, the exception rate was 100 percent. We concluded that the timekeepers do not consistently review the records before entering overtime hours into NUHRS.

We found the following weaknesses in the review of overtime:

- Timekeepers did not have a control list of authorizing signatures and could not identify authorizing signatures for 23 of 29 slips presented to them;
- Many authorizations were incomplete. Almost half of the slips examined were missing the date of the request, date of authorization, or both;

The personnel unit’s review and posting of overtime should be documented by completing a section on the overtime slip intended for that purpose. The unit disregards the section. *As a result, there is no notation on the slip that the overtime has been reviewed or entered into NUHRS, and duplicate entries are made.* The Comptroller’s Payroll Section reported that there are at least 10 duplicate entries posted by the personnel unit per pay period.

Corrections relies on its personnel unit to review all other units’ compliance. We found significant procedural errors, however, for overtime worked *within the personnel unit itself*. In an examination of 117 overtime slips, there were numerous examples of missing information or authorizing signatures. Additionally, we found seven instances in which

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personnel unit employees were paid for overtime even though the overtime hours were not documented on timesheets.

Shift Differentials

When officers work shifts in which more than 50 percent of the hours fall between 4 p.m. and 8 a.m., they are entitled to “shift differential,” a supplemental payment of \$2 to \$3 per hour. We found that the Correctional Center overpaid approximately \$300,000 in shift differential for 2002 and 2003. We found employees who worked 72 hours in a pay period but were paid 80 hours shift differential, and employees who were entitled to 32 hours shift differential but were paid for 40 hours. We also found that four of 16 disabled officers assigned to a 9-5 shift (not eligible for shift differential), were nevertheless paid shift differential.

The county permits a certain number of employees time off for union activities, known as “union release.” These employees are entitled to shift differential if they earned it prior to transfer to union release. Two employees were transferred to midnight shifts *simultaneous with their transfer to union release time*, making them eligible for 80 hours bi-weekly shift differential. Three other employees on union assignment were paid 80 hours shift differential bi-weekly, even though they only earned 40 hours bi-weekly in their old positions. These five employees were paid approximately \$64,000 in extra shift differential, above what they would have earned based upon their assignments prior to union release.

Supplemental Leave at Half Pay (“SLHP”)

Supplemental leave at half pay (SLHP) may be granted to individuals who have exhausted their leave balances but are too ill to work. In many instances, we found this benefit was granted without proper documentation or authorization. We examined the personnel files for 18 Correctional Center employees receiving SLHP and found that only seven included the two essential documents for granting this benefit: a doctor’s certificate confirming that the employee is too sick to work, and the approval of the department head. Despite the latter requirement, we found instances where authorizations for SLHP were issued by the personnel unit. We also found that SLHP was granted for childcare, a non-qualifying condition, without the required doctor’s note.

In two instances we found that SLHP was paid to employees at rates greater than that to which they were entitled. Two employees, who, prior to their illness, had been working on a part time basis, should have received half of their part time pay as SLHP. However, *they were returned to full-time status at the same time they were granted SLHP*, in an apparent effort to increase their SLHP payments. As a result, they received 50 percent of a full-time salary rather than 50 percent of their part time salary. When they returned to work, they immediately resumed their previous part time work schedules.

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Bereavement Leave

Employees are entitled to bereavement leave for the death of a family member. The Correctional Center does not adequately monitor such leave. We found that one employee with 12 years of service used 50 bereavement days in that time, while another with two years of service used 22 days. The 22 days included leave for the death of a sister not listed as a family member in the employees personnel file (the Correctional Center has subsequently disciplined this individual). One employee who was denied compensatory time off used a bereavement day instead. No related bereavement request was found in the personnel folder.

Donated Leave

At the discretion of a department head, employees may donate accrued leave time in order to provide leave time to another employee who has exhausted his or her leave benefits and is deemed to be in an extreme hardship position, certified by the employee's physician. We found that one employee remained in a donated leave status even though the last donated leave balance available was exhausted in March 2002. The employee's compensation ceased when the donated leave expired and the employee should have been listed absent. The failure to transfer the employee resulted in the county unnecessarily providing \$24,000 in health insurance benefits.

Although the county's donated leave policy states that its purpose is for employee's illnesses, we found that the Correctional Center granted an employee 80 days of donated leave to take care of a family member.

We found two employees on donated leave who were granted compensatory days for holidays, even though employees who are absent on donated leave are not entitled to accrue additional leave benefits until they return to duty.

Military Leave

Nassau County compensates employees on military leave based on the county's Military Leave Pay Policy. The policy states that the employee may receive compensation no greater than the total compensation the employee would receive if not on active military status. Employees are supposed to receive the difference between their military pay and their county pay as of the day they are placed on leave. We found that the Correctional Center allowed four of six employees (in our sample) who had returned from military leave to keep both their county salaries and military pay. The Correctional Center has neither reduced their county pay nor recovered the military pay.

The county policy states that while on military leave, employees are to be held at the pay status as of the day they went on leave. We found that five employees were granted cost

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of living and step increases. One employee was given \$16,200 in salary increases and two others were granted in excess of \$12,000 while on two years military leave. The department should inquire of the county attorney whether the county policy is in accord with the relevant statutory mandates, and whether its granting of cost of living and step increases is appropriate.

Another employee was discharged from military service in October 2003. The employee has not returned to work, and received military leave pay totaling \$26,500 subsequent to the date of discharge. These payments occurred because the personnel unit failed to obtain updated documentation verifying whether or not the employee was still on military leave.

Volunteer Firefighter/Emergency Response Leave

The establishment of fire emergency leave (“ECOMP”) for volunteer firefighters is an important, and appropriate, county labor policy. Nevertheless, to ensure that ECOMP is administered properly and to prevent excessive use of it, the county has established procedures for recording and granting such leave. These procedures require the establishment in NUHRS of an hourly bank equivalent to four days per year. We found that, during the audit period, the Correctional Center did not establish these banks of ECOMP hours for each firefighter. As a result, certain employees were compensated for more than the four days.

The use of ECOMP is controlled by using a form listing the date and time of the alarm, the time it was secured, and the fire chief’s name. We found that the personnel unit did not review these documents adequately. On two occasions we found that an employee was granted leave for fires that occurred in the afternoon, after the employee’s shift ended at 8 a.m. We also found that another employee was granted leave on December 14, 2003 for a fire that occurred on December 7, while another was granted a day off to serve as a “standby” volunteer at the fire house.

ECOMP is granted in hourly increments. Nevertheless, we found that employees almost always take full days off, regardless of how long it took to respond to the emergency. A review of one employee’s file showed that seven alarms had durations of 1-½ to 3-¼ hours and that each incident had ended at least two hours prior to the beginning of the shift. The employee was granted a full day off for each alarm.

Standby Pay

Off-duty employees are contractually entitled to standby pay if they are *ordered* to be available to report to duty within one hour of notification. Standby status entitles an employee to be paid one hour for every eight hours the employee remains on standby.

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In a review of three employees of the Sheriff's Bureau of Investigation who received standby pay, we found no documentation ordering these employees to stand by. Instead of official orders, all three employees were paid for standby based on overtime slips submitted by the employees themselves. The slips were not authorized or verified by a superior and were not intended to be used for initiating the payment of standby.

Manually Maintained Time and Leave Records

With the introduction of NUHRS as the official county record for time and leave, all county departments were instructed to stop using manual time and leave records. Nevertheless, the Correctional Center continues to use them. The records are kept in addition to the NUHRS entries, thereby duplicating the recording of time and leave for 1,150 employees. This is an inefficient use of time.

Department's Response:

The matters covered in this report have been discussed with officials of the department during the audit. On October 15, 2004, we submitted a draft report to department officials with a request for comments. The department's comments, received on November 17, 2004, and our response to those comments, are included as an addendum to this report (Appendix 2).

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Findings and Recommendations

Compliance with County Charter - Adequate Supervision

Audit Finding (1):

Despite the requirement of the Nassau County Charter³ that the Sheriff shall appoint a Commissioner of Correction responsible for the general oversight of the correctional center and the custody and transportation of inmates, this important position has remained vacant.

The Nassau County Civil Service Commission confirmed that the position of Correction Commissioner is still active. A Deputy Under-Sheriff informed us that this position has been vacant for the past four or five years. The Correctional Center states that the duties of that title are fulfilled by a Deputy Under-Sheriff - Chief Administrative Officer

We found that the Chief Administrative Officer's position has itself suffered from chronic vacancies and employee turnover. At commencement of the audit, the position had been vacant for over five months. Prior to that, it was occupied only from January 2003 to September 2003;

- The Chief Administrative Officer's position does not reflect all the responsibilities of the Commissioner of Correction. For example, it does not include responsibility for overseeing inmate transportation, food service, all human resource/personnel functions, gang intelligence and hostage negotiations.
- The County Charter intended that management of the Correctional Center is to be centralized, under the oversight of a single official, the Commissioner of Correction. Instead, responsibilities at the Correctional Center are scattered among many officials, with no one official in charge of the facility.

Establishing good internal controls requires that a tone be set at the top; in the Corrections Division, there has been no continuity of leadership in the Chief Administrative Officer's position to establish a tone of strong internal control.

Audit Recommendations:

- a. The Nassau County Sheriff should immediately comply with the County Charter and appoint a Commissioner of Correction with the responsibility of overseeing the entire Correctional Center operations. To avoid leaving a position of that importance vacant, an acting or temporary Commissioner, or Under-Sheriff, should be appointed immediately.

³ See Nassau County Charter Article XX, Section 2003, Division of Correction: powers and duties; officers and employees.

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- b. The Sheriff should ensure that the Chief Administrative Officer's position is filled on a continuous basis and should take steps to minimize turnover in the position.

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Personnel Unit - Organizational and Staffing Structure

Audit Finding (2):

The Correctional Center's personnel unit has two main functions: to maintain personnel records and to process payroll entries for approximately 1,150 employees. In 2003, the Correctional Center's payroll was over \$100 million. The unit is staffed by three Correction Officers, a Clerk Stenographer II and a part-time Clerk Typist I, currently under the supervision of a Clerk Typist III.

The personnel unit has suffered from a lack of continuity in leadership. In October 2002 (see appendix 1) and several times after that, the Comptroller's Office notified the department of problems with the Correctional Center's timekeeping practices. In an attempt to address the problems, in August 2003 the Sheriff directed the sergeant supervising the Medical Investigation Unit to supervise this unit as well. The sergeant was transferred out in September 2003. On December 3, 2003 a captain was assigned to be commanding officer of Human Resources. The captain's responsibility for the unit was revoked on May 7, 2004. The chief investigating officer of Special Investigations was temporarily assigned to oversee the personnel functions in addition to his regular duties. The captain was then returned to the unit several weeks later, but the Correctional Center has indicated other changes may be imminent.

This series of supervisors were given the tasks of:

- reorganizing the payroll and personnel unit;
- overseeing the ongoing payroll function relating to 1,150 employees;
- eliminating the backlog of personnel actions;
- monitoring the medical, legal, and paperwork requirements for cases of on-the-job injuries (207c and workers compensation); and
- staff training.

Owing to the lack of continuity in supervising this unit, this vital reorganization has not been accomplished. For most of the audit period, January 2002 through December 2003, the payroll/personnel function was, in fact, supervised by a Clerk Typist III.

The personnel unit is staffed by three Correction Officers, a Clerk Stenographer II and a part-time Clerk Typist I, (currently) under the supervision of a Clerk Typist III. None of

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these civil service titles require aptitude or experience in financial matters or payroll administration. Such skills and experience are normally required to fill “accounting assistant” civil service titles often used in other county payroll departments.

Our examination has determined that deficiencies exist in all areas of the unit’s payroll operations as a result of inadequate staffing, training and supervision. Responses to auditor’s requests for procedural documents and sheriff’s directives indicated that the unit did not have copies of the requested personnel policies and procedures.

Audit Recommendations:

- a. The department must reorganize the personnel unit with qualified staff and commit adequate resources, human and otherwise, to it. A full reorganization of the unit is necessary in order for it to operate efficiently and in compliance with county personnel and payroll procedures, as well as Civil Service Law and existing labor agreements.
- b. Such a reorganization must include civil service positions requiring financial aptitude and experience, and/or payroll skills. The department should hire Accounting Assistants to perform routine payroll functions. Correctional officers should be reassigned to duties commensurate with the special skills for which they were trained.
- c. A procedures manual should be promulgated, covering each task performed by the personnel unit and incorporating labor agreements, NUHRS manuals, sheriff directives etc.

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Minimum Staffing / Overtime / Inmate Count

Audit Finding (3):

As staffing levels have fallen in the Correctional Center, overtime costs have nearly doubled in the past four years, from \$10 million in 2000 to \$20 million in 2003, as detailed in the following table:

<u>Year</u>	<u>Overtime Cost</u>	<u>Staffing level</u>	<u>Inmate Count</u>
2000	\$10,308,295	1,306	1,337
2001	16,298,023	1,232	1,299
2002	15,615,261	1,194	1,540
2003	20,062,183	1,168	1,582

The Correctional Center maintains that its staffing level reflects the minimum staffing guidelines (“Position and Staffing Analysis”) prepared by the State of New York Commission of Corrections. There are several problems with this analysis:

- The analysis may be outdated because it is based on another task and position analysis dating back to January 1995;
- The analysis assumes that all inmate housing areas are in use; however, this is not the case at the Correctional Center;

The state provided us with the number of staff it requires at the facility, 919 full-time equivalents, and their general locations. However, the state, citing security considerations, declined to provide a more detailed narrative that contains more specific information on the number and placement of security posts throughout the facility. We believe it is impossible do a complete and accurate comparison without that information.

Audit Recommendation:

The Correctional Center should request an updated “Position and Staffing Analysis” from the State Commission and use it to reevaluate staffing requirements, with an emphasis on addressing the conditions that led to a doubling of overtime costs.

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Top Overtime Earners

Audit Finding (4):

The Correctional Center has allowed numerous individuals to earn excessive overtime pay. During 2003, 32 correctional officers each earned more than \$50,000 in overtime. The amounts earned by the top 10 overtime earners are detailed below.

<u>Employee</u>	<u>Total 2003 Earnings</u>	<u>Overtime Earnings</u>	<u>Work Location</u>
1	\$197,460	\$118,330	Transportation
2	\$174,683	\$ 93,535	Recreation 4
3	\$146,416	\$ 73,475	Transportation
4	\$155,272	\$ 72,611	Platoon 9
5	\$144,577	\$ 69,840	Transportation
6	\$140,075	\$ 69,143	Medical
7	\$141,341	\$ 65,178	Transportation
8	\$138,132	\$ 64,242	Transportation
9	\$137,113	\$ 63,191	Transportation
10	\$141,940	\$ 62,758	Recreation 5

The starting pay for a newly hired correction officer is currently \$25,000, increasing to \$34,666 within a year. The department could have hired approximately 15 additional correction officers, including the cost of fringe benefits, with just the overtime from these 10.

Audit Recommendations:

The units with excessive overtime should be scrutinized to determine the nature and necessity of overtime. Consideration should be given to 12-hour or split shifts. For example, a 12-hour shift would usually enable correctional officers in the Transportation Unit to transport inmates to the courts early in the morning and back to the Correctional Center at the end of the day without incurring overtime. An eight-hour shift does not provide enough time to accomplish this. Additionally, increasing staff in the Transportation Unit should be evaluated to determine if it is a cost-effective alternative to overtime.

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Verification of Overtime Worked

Audit Finding (5):

In order to control overtime, management must ensure that work is properly authorized and supervised and that hours charged agree with hours actually worked. Correctional Center employees submit overtime slips for each block of overtime hours worked. For one bi-weekly pay period, December 9, 2003 to Dec 22, 2003, there were 3,454 slips. Of these, a test sample of 428 overtime slips were randomly selected for examination and comparison with time and line-up sheets, which are supposed to include documentation of overtime hours worked. As noted below, we found errors on 36 percent of the overtime slips examined, with some units having a 100 percent error rate.

<u>Unit</u>	<u>Exceptions</u>	<u>Total Examined</u>	<u>Exceptions as a Percent of Total Examined</u>
Visiting	22	37	60 %
Medical	36	39	92 %
Administrative/ paperwork	16	36	44 %
Legal/ Investigations	21	33	64 %
Operations	12	21	57 %
Security/ Platoons	16	137	12 %
Recreation/ Rehab	18	18	100 %
Maintenance/ Snow	3	3	100 %
Training	3	3	100 %
Communications/ Computer	3	7	43 %
Transportation	3	50	6 %
Food Services	1	43	2 %
Other	<u>1</u>	<u>1</u>	<u>100 %</u>
Total	155	428	36 %

The following examples illustrate the kinds of exceptions noted:

- In many cases there is no evidence the employee actually worked the overtime, based upon time or line-up sheets. In one example, an operations employee submitted an overtime slip for a three-hour period worked for the Visiting Unit before the employee began his/her normal assigned shift in another unit. On another day, the employee claimed three hours of overtime for work performed for the Medical Transportation Unit, after the completion of his/her normal

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assigned shift. There is no indication on the time sheets or line-up sheets of the employee's assigned unit, nor on the timesheets of the other units, indicating that the employee actually worked the hours claimed.

- Four instances were noted in which employees certified that the timesheets contained their actual hours worked. However, they submitted overtime slips for hours not listed on their unit's timesheets.
- Line-up sheets only include employee surnames and ranks. In one case, two employees with the same last name submitted overtime slips for the same shift. The line-up sheet lists only one employee with that last name working that shift, yet both were paid overtime.
- A lieutenant submitted an overtime slip for 3-1/2 hours for writing a report. The time sheet, however, indicated the employee was off duty.

In reviewing platoon lineup sheets, we noted that the names of the correctional officers working overtime were entered in pencil. This practice allows unauthorized changes to be made.

Audit Recommendations:

- a. The Correctional Center should ensure that all overtime worked is documented on the lineup sheets or timesheets submitted to the personnel unit. When officers perform overtime outside their normal unit, the supervisor in whose unit the overtime is performed should record the employee's name and hours worked on a supplemental schedule. Timesheets, along with supplemental schedules and overtime slips, should be forwarded to the personnel unit to ensure that it can be verified before it is entered into NUHRS.
- b. Lineup sheets and other documentation should be completed in ink, with any changes initialed by the person making the changes.

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Overtime - Lack of Authorization/Oversight

Audit Finding (6):

While performing a review of 428 overtime authorization slips, the auditor noted the following weakness:

- The personnel unit does not maintain a list of specimen signatures of supervisors responsible for authorizing overtime.
- When asked by the auditor to identify signatures of supervisors who had authorized overtime, the two timekeepers responsible for entering overtime were able to identify only six of the 29 signatures presented.
- The overtime form does not contain a space for the badge number of the authorizing officer, which would facilitate identification of the officer in instances where the signature is illegible.
- The overtime authorization slips were not properly completed. Of the 428 overtime authorization slips examined, only 225 included both the date of authorization and the date of request, 118 were missing both dates, 77 were missing the date of request, and eight were missing the date of authorization.
- Even when dates were filled in, we noted many instances in which they did not appear to be correct. Thirteen times it was noted that the requesting officer had a day off on the day overtime was requested, and nine times the authorizing officers were off on the date they authorized the slips.
- A time stamp is required to verify starting and finishing times when there is no direct supervision. In a review of 21 stamped overtime authorization slips, the following discrepancies were noted:
 - Ten overtime authorization slips had a time stamp verifying the start of the overtime or the end of the overtime, but not both, as required;
 - Five of the slips had been time-stamped illegibly;
 - One overtime slip was stamped with an ending time ½-hour earlier than the claimed overtime. We found other overtime authorization slips for the same employee overstating overtime by amounts between 5 and 15 minutes, for which the officer was paid.

Findings and Recommendations

We also performed tests of overtime authorization slips for employees working within the personnel unit itself, and found the following discrepancies:

- Out of 117 slips examined, 26 were not signed requesting, authorizing, and verifying the overtime;
- 11 instances were noted in which employees from the personnel unit entered their own overtime into NUHRS prior to authorization;
- 33 instances were noted where the requests and authorizations were signed after the overtime was worked;
- 22 overtime authorization slips were not dated as to the request for or authorization of overtime;
- On seven occasions an employee in the personnel unit was paid overtime for hours not recorded on any timesheet, including hours claimed for Saturdays; and
- One occasion was found where overtime was earned by a personnel unit employee on the same day the employee took leave.

Audit Recommendations:

- a. The personnel unit should obtain a control list of sample signatures for all superior officers, including rank and badge number.
- b. Authorizing officers should be required to include their badge numbers along with their signatures to help identify them.
- c. The personnel unit should ensure that all overtime slips are completed in full.
- d. The Correctional Center should ensure that all overtime is requested and authorized *prior* to the overtime being worked. In cases that overtime is needed due to an emergency condition and the superior officer in charge of the unit is not available, the tour commander at the time should provide authorization. The nature of the emergency should be clearly defined.

Findings and Recommendations

- e. Whenever a time stamp is used to verify overtime, both the time in and out it should be clearly stamped on the back of the slip.
- f. All overtime worked in the personnel unit should be recorded on timesheets to substantiate actual time worked.
- g. Supervisors should monitor and enforce departmental policy that prohibits overtime being granted to employees on days on which leave was taken.

Findings and Recommendations

Entry of Overtime Slips - Lack of Oversight

Audit Finding (7):

The “Request and Authorization to Work Overtime” slip contains a section marked “timekeeper’s use only,” where the timekeeper indicates payments to be made, notes that the overtime has been entered into NUHRS, and signs and dates the form. During the examination of the overtime slips, we noted that the personnel unit is not completing the “timekeeper’s use only” section. As a result, there is no accountability established for the timekeeper.

Without a notation that the time worked has been entered into NUHRS, another employee might re-enter the slip. As a result of these lapses, the Comptroller’s Office has been deleting at least 10 duplicate entry errors from this unit per pay period. A duplicate entry report is sent to the Correctional Center; however, Center employees do not always take prompt action.

The employee responsible for entering overtime neither verifies that it has been authorized nor compares it to the timesheets. The unit did not have copies of several Sheriff’s orders relating to verification of overtime. These orders require overtime slips to be documented in detail and prohibit working overtime on the same day leave is taken.

Additionally, the data entry function is being performed by a correctional officer making \$71,500 per year (the total with overtime was \$88,200). The task can and should be performed by a senior multi-keyboard operator (data entry clerk), for approximately half of the salary of a correctional officer.

Audit Recommendations:

- a. The timekeepers must complete the bottom portion of the overtime slips indicating the overtime to be paid and verifying that the event has been entered into NUHRS. If this is prohibitive because of a large volume of slips to be entered, an alternative method of accountability, such as a systems edit check and entry log should be developed.
- b. The personnel unit should obtain and implement all Sheriff’s Orders related to overtime. All overtime should be verified as to authorization, necessity and evidence that the work was performed.

Findings and Recommendations

- c. The correctional officer responsible for data entry of overtime should be re-assigned to duties commensurate with the title, and a data entry clerk should be assigned to perform the clerical functions.

Findings and Recommendations

Excessive Absences Combined with Overtime

Audit Finding (8):

An examination of leave identified an employee who was granted excessive leave, in the form of compensatory time (“comp time”), in both 2002 and 2003. In 2002, this employee was granted a total of 140 days of leave, including 98 days of comp time. In 2003, the employee received 120 days of leave, including 87 days of comp time.

In one 15-month period from January 10, 2003 to April 15, 2004, this employee worked only 147 out of 307 regularly scheduled days, or 48 percent of assigned work schedule. During this time, the employee’s compensatory leave balances *increased* by 165 hours. The employee accomplished this by consistently taking off the first two to three days of every five-day tour, then working two overtime days (i.e., days including a normal shift plus overtime) at the end of the tour. In this way, the employee earned more than enough overtime at time-and-a-half to cover the other days off. Sixteen hours of overtime each week was used to generate 24 compensatory hours, or two to three days off, each week.

The Deputy Under-Sheriff approved all of this employee’s leave requests. The employee submitted leave slips monthly, requesting 8 to 12 days off at a time. For example, in June 2003 the employee requested and was granted approval for 14 days off of the 20 platoon schedule days. Two days were denied and the employee called in sick on those days.

Audit Recommendation:

Overtime should be denied to individuals using excessive amounts of leave time.

The Correctional Center should request the development of a NUHRS report to identify those employees who earn and use excessive amounts of comp time.

The Supervisors who authorize leave should monitor employees for patterns of abuse of leave entitlements.

Findings and Recommendations

Overtime/Compensatory Time for Senior Administrators

Audit Finding (9):

The Sheriff and Under-Sheriffs are covered by County Ordinance 543-1995, a compilation of labor provisions for non-union (exempt) officers and employees. The ordinance, in section 3.30 (a), states that “no compensatory time is to be granted to officers and employees except in instances where, in the judgment of the department head, there are extraordinary circumstances.”

In addition, the County Executive in 2002 issued an overtime policy prohibiting overtime for non-union personnel except with the written approval of the Deputy County Executive. This policy states that as a general rule, no discretionary overtime shall be permissible except in the case of an unavoidable event or an unanticipated emergency.

Our audit examination disclosed that the Sheriff, Deputy Under-Sheriff and Under-Sheriff were granted a total of 5,734.4 hours from 2000 to 2003 (83 hours in 2003). On March 25, 2003, Newsday published a listing of Nassau County’s highest comp time earners for the year 2002. Two of these three employees were ranked first and fifth in the amount of comp time earned in the county.

These hours were accrued as follows:

Compensatory Time Accrued 2000 – 2004 (in hours)

<u>Title</u>	<u>Hired</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total Hours</u>	<u>Total Days @ 6.75 Hrs</u>
Sheriff	2/21/2000	1069	858.5	(132.1)	0	0	1795.4	266
Deputy Under -Sheriff	6/9/2000	519.5	812	857.75	40.25	0	2229.5	330
Under-Sheriff	6/9/2000	322	653	691.5	43	0	1709.5	253
	Total	1910.5	2323.5	1417.2	83.25	0	5734.4	850

Review of comp time for the top three administrators in the Sheriff’s department showed excessive accruals from 2000 to 2003.

Irregularities noted during this time period were as follows:

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- There was no documentation of “continuous extraordinary circumstances,” “unavoidable events” or “unanticipated emergencies” in the department. The related overtime slips cited “workload” and “administrative duties” as the reason necessity for the claimed overtime.
- A review of overtime authorization slips submitted by the three top administrators found that overtime slips entered into NUHRS in 2002 for the Sheriff, selected at random, related to overtime worked in 2001, with some entered as late as eight months after the date of the claimed overtime.
- The senior officials did not comply with overtime form requirements.
 - The Sheriff authorized his own overtime. He did not sign the section of the overtime slip stating the actual overtime worked.
 - On seven of the eight 2002 overtime slips submitted by the Deputy Under-Sheriff for his own overtime, the authorization line was unsigned. For all eight slips, the Deputy Under-Sheriff’s supervisor failed to sign the “requested by” line. On two slips the employee’s signature was the only signature on the form.
- The County Executive’s directive requires that the head of the vertical (Deputy County Executive) authorize all overtime for non-union personnel. Yet the Correctional Center uses a form-letter authorization covering all employees each pay period. It is unclear whether the Deputy County Executive was aware that ordinance employees were accruing comp time. The use of this form letter negates the intent of the County Executive’s directive, i.e., to allow overtime for non-union personnel only on a case-by-case basis.
- The comp time balances for the Sheriff and Deputy Under-Sheriff have an equivalent current value of \$194,400, after subtracting **comp** time already used with a value of \$43,700).

At the time of the audit, the three administrators had used only comp time leave, i.e., they have taken no vacation, sick or personal days. All earned vacation, sick and personal leave remain in their leave balances. Like all employees, upon their separation from the county they will be entitled to payment for certain leave time. Comp time is not paid upon termination; however, vacation and sick leave are. The Under-Sheriff recently resigned with unused leave time valued at \$28,700. During employment, this employee used the equivalent of \$30,750 in comp time leave. If the Under-Sheriff had

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used his vacation time instead of compensatory time, his separation payment would have been greatly reduced.

Audit Recommendations:

- a. The County Executive's office should review the appropriateness of the comp time posted in NUHRS by the three administrative officers without proper documentation. Without documenting that the overtime was necessary and properly authorized, the validity of this comp time is questionable.
- b. Overtime worked should be properly documented with signatures of those requesting, verifying, and authorizing it. The timekeeper should be instructed that incomplete overtime slips should not be accepted.
- c. Overtime slips should be submitted and posted in a timely manner.

Findings and Recommendations

Shift Differential Paid Without Regard to Number of Hours Worked

Audit Finding (10):

The Sheriff Officers Association (ShOA) labor contract states (Sect. 23), “A County employee, at least one-half of whose shift is between 4:00 p.m. and 8:00 a.m. shall receive additional shift differential for each hour actually worked, regardless of whether such hours are between 4:00 p.m. and 8:00 a.m.”⁴

Our review of platoon schedules and shift differential found that each platoon rotates on a 15-day cycle of five days on, two days off, five days on, three days off. This is in contrast to pay periods, which are 14 days. This schedule results in platoon numbers 1, 2, and 3 working nine shifts (72 hrs.) in some pay periods and 10 shifts, (80 hrs.) in others.

We found that the payroll clerk was granting 80 hours of shift differential regardless of whether officers worked 72 or 80 hours in a pay period. Other platoons (numbers 4 through 9) rotate their schedule between shifts that meet the criteria for differential and shifts that do not, therefore they are entitled to shift differential for half of their hours worked. The clerk has been granting 40 hours of shift differential to all employees of these platoons, without regard to the actual number of hours worked. For pay periods in which they only worked four days of differential eligible shifts, they should have received 32 hours of differential instead of 40.

As a result of paying employees shift differential regardless of whether or not their shifts actually met the criteria for such payments, the county has overpaid these employees by approximately \$300,000 during 2002 and 2003.

<u>Year</u>	<u>Number of Periods in Test</u>	<u>Total Estimated Overpayment</u>
2002	26	\$154,271
2003	25	\$148,875
Total		<u>\$303,146</u>

⁴ Printers draft of The County of Nassau and the Nassau County Sheriff Officers Association Agreement § 23, (January 1, 1998 – December 31, 2004), at 26.

Findings and Recommendations

We also noted that the personnel unit pays shift differential, overtime and regular pay at different times, lagging the payments of shift differential and overtime to allow them more time to enter these payments manually. Since all Correctional Center employees are now on a two-week lag payroll, this practice no longer appears necessary.

Audit Recommendations:

- a. The personnel unit should enter shift differential based on hours actually worked during eligible shifts, as per the labor agreement.
- b. The period for overtime pay and shift differential should be brought into agreement with the time frame of the regular pay period.

Findings and Recommendations

Accuracy of Shift Differential Entries

Audit Finding (11):

The Correctional Center has a policy requiring that employees on extended sick leave (over 29 days) be placed on the disabled list and assigned to 9-to-5 schedule. Such employees no longer meet the criteria necessary to receive shift differential.

We examined the January 2004 disabled list to determine if shift differential for 16 such employees was discontinued. It was determined that four out of the 16 were incorrectly paid a total of \$309 in shift differential while on the disabled list. Two were overpaid for 40 hours each, one was overpaid for 24 hours, and one was overpaid for eight hours.

While it did not result in overpayments, we noted that, for two of the 16, no orders were issued to reassign them to the disabled list. The Correctional Center normally issues such orders, delineating the employee's former and new job assignments, supervisor(s) and location. In addition, three of the 16 were not reassigned to the disabled list in a timely manner.

We also noted inaccurate entries for an employee who returned from the disabled list on 10/03/03 and was entitled to receive shift differential from that date forward. However, shift differential was paid only for the period ending 11/24/03 and not the periods ending 10/27/03, 11/10/03, 12/8/03, and 12/22/03. Consequently, the employee was still owed \$441.60 in shift differential payments. No documentation was found as to why the clerk correctly entered the differential for some periods and incorrectly for others.

Other irregularities were also noted. For example, in 2004 the Correctional Center requested retroactive shift differential for 18 cooks for hours worked in 2002. It is unclear why the cooks had to wait two years to receive these differential amounts.

Findings and Recommendations

Audit Recommendations:

- a. Employees should be promptly reassigned to the disabled list on the 30th day of absence, thereby ending eligibility for shift differential payments.
- b. Orders listing the scheduled work hours should be issued promptly whenever an employee's assigned work hours are changed, even when the reassignment is in the same unit, so that the payroll unit is aware of the employee's change in status and can properly adjust payrolls.
- c. Nassau County is reviewing proposals in response to a Request for Proposals for a consultant to assist in the selection and implementation of a modern * timekeeping/personnel tracking system. The correctional center should provide input to the selected project manager/consultant as to its specific system requirements, such as the automatic generation of shift differentials to correspond with hours actually worked. The correctional center should seek to eliminate the necessity of relying on time-consuming, error-prone, manual entries.

*The NUHRS system used in the county was developed prior to 1994 by American Management Systems, and has technological limitations. It is also not as user-friendly as more up-to-date time and record keeping systems.

Findings and Recommendations

Shift Differential Payments to Union Release Individuals

Audit Finding (12):

The CSEA and ShOA contracts provide that the county shall not discriminate against union representatives in any way. The union representatives are technically on release from their former positions and therefore are allowed to continue to receive the shift differential they earned prior to their union assignment.

Although the majority of the union representatives were entitled only to 40 hours of Group 1 shift differential prior to their union release (and one had received only a minimal amount), they are currently being paid 80 hours of Group 2 shift differential. (Group 2 consists of employees whose regular/permanent shift requires that they report to work between the hours of 10:00 p.m. and 1:00 a.m. Group 1 consists of employees not covered under Group 2.) The personnel unit could furnish no written authorization for this.

An estimate of the overpayment for each representative is listed below. The overpayments are considered to be half the amounts received, as per above, except in the case of Employee 4, who had no shift differential prior to his union release, and was thus overpaid a greater amount.

Employee 1	\$12,632	(07/22/99 – 12/31/03)
Employee 2	\$12,640	(07/22/99 – 12/31/03)
Employee 3	\$12,561	(07/22/99 – 12/31/03)
Employee 4	\$22,509	(02/02/00 – 12/31/03)
Employee 5	<u>\$ 3,797</u>	(08/08/02 – 12/31/03)
Total	<u>\$64,139</u>	

Two of the union representatives (employees 1 and 2) each had two personnel orders, both issued on 7/22/99, assigning them to union release. The first orders reassigned them from their normal platoons directly to the union. The second orders reassigned them first to midnight platoons with the higher Group 2 differential amount, and then to the union. These second orders had the impact of doubling the shift differential payment.

The overpayments have continued into 2004 although, as of January 2004, four of the representatives have changed. Each new representative is receiving 80 hours of Group 2 differential; the new representatives, however, were reassigned from platoons eligible for 40 hours of Shift Group 1. They should therefore receive only 40 hours of differential. Once again, the clerk in the personnel unit changed the shift differential paid to the new 2004 union representatives and could provide no authorization for the change.

Findings and Recommendations

Audit Recommendations:

- a. Shift differential payments for union representatives should correlate to their actual hours prior to their assignment to the union.
- b. Shift differential should not be granted without proper documentation or written authorization.
- c. The Correctional Center should investigate the circumstances and justification for the issuance of orders to reassign employees to Group 2 simultaneous with their assignment to union release.

Findings and Recommendations

Supplemental Leave at Half Pay – Missing Documentation

Audit Finding (13):

Supplemental leave at half pay (SLHP) may be granted to individuals who have exhausted their leave balances and are too ill or disabled to work. This status normally lasts six months and requires both a doctor's certificate affirming that the employee is too ill or disabled to work, and the approval of the department head.⁵ SLHP may be granted for periods in excess of six months in cases of catastrophic illness. Requests for SLHP are filed on the Family Leave Application form.

We found that, in most cases, this benefit was granted without proper documentation or authorization. In 2002 and 2003, SLHP was granted to 18 employees. We reviewed the personnel files and found that the majority of the files lacked documentation showing that proper procedures were followed.

- 6 of the 18 files lacked a doctor's letter;
- 10 of the 18 files lacked a memo from the department head approving SLHP; and
- 11 of the 18 personnel files did not contain an employee request for SLHP.

Only seven of the 18 had both a doctor's note and the department's approval. It should be noted that in two of the cases, the corrections officer retired on a disability pension, confirming his medical status as unable to work.

Audit Recommendations:

The Sheriff should only grant SLHP when requested by the employee and certified by a doctor.

The personnel unit should maintain complete documentation of the employee's request, a doctor's note indicating that the employee cannot work due to illness or disability, and the written approval of the department head.

⁵ Printers draft of The County of Nassau and the Nassau County Sheriff Officers Association Agreement § 38-9 (January 1, 1998 – December 31, 2004) at 48. Agreement between the County of Nassau and Nassau Local 830, Civil Service Employees' Association, Inc. Local 1000, A.F.S.C.M.E., AFL~CIO, § 42-9 (Jan. 1, 1998-Dec. 31, 2002) at 50 and Agreement (Jan. 1, 2003-Dec. 31, 2007) at 65.

Findings and Recommendations

SLHP -Additional Days Granted Without Proper Authorization

Audit Finding (14):

An examination of the files yielded examples of additional SLHP days granted without proper authorization and documentation. In all, 930 days of SLHP were granted, of which only 223 days were authorized, resulting in 707 days, or \$82,000, of unauthorized SLHP.⁶

- Employees apply for SLHP through the use of an Application for Family Leave Benefits which permits up to 60 days leave. We found that several employees received more SLHP than the 60 days authorized.
- A department head may extend SLHP for additional consecutive periods of six months in “cases of catastrophic illnesses.” In seven cases examined, however, such days were granted by the personnel unit instead of the department head. Approval of the department head was eventually obtained, but only after the personnel unit had approved the leave.
- Additional leave was granted in 11 cases, but the files on these employees contained no doctor’s note stating that the employee was still too ill or disabled to work.
- In three cases, additional SLHP days were granted for childcare after the birth of a baby, with no doctor’s note stating that the employees were unable to work. Childcare does not qualify as a catastrophic illness.
- Two employees received SLHP despite the presence in their files of contradictory “leave of absence without pay” forms (Civil Service CS-1706) signed by both the department head and the employee.

In one example, an employee was granted 237 days SLHP for maternity from March 2002 through February 2003. Supporting documentation in the personnel file consists of a doctor’s note dated June 2001, nine months prior to the supplemental leave, stating that the employee should not work more than the standard 40 hour work week, and a birth certificate for an infant born January 2002. The file contained neither a doctor’s certification stating that the employee was too ill or disabled to work, nor any authorization extending SLHP beyond the initial 60 days granted. Additionally, the personnel file for this employee contains a “leave of absence without pay” form (Civil

⁶ exclusive of the two cases that eventually resulted in disability retirements.

Findings and Recommendations

Service CS-1706 form) for the same period 3/27/02 to 3/26/03, signed by both the department head and the employee.

Section 42-9.3 of the CSEA Contract states, “The amount of supplemental leave half pay shall not exceed a period equal to two bi-weekly pay periods for each year of actual completed service”, or approximately one month of half pay for each completed year of service. In one file examined, the employee’s length of service was four years; which would allow for a benefit of 80 days. Nevertheless, the department entered the maximum benefit of 120 days into NUHRS. (This error was discovered by a payroll auditor from the Comptroller’s Office. Upon the auditor’s request, the department reversed the excessive benefit.)

Audit Recommendations:

- a. Departmental approval for employees to receive SLHP should be granted by the department head or designee, as per the labor contract, and not by clerical staff in the personnel unit.
- b. Departmental approval for SLHP benefits should not be granted in the absence of a doctor’s certification stating the employee is too ill or disabled to work.
- c. Calculation of the benefit days should comply with the labor agreement.
- d. Additional leave benefits beyond the first six months, as stated in the contract, should be for catastrophic illnesses only.

Findings and Recommendations

SLHP - Benefit Amount

Audit Finding (15):

Section 42-9.2 of the CSEA labor agreement states, “An employee granted SLHP shall receive one-half (1/2) the pay the employee would have received had the employee continued to serve at the time such leave was authorized.”

In two instances we found that SLHP was paid to employees at rates greater than that to which they were entitled. Two employees, who, prior to their illness, had been working on a part time basis (60 percent of full-time) should have received half of their part-time pay as SLHP. However, they were returned to full-time status at the same time they were granted SLHP, in an apparent effort to increase their SLHP payments. As a result, they received 50 percent of a full-time salary rather than 50 percent of their part-time salary. When they returned to work, they immediately resumed their previous part-time work schedules. The value of the excess benefits was \$8,420.

Audit Recommendation:

- a. Employees on reduced schedules who are granted supplemental leave benefits should be paid in compliance with the terms of the CSEA labor agreement, which requires that such employee receive half of what they would have been paid at the time the leave was granted.
- b. The Correctional Center should investigate the legitimacy of the transfer of these employees to full-time status coincident with their change in status to SLHP, and recoup the monies overpaid to these employees.

Findings and Recommendations

Bereavement Leave Form Is Deficient

Audit Finding (16):

The Correctional Center uses internal form CC-13-B for “Request for Bereavement Leave.” This form requires more information than the county’s standard leave request form (NC-5000), including the name and address of the deceased, relationship to deceased, and date of death. Although use of the form allows for better control of bereavement leave, some items required on NC-5000 are not found on the Correctional Center’s form, e.g.

- employee’s social security number;
- supervisor’s dated signature authorizing the leave; and
- verification that the timekeeper has posted the time and that the payroll clerk has entered it into the NUHRS system.

Without the latter two requirements, responsibility cannot be affixed for the proper authorization and recording of the leave.

Audit Recommendations:

- a. Bereavement leave forms should require the employee’s social security number to help ensure the NUHRS posting to the correct employee.
- b. Bereavement leave forms should require a supervisor’s authorizing signature and date.
- c. The timekeeper’s entry on the daily timesheet and the entry of the leave into NUHRS should be documented on the leave request form.

Findings and Recommendations

Bereavement Leave – Recording, Documenting and Monitoring Usage

Audit Finding (17):

The auditors obtained a NUHRS-generated report of bereavement leave for the period 2002-2003. A test sample was selected consisting of 20 employees who used seven or more bereavement leave days during the two-year period. Bereavement leave request forms maintained in the employee personnel folders were reviewed for supporting documentation. This review disclosed the following discrepancies:

- One employee was granted four days leave when the maximum permitted was three days; only three days were requested.
- One employee was granted three days leave for a sister whose name was not on the list of family members in the employee's personnel file.
- Incomplete request forms were accepted. Some lacked the date of the request and the employee's signature.
- Request forms were not submitted in a timely manner (this varied from one month late to over a year after the bereavement leave date).
- Two employees were granted one-day bereavement leave for which no documentation was found in their personnel files.
- One employee requested compensatory time that was denied, so instead took a bereavement day. No bereavement request form was found in the personnel folder.

Moreover, we found the monitoring of bereavement use by the personnel unit to be insufficient:

- One employee with two years of service had taken 22 bereavement days.
- Another employee used 50 bereavement days during 12 years of service.

The Comptroller's office payroll section became aware of the first situation (22 bereavement days in two years) and notified the Correctional Center. The Sheriff's Bureau of Investigations investigated the abuse by this employee and took disciplinary action. The Bureau of Investigations was not aware of the employee with the fifty-day use until we found it and brought it to the Bureau's attention during the audit.

Nassau County Correctional Center
Personnel Unit
Examination of Internal Controls for Overtime and Time & Leave Record Keeping

Findings and Recommendations

Audit Recommendations:

- a. Requests for bereavement leave should be completed, signed by the employee and submitted promptly upon return to work.
- b. The department's employee personnel records detail family composition, and should be reviewed prior to granting bereavement leave requests.
- c. Bereavement leave should not be granted without supporting documentation of the employee's request.
- d. The Correctional Center should determine if accrued leave balances should be adjusted for improperly documented and granted bereavement leave.
- e. The Correctional Center should periodically obtain a report of total bereavement leave per employee and review for possible abuses.
- f. The Correctional Center should investigate the circumstances of the employee who used 50 bereavement leave days to determine if the usage was valid.

Findings and Recommendations

Donated Leave -- Incorrect Classification in NUHRS

Audit Finding (18):

The ordinance, CSEA, and ShOA contracts all have donated leave policies modeled after legislative Ordinance 26-1998⁷. The ordinance allows for the voluntary transfer of an employee's vacation, sick, personal or compensatory time to provide benefits "to any county employee who has exhausted all leave entitlements, and is deemed to be in an extreme "hardship" situation as certified by such employee's physician."

Nine Correctional Center employees were granted donated leave during the audit period. Our examination noted that one employee remains in donated leave status in NUHRS, although the last date that donated time was applied was in March 2002. The employee received a total of 844 days of donated time from December 1998 to March 2002.

The payroll supervisor stated that the employee is still listed in NUHRS because the employee had filed a disability retirement application with the New York State and Local Retirement System. This is not a valid reason to remain in active status in NUHRS, especially where the department was notified the application was denied in December 2001. When the donated leave expired, the employee should have been transferred to inactive without pay status.

Additionally, the employee's status has not been adjusted to an absence status, even after this was requested by a Comptroller's Office payroll auditor. As a result of the misclassification, the county has improperly paid approximately \$24,000 in health insurance for this absent individual through April 2004.

Audit Recommendations:

- a. In accordance with county procedures, this employee should be placed in an inactive absence or terminated status in NUHRS.
- b. The Correctional Center should investigate whether the cost of the insurance premiums can be recouped.
- c. The Correctional Center should request a NUHRS report periodically to identify employees on active status who are not receiving compensation.

⁷ Nassau County, N.Y., Ordinance No.26-1998 (Feb. 23, 1998)

Findings and Recommendations

Improper Granting and Recovery of Donated Leave

Audit Finding (19):

In order to be eligible to receive donated leave, an employee must “be absent due to a non-occupational personal illness or disability...”⁸ The Department of Labor Relations stated, in a 1998 memo to the Field Audit Director, that “In no case shall leave benefits be extended for the care of a family member. Leave for such purposes should be obtained through the Family Medical Leave Act.”

Contrary to these guidelines, the personnel unit supervisor processed, and both the Correctional Center and the County’s Human Resources Department approved, the use of donated leave for an employee due to a family member’s illness. This employee received 80 days of donated leave. The Correctional Center’s decision to award donated leave in this case was made despite advice from the Comptroller’s Payroll Unit, which the Correctional Center had sought, that caring for a spouse does not meet the requirements for donated leave.

Two employees who received donated time in 2002 each have unused donated time in NUHRS. Per both the labor agreement and the labor ordinance, unused donated days are to be returned to the last donors of record. One employee has three days remaining from 2002 and one employee has one day remaining.

Audit Recommendations:

- a. Only employees meeting the donated leave requirements should be approved by the Correctional Center for donated leave. Family medical leave should be used in cases involving illness of a family member.
- b. The Correctional Center, in conjunction with Labor Relations, should determine if the employee’s current accrued leave balances should be adjusted or if wages should be recovered for improperly granted donated leave. If it is determined that adjustments are appropriate, the leave should be returned to the donors of record.
- c. Unused donated time should be returned to the last donors of record.

⁸ Printers draft of The County of Nassau and the Nassau County Sheriff Officer’s Association Agreement §52, (January 1, 1008 – December 31, 2004), at 59

Findings and Recommendations

Improper Accrual of Leave Benefits

Audit Finding (20):

The personnel clerk who enters shift differential into NUHRS also enters holiday comp time, i.e., leave granted for working a holiday as a regular workday. We found a multitude of errors in the recording of leave, indicating either a lack of knowledge, or a disregard for the labor agreements, laws and directives controlling the accrual and usage of leave entitlements.

We noted the following errors:

- Two employees on donated leave were allowed to accrue additional holiday leave by the clerk in the personnel unit. The CSEA labor agreement, Section 42-9.5, states that “During the course of use of this transferred leave time, the employee who received the transferred leave shall not accrue leave benefits until said employee returns to duty.” (The ShOA agreement is silent on this issue and therefore the CSEA language prevails.) An employee on donated time clearly should not accrue holiday compensatory time.
- The clerk also granted two holidays in February 2004 to an employee who was on an unpaid absence, and credited a July 4, 2003 holiday to two employees, one of whom was on an unpaid absence, and one who worked on July 4th and was paid time and a half for the holiday.
- Eighty hours of shift differential were entered on two separate occasions for an employee on donated leave. Another 40 hours of shift differential was awarded to a suspended employee.
- While on military leave of approximately two years, an employee was allowed to accrue an additional 85 days of leave from the county. The County Ordinance detailing the military leave benefit does not allow accrual entitlements beyond 30 calendar days or 22 work days, as stated in the Military Law of New York. This is also stated in an Opinion of the State Comptroller,⁹ as follows: “A public employee who enters military service does not accrue sick leave and vacation benefits for the period during which he serves in the armed forces.” Correctional Center employees on military leave for extended periods remain in active status in NUHRS, improperly accruing additional leave.

⁹ NY State Comptroller:1967 NYS Comp Op. no 67-908, (November 17, 1967)

Findings and Recommendations

Audit Recommendations:

- a. The Correctional Center should ensure that employees working in the personnel unit are aware of, and follow, labor agreements and relevant laws, policies and directives controlling the granting and usage of leave.
- b. The Correctional Center should consider issuing notification orders to document resignations and donated time, just as they document personnel reassignments.
- c. Leave accruals should be adjusted for those individuals who were improperly granted holiday comp time.
- d. The Correctional Center should request that the NUHRS program be adjusted so that it will not accept: leave accruals for employees on donated or military leave, or who have been suspended; or holiday comp time for employees who are out on donated leave.

Findings and Recommendations

Military Leave Background

Background

Clearly, county employees in military service should not face additional hardships caused by reductions in compensation due to their service to our country. County labor agreements state that employees shall have the military leave benefits and protections afforded them under state and federal laws.¹⁰

The Military Law of New York states that “Every public officer or employee shall be paid his salary or other compensation as such public officer or employee for any and all periods of absence while engaged in the performance of ordered military duty, not exceeding a total of 30 days or 22 working days, whichever is greater, in any one calendar year and not exceeding 30 days or 22 working days, whichever is greater, in any one continuous period of such absence.”

In addition, County Ordinances provide an additional benefit to employees called to military service for Operation Enduring Freedom.¹¹ This allows up to three years additional leave, but at reduced pay, defined as the difference between compensation for military service and the compensation such individual would have otherwise received from the county. The right to receive reduced pay begins after the individual has exhausted benefits under the Military Law of New York.

Overpayment to Employees on Military Pay

Audit Finding (21):

Six department employees who received county military leave pay were tested for compliance with the county reimbursement policy. The County Military Leave Pay Policy for Operation Enduring Freedom states that *no employee may receive compensation greater than what would have been received if the employee were not on active military status.*¹² Under the county resolution, the county can pay the employee’s

¹⁰ Printers draft of The County of Nassau and the Nassau County Sheriff Officers Association Agreement § 38-13, (January 1, 1998 – December 31, 2004), at 52. Agreement between the County of Nassau and Nassau Local 830, Civil Service Employees’ Association, Inc. Local 1000, A.F.S.C.M.E., AFL~CIO, § 42-13 (Jan. 1, 1998-Dec. 31, 2002) at 55 and Agreement (Jan. 1, 2003-Dec. 31, 2007) at 70.

¹¹ Nassau County, N.Y., Ordinance No.10-2004 (March 16, 2004)

¹² Nassau County, N.Y., Resolution No.334-2003 § III, B, 5 (Oct. 29, 2003)

Findings and Recommendations

regular wages and have the employee sign over the military pay to the county for deposit; or the employee may remit the difference upon return. Employees are required to submit a copy of their Military Earning Statements for the period of military leave pay.

The files of four of the six employees, all of whom had returned from military service, contained no Military Earning Statements for the period of reduced pay or reimbursement to the county for overcompensation. The other two remain on military leave. Even though several months had passed since the four employees returned from military service, the Correctional Center had not recovered any military pay, nor had they requested the Comptroller's office to make any pay reductions.

In accordance with the county resolution, the employee's rate of compensation should be determined by the rate earned on the last date worked prior to receiving notice of military activation.¹³

Of the six cases examined, five employees have received cost of living increases and fiscal end-of-year increases in their salaries (step increases) while on military leave. The remaining employee was on military leave for a four-month period that did not include the time of the raises. Three of the five employees received salary increases, one in the amount of \$16,200, and two others in excess of \$12,000 each.

Audit Recommendations:

- a. The Correctional Center should follow procedures for pay during military leave. It must ensure that employees comply with provisions of the county ordinance requiring the submission of military pay records. Based on these submissions the department should either place employees on reduced pay or request the military pay be remitted to the county.
- b. The Correctional Center should comply with the county policy requiring reimbursement for overcompensation, either during military leave or upon return to work as stated in Resolution No. 334-2003.
- c. The county resolution states that employees on military leave pay should receive compensation at the rate at which they were paid when they departed for military leave. Salary increases over the period of leave are to be granted upon the employees' return to county service. The department, however, is paying increases for employees during the course of their leaves. It should clarify with

¹³ Nassau County, N.Y., Resolution No.334-2003 § III, B, 4 (Oct. 29, 2003)

Findings and Recommendations

the county attorney the correct administration of military leave benefits and determine whether it should request adjustments to NUHRS to prevent the granting of salary increases to employees on Military Leave (not reserve duty).

- d. The Correctional Center should determine the amounts of salary overpayments and recover it from employees who have returned from service.

Findings and Recommendations

Inadequate Documentation for Granting Military Leave

Audit Finding (22):

Employees on military duty are required to provide copies of official orders, issued by the military, to document their assignment to active duty. Military personnel are ordered to duty by military officers of superior rank to their own. We found that in one case the department accepted a document that appeared to be issued by the military for a week of leave; it was signed by the employee and stated that the employee was ordered to report to duty. The personnel unit should have questioned the reasonableness of an individual issuing orders to him or herself. Also, the unit accepted a document that was in letter form, unlike the official orders found in other employee's files.

Additionally, we found that at the time the department granted military leave based on this self-authorized military document, this employee was incapable of working and absent because of an on-the-job-injury (207c). After the military leave ended, the employee did not return to work, but continued being absent from the Correctional Center on 207c status. The personnel unit should have questioned how the employee could perform military duties when the employee was unable to work before the granting of military leave.

Audit Recommendations:

- a. The department should only authorize leave based on official military orders. The employee should be required to furnish the Correctional Center with official orders for the period in question.
- b. The department needs to assess why the employee was able to perform military duty but not law enforcement duties.

Findings and Recommendations

Inadequate Documentation of Continued Active Military Status

Audit Finding (23):

One employee was ordered to report for 12 months of military duty on September 22, 2001 and is still listed as on military leave. The employee's personnel file contains only the initial orders; there are no additional orders showing reactivation. When we contacted the local military reserve center to update the employee's current status, we were told that the employee had been discharged from active service on October 18, 2003. The employee has not returned to work and is still receiving a full paycheck. We estimate that this employee received \$43,500 in county military pay between the date of discharge and July 8, 2004.

Audit Recommendations:

The department should:

- require updated documentation of active military status, to validate employees' right to military pay; and
- investigate the military status of the above employee to determine whether the individual should be removed from military leave pay status as of the date of discharge. If the employee has been discharged from the military, the Correctional Center should:
 - a. recover any salary and benefits to which the employee was not entitled; and
 - b. transfer the employee to absent status.

Findings and Recommendations

Abuse of Volunteer Firefighter/Emergency Response Leave

Audit Finding (24):

The establishment of fire emergency leave (“ECOMP”) for volunteer firefighters is an important, and appropriate, county labor policy. Nassau County’s labor contracts provide for emergency response leave (“ECOMP”) to be taken for “the purposes of engaging in emergency missions such as firefighting, rescue or other support services.” These absences are to be charged against an allotted bank of compensatory hours equivalent to four (4) working days, to be granted on January 1 of each calendar year.¹⁴ The provision also states that these days “shall not be accumulative from year to year. We found that, during the audit period, the Correctional Center did not establish these banks of ECOMP hours for each firefighter. As a result, some employees were awarded more than four days of ECOMP.

To document the use of ECOMP, the department provides a “Use of a Fire Day” form, requiring the date, time and address of the alarm, the time the situation was secured, and the name of the fire chief in charge. The employee and chief of the fire department are required to certify the information. The form offers excellent control features; unfortunately, however, the personnel unit appears not to review the forms before entering the leave into NUHRS.

We analyzed records for 6 out of 57 employees who used this leave in 2003. We found that:

- during 2002 and 2003 the Correctional Center did not require employees to provide documentation of membership as volunteer firefighters for the purpose of establishing ECOMP banks.
- ECOMP banks were not set up in the NUHRS system for 2002 and 2003 to record such leave, even though the Comptroller’s Payroll Unit repeatedly requested that they do so. The establishment of the four-day bank in NUHRS prevents excessive use of this leave.

¹⁴ Agreement between the County of Nassau and Nassau Local 830, Civil Service Employees’ Association, Inc. Local 1000, A.F.S.C.M.E., AFL~CIO, § 42-12.1(h) (Jan. 1, 1998-Dec. 31, 2002) at 54 and Agreement (Jan. 1, 2003-Dec. 31, 2007) at 69.

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- Of the six employees tested, four were granted five days or more of ECOMP.
- One employee was granted eight fire days in 2003. (The Correctional Center noted at year-end that eight fire days had been granted and the last four days of ECOMP were converted to vacation leave.)
- The Correctional Center designates fire leave as Authorized Miscellaneous Leave with Pay (“AAWIP”). This co-mingles fire/ECOMP with other types of leave. The correct NUHRS system code for the recording of this leave benefit is Fire/Emergency Comp Time.

The Correctional Center has circumvented NUHRS controls by failing to code leave and to set up ECOMP banks correctly.

We noted other discrepancies that should have been questioned by the personnel unit:

- On two occasions, an employee was granted ECOMP for a midnight-to-8 am shift. Documents provided indicate that, on both occasions, the employee responded to a fire later that day.
- An employee was allowed a full day of volunteer standby duty at the fire house. This usage is not in compliance with the contract requirement of leave for “the purpose of engaging in emergency missions....”
- The department timesheet and absentee report for one employee shows the use of fire leave on December 14, 2003. The document used to support this claim states that the employee attended a fire on December 7, 2003.

We also noted that the “Use of Fire Day Forms” do not require the employee’s superior to sign off, indicating the number of hours approved, or for the personnel unit to attest to its review of the leave.

Audit Recommendations:

- a. The Correctional Center should comply with county procedures for the recording of ECOMP time by obtaining supporting documentation for employees who are firefighters.
- b. The Correctional Center should not grant employees ECOMP time in excess of that permitted by the contract. For those employees who were granted ECOMP in

Findings and Recommendations

- excess of the contracted four days, the department should convert the additional time to the use of other leave entitlements.
- c. The correct ECOMP codes should be used to establish the employee's four-day bank in NUHRS and to record hourly usage.
 - d. ECOMP should not be granted for firehouse standby duty.
 - e. ECOMP should only be granted when an employee responds to a fire occurring immediately preceding or during the employee's regular shift, not after the shift.
 - f. The form should be amended to require the employee's superior to indicate approval, review by the personnel unit, to verify that the data was entered into the system.

Findings and Recommendations

Granting of ECOMP Days versus ECOMP Hours

Audit Finding (25):

In the six cases examined, a total of 29-¼ fire leave days were granted, all in full days with only one exception. The CSEA and ShOA labor agreements provide for hourly usage of ECOMP time, to allow for a minimal impact on the department. Despite the intent that “hours” be used rather than “days,” the Correctional Center uses a form to record this leave entitled “Use of a Fire Day.” Employees may infer that the benefit is to be used in whole days.

We found one employee who was granted eight fire leave days, even though only one emergency response occurred during the employee's work shift. Six of the seven alarms to which the employee responded lasted between 1-½ and 3-¼ hours (from the “time of the alarm” to the “time the department secured from the alarm”). They were all completed more than 2 hours prior to the start of the employee's shift (one was completed four hours prior to the shift). Nevertheless, the employee received 8 hours (one day) of leave for each alarm.

Audit Recommendations:

- a. ECOMP should be granted only for emergency missions that preclude employees from working their scheduled hours, or impair their ability to perform their duties. The Correctional Center and the Office of Labor Relations should jointly develop guidelines as to the circumstances that constitute proper usage of ECOMP. Consideration should be given not only to the time and duration of the event, but also to its nature and the impact on the employees' ability to perform their job duties immediately following the completion of the response.
- b. The approval of ECOMP usage outside the employee's regular shift should be restricted to prevent additional impact on the department; utilization of ECOMP time creates an overtime situation for the department.
- c. The Correctional Center should rename the form “Use of ECOMP Hours.”

Findings and Recommendations

Abuse of Standby Pay

Audit Finding (26):

Employees are entitled to standby pay if they are *ordered* to be available to report to duty within one hour of notification (while not on regular duty), as stated in Section 26 of the SHOA bargaining agreement.¹⁵ The policy entitles an employee to be paid one hour for every eight hours the employee remains on standby.

Three members of the Sheriff's Bureau of Investigation receive such standby pay. One of the three was the highest standby pay earner in the county for 2003, with 2,450 hours, earning an additional \$13,400.

Employees required by their department to carry a pager or a beeper are entitled to receive \$10 per week. The same three Bureau of Investigation Unit employees described above receive "beeper pay" in addition to standby pay. Standby status requires the employees to be continuously available. Therefore, the beeper appears to be for the employees' convenience because they do not have to remain near their telephones to respond to a call to duty.

Even though an employee must be ordered to be available continuously to be entitled to standby pay, we found no documentation ordering the three Bureau of Investigation Unit employees to standby. Instead, all three are paid for standby based on overtime slips submitted. The slips are:

- completed by the employees;
- not authorized or verified by a superior; and
- not a replacement for official orders.

The slips claim continuous standby coverage for all off-duty hours on a rotating basis among the three employees.

Employees called to duty while on standby are paid overtime. They should not receive standby pay for the same hours they are working overtime. A review of current standby payments showed that two of the three employees were paid overtime and standby pay for the same 128 hours.

¹⁵ Printers draft of The County of Nassau and the Nassau County Sheriff Officers Association Agreement Section 26 pg 31 Standby, effective January 1, 1998 – December 31, 2004

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We also noted that the overtime paid to these three employees was minimal indicating a low number of responses while on standby. One of the three employees only earned \$1,860 in 2003 overtime pay (equivalent to about 26 hours), but was paid \$9,000 in standby pay.

Audit Recommendations:

- a. Standby should only be paid when supported by an order from the department.
- b. Employees should not request or receive overtime and standby payments for the same hours. Where this has occurred, the standby pay should be recovered from the employees.
- c. The department should evaluate the necessity of standby pay for the three employees. The need for standby does not appear to be justified by the overtime amounts we observed. If the department determines that standby is necessary, it should issue formal orders.
- d. Employees on standby should not also receive beeper pay.

Findings and Recommendations

Manual Time Records

Audit Finding (27):

The personnel unit's controls and procedures for recording of employee time and leave were reviewed. Several discrepancies were noted.

- Entries of employees working overtime and leaving early are made in pencil on the lineup sheets used by security platoons.
- Employee time and leave record cards are maintained by hand for each of the 1,150 employees. The entries are made in pencil, which can easily be tampered with.
- Although information contained on these cards is normally available only to employees provided with NUHRS passwords, the time and leave cards are available to all Correctional Center Human Resources employees in three different locations. On occasion, these handwritten time and leave cards are sent to other offices within the compound. The cards contain confidential information: employee by name, social security number and assigned area. Inmates who work in these areas may be able to obtain this information from the cards.

When NUHRS was introduced in 1993, all county departments were instructed to stop using manual record cards, which are too easy to misuse compared to computer records that are available only to those with security passwords. Manually calculated leave balances are more subject to error than the computer generated balances. Although previous audits called for eliminating this unnecessary process, the Correctional Center continues to maintain manual records for all its employees, *in addition to* the NUHRS entries, thereby duplicating the recording of time and leave for a large population. Conflicts with the NUHRS system are common; e.g., we found leave balances on handwritten records differed with NUHRS records by as much as 20 days. As the official county record for time and leave, only NUHRS balances are recognized.

On a quarterly basis, the Comptroller's Office payroll section asks the county Information Technology department to issue a "Statement of Accumulated Time and Leave Benefits" for all county employees. This statement is distributed to each employee and provides current leave balances as recorded in NUHRS, giving employees the opportunity to review their official county record for their time and leave and to report any discrepancy to the Comptroller's Office. The Correctional Center obtains these quarterly statements but *does not distribute them* to the employees. Employees at the Correctional Center have never seen their official time records from NUHRS. Our

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auditors observed a box containing the leave statements, labeled “to be destroyed,” on a shelf in the personnel unit. Instead, the personnel unit provides each employee with a copy of the manually recorded card.

To provide corrections personnel with these manual records, a correction officer records, manually calculates balances, and photo-copies the two sides of the 1,150 employee leave cards for distribution. This unnecessary process is performed four times a year, sometimes incurring overtime.

Audit Recommendations:

- a. The personnel unit should eliminate the use of manual employee time and leave record cards and conform to the NUHRS procedures used by the rest of the county.
- b. Social security numbers should be blacked out whenever copies of original records are provided outside the unit.
- c. The official quarterly Statements of Accumulated Time and Leave Benefits as recorded in NUHRS should be distributed to the employees. This enables the employee to compare their NUHRS balances to their own records.

Findings and Recommendations

Failure to Record Time and Leave for an Employee

Audit Finding (28):

During testing of time and leave for employees in the personnel unit, we noted that some employees used individual timesheets. We examined the cases of two of these employees.

When the auditors inquired why one of the employees had a separate timesheet, we were told that the employee works at the Employee Assistance Program, “possibly” located in Plainview. A record of the employee’s exact location or phone number could not be produced. The auditors located and visited the Employee Assistance Program, which had moved from Plainview to Hicksville in August 2003. The auditors suggested that the employee provide the personnel unit with his location and telephone number.

This employee, a correction officer and certified social worker, performs counseling services to other correction officers, on a work schedule of 6 am to 2 pm. When the auditors asked who supervised his work hours and timesheet, he replied that he calls into the personnel unit daily. However, no one in the personnel unit reports to a regular shift before 8 am. Additionally, the shift worked by this employee may not serve to maximize the employee’s availability to the greatest number of correctional officers.

We also examined the time and leave practices of the Correctional Center’s contract administrator for medical services and observed that timesheets were missing for three bi-weekly pay periods for this employee (9/19/03 – 10/10/03). It should be noted that the Correctional Center strengthened internal control over this employee. Prior to the dates of the missing timesheets, the only name on the timesheet was the employee’s. The employee is now included on a timesheet with other employees. The inclusion of a number of employees provides the ability for the timekeeper to monitor entries for accuracy and minimizes the possibility of misplacing timesheets.

According to NUHRS, there were no leave days charged to this employee during 2003. However, an examination of leave requests for these pay periods showed that the employee had requested four vacation days, Oct. 14, 2003 through Oct. 17, 2003. Because these days fell within the period for which no timesheets were available, the auditors contacted the employee to verify whether the vacation days had in fact been taken. The employee responded that the days had been taken, and that they were the only leave days taken for the entire year.

Findings and Recommendations

Audit Recommendations:

- a. The personnel unit should maintain accurate records of the work location and telephone number of all employees.
- b. The Correctional Center should review the 6 am-2 pm work schedule of the employee assigned to the Employee Assistance Program to assure that his services are available to the maximum number of Correctional Center employees.
- c. Offsite timesheets should be verified and initialed by someone at the work location or, failing that, an adequate call-in supervision system established.
- d. The personnel unit should ensure that all leave days utilized by employees are properly entered into NUHRS in a timely manner. The personnel unit should enter into NUHRS the contract administrator's usage of the four days leave in October 2003.
- e. The personnel unit should obtain the contract administrator's timesheets for the missing pay periods.

Findings and Recommendations

Chain of Command – Personnel Unit

Audit Finding (29):

In reviewing payroll documents we noted that a Clerk Typist III in the personnel unit signs documents as “Personnel Supervisor”, and no correspondence was found from the employee to his/her immediate supervisor, a Correction Captain, or to the Acting Deputy Under-Sheriff. Instead, the clerk addressed correspondence directly to the Sheriff, bypassing both human resource unit supervisors. Many documents requiring authorization by the department head were accompanied by a memorandum from the Clerk Typist III to the Sheriff, informing the Sheriff of what actions were being taken. There were no notations of approval by the department head, nor was the department head listed as receiving a copy of the correspondence.

This demonstrates a control weakness in the proper supervision of the employee. Given the number of employees and the scope of the Sheriff’s responsibilities, it is not possible for the Sheriff to monitor the voluminous actions taken within the payroll and personnel area.

Audit Recommendations:

- a. The Clerk Typist III should be required to report directly to the unit supervisor to enable proper monitoring.
- b. The unit supervisor should review and authorize the personnel actions prepared by the Clerk Typist III that are required to be submitted to the department head.

Findings and Recommendations

Assumed Authority

Audit Finding (30):

The County Attorney provides a deputy county attorney to the department to serve as General Counsel for the purpose of providing legal counsel on various issues. Although it is not clear if the General Counsel was given the appropriate supervisory authority, she approves timesheets, leave requests and “Notices of Personnel Action” for Correctional Center employees. The General Counsel also signs overtime slips as the requesting, verifying and authorizing official.

A May 21, 2004 letter from the Executive Director of Civil Service to the Sheriff opined that the duties detailed above are inappropriate for the individual to perform in the capacity of General Counsel.

Audit Recommendation:

The Correctional Center, with the concurrence of the County Attorney and the Executive Director of Civil Service, should formally provide the level of authority needed for the General Counsel to perform these supervisory functions.

Findings and Recommendations

Indirect Authority

Audit Finding (31):

Six employees on the Sheriff Department's roster are assigned work locations at the Correctional Center, including the two senior administrators at the jail. The others are an employee in the records section, one in human resources, and two others in the administration area. Timesheets for some of these employees are verified by the Correctional Center, while others are verified by the Sheriff's Office in Mineola. Conversely, two correctional officers are working in Mineola. There is also a messenger working for both the Correctional Center and the Sheriff's Office in Mineola.

The timesheets for some employees working at the Correctional Center are approved by personnel in Mineola who have no direct knowledge or supervision of the employee. They should be signed by the person supervising them at the Correctional Center.

In addition to these unsatisfactory control conditions, there is a potential for inaccurate budgeting between the cost centers, because employees are working in locations other than where their salary is charged.

Audit Recommendations:

- a. To ensure proper controls, timesheets should be verified by a supervisor at the work location who oversees the employees daily work activities.
- b. Departmental budget codes, payroll records, and the work and supervision locations should be in agreement.

Findings and Recommendations

Conclusion

As department head, the Sheriff is required to adhere to county labor agreements and to administer the contract terms uniformly. It is the Sheriff's responsibility to ensure that time and attendance records conform to policies prescribed by the Comptroller and Civil Service Commission.

In October 2002, the Chief Deputy County Comptroller notified the Sheriff of deficiencies in the Correctional Center's timekeeping procedures and practices. (see Appendix 1) Since that time, the Comptroller's Office payroll section has urged the department to resolve chronic payroll issues and deficiencies. This audit found that the department has not implemented effective corrective actions and that the deficiencies still exist.

One result of the chronic deficiencies is the need for continual corrective actions by other authorities, adding to the workload of both the unit and of the Comptroller's payroll section.

This audit notes numerous problems in all areas of the personnel unit's performance. Controls are not in place to ensure that the employees in the unit do their work efficiently and accurately. Among the inefficiencies described in this examination, we noted the following:

- Orders for the proper payment of shift differential and holiday comp time are missing;
- Supporting time and leave documents are often missing and NUHRS entries are not made in a timely manner;
- Overtime is not verified to timesheets;
- Employees continue to accrue pay and benefits even though timesheets list them as absent;
- Leave is granted without proper documentation.

Findings and Recommendations

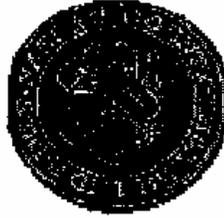
These actions have resulted in:

- overpayments of salary;
- unearned leave benefits;
- employees receiving shift differential and leave pay to which they are not entitled;
- absent employees who are issued paychecks and continue to receive health insurance benefits; and
- additional overtime incurred by the staff of the personnel unit.

Audit Recommendations:

The Sheriff should ensure that:

- a. time and attendance records comply with the labor agreements and that benefits are applied uniformly to all employees; and that
- b. staff is adequately supervised to ensure that transactions are accurately recorded, error and waste are minimized, and that the department complies with Civil Service, Comptroller's Office, and Sheriff's Department directives.



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To: Edward Reilly, Sheriff

From: Jane Levine

Date: October 4, 2002

Re: Correctional Center time & leave procedures & practices

Given the current financial crisis in Nassau County, effective internal controls concerning matters such as accounting for time and leave have taken on additional importance. During the course of routine payroll audits conducted by this Office pursuant to Charter 402(4),¹ as described below, we noted several serious time and leave record keeping deficiencies at the Correctional Center. We believe these deficiencies in the Center's timekeeping procedures and practices must be corrected as soon as possible.

The following are some of the recurring problems we recognized:

- Overtime
 - Overtime entries in NUHRS for the same periods are frequently duplicative;
 - Procedures established by this office for entering start time and overtime are not followed,² thereby requiring repeated telephone calls from this office to the Center to properly audit contractual entitlements; and
 - While the Center is two months behind in completing its data entry for Time and Leave usage, we found that overtime data entry was up-to-date.
- Documentation
 - Documentation necessary to reduce employees' paychecks is either sent six months after-the-fact, or, when an employee has been overpaid for a period equaling ten working days, a paycheck is sent back for redeposit; and
 - Documentation for items such as Sick Leave – Half Pay (SLHP), and "no-pays" are not timely sent, resulting in overpayments. Examples of the delay in timely processing were

¹ "The Comptroller shall audit and approve all . . . payrolls . . . and determine the regularity, legality, and correctness of the same." Nassau County, N.Y., Charter § 402(4) (1999).

² The Correctional Center is the only county department that does not adhere to these procedures.

discussed in detail our earlier memorandum to you dated, September 16, 2002, concerning employees, (b) (5) - DPP)

- Leave and Benefits
 - Deductions for time and leave usage are often recorded six months after the fact.
 - Changing sick to vacation leave many months after the fact appears to happen regularly; this practice has the effect of allowing an employee to obtain two bonus Personal Days to which they are not entitled;
 - Incorrect codes are entered making it difficult to monitor the use of leave time; for example, employees are placed on "generic" authorized leave with pay instead of a "training" day or an emergency compensation (for fire fighters) day.
 - Benefits such as shift differentials and holiday pay are entered without any checking to determine whether the employee is actually entitled to the benefit or if the benefit should be withheld as a result of absence, suspension, resignation, etc.

- 207C
 - Use may be excessive; for example, some employees have been out under 207C regulations for over three years and are still accruing entitlements.

- Absence Status
 - We recently discovered an employee who has been on absence status since 1998 whose status appears not to have been monitored by the Center. We recommend that the Center audit to ensure that this practice did not go beyond this one employee. Where the county is concerned with headcount reductions, we need to count only those who are working.

Please let us know in writing how you plan to address these deficiencies in the Center's procedures and practices. If you have any questions or would like to meet to discuss the above, please call Deputy Comptroller Susan Wagner.

Thank you in advance for your cooperation.

cc: Howard S. Weitzman, County Comptroller
Helena Williams, Deputy County Executive
Jacques Jiha, Deputy Comptroller
Susan Wagner, Deputy Comptroller
Thomas Killeen, Payroll Supervisor

Nassau County Correctional Center
Personnel Unit
Examination of Internal Controls for Overtime and Time & Leave Record Keeping

**Nassau County Sheriff's Department
Nassau County Correctional Center (NCCC)**

**Response to a draft audit presented by the Nassau
County Office of the Comptroller Field Audit Bureau
titled:**

**Nassau County Correctional Center
Personnel Unit**

**Examination of Internal Controls
For Overtime and Time & Leave Record Keeping
(MA05-04)**

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Nassau County Correctional Center
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NCCC EXECUTIVE STATEMENT

The Nassau County Correctional Center (“NCCC”) personnel have taken considerable time and care reviewing the Nassau County Office of the Comptroller Field Audit Bureau “Examination of Internal Controls for Overtime and Time and Leave Record Keeping” for the NCCC Personnel Unit (“Examination”). We have assembled detailed comments and responses for each of the audit findings and recommendations. These are enclosed.

After reviewing this NCCC submission, we ask that the Field Audit Bureau have one final round of discussions with NCCC staff prior to releasing the Examination. This exchange will provide a final opportunity to address errors, omissions and related issues.

Our overall concern is that the Examination, as it now stands, contains a collection of valid and useful findings and recommendations as well as a number of findings and recommendations that are factually inaccurate or incomplete. The Examination also fails to note several NCCC corrective actions which ought to be mentioned. For example, the Examination does not report the current staffing and responsibilities of Human Resources and the payroll/personnel unit. It also fails to mention the Sheriff’s June 14, 2004 memorandum substantially revising personnel procedures.

We know that the Office of the Comptroller will issue a press release, which will identify highlights of the Examination. The danger is that, in isolation, certain examples, while sensational in nature, will be taken out of context with their overall significance exaggerated in terms of the Examination as a whole. We also know that NCCC and the Office of the Comptroller, without compromising its independence, can work together to minimize these risks.

As a matter of substance and tone, it would be helpful if the context of the Examination were stated with precision. It is an overtime, time and leave examination. It focuses upon controls, authorizations, and paper flow. These procedural and process issues are important, but they should be placed within the proper context of the NCCC mission as a whole.

The NCCC is a remarkably complicated organization that fulfills its public safety mission very well: the care, custody and control of inmates remanded to the Sheriff's custody in an environment that is safe and secure for staff, inmates and visitors. In a sprawling physical facility, the NCCC is essentially an isolated, locked-down, self-sufficient world which operates 24 hours a day, 7 days a week, 365 days a year with a staff of approximately 1,168 responsible for feeding, clothing, housing and securing an average inmate population of 1,686. In addition to managing and operating the Correctional Center consistent with constitutional, Federal, State and Local statutes and standards, the Department is subject to the oversight of the New York State Commission of Correction and federal monitors pursuant to the Nassau County/Department of Justice Settlement Agreement. Moreover, many of its current operations, policies and

procedures are a result of collective bargaining agreements and/or prior litigation. These facts should at least be reported.

Additionally, the Examination fails to acknowledge the many exceptional challenges that NCCC faced during the audit period including: the County's fiscal crisis which necessitated staff reductions; the Department of Justice investigation and implementation of the Settlement Agreement; a massive number of NCCC senior staff retirements; the absence of a collective bargaining agreement.

The Examination shines a bright light on the important issue of rising overtime costs, but having raised the issue, fails to discuss the issue comprehensively and does not include important information related to the matter.

Overtime costs have risen from \$10,308,295 in year 2000 to \$20,062,183 in year 2003, with staff declining from 1,306 to 1,168 during this period due to the County's fiscal crisis. The inmate count, however, rose significantly from an average 1,446 in year 2000 to 1,686 in year 2003. (The Examinations inmate data is incorrect).

With fewer staff and more responsibilities, it is not surprising that overtime costs increased substantially. NCCC has analyzed this personnel/financial trend and is in the process of hiring 50 new employees. If the Examination is going to touch upon overtime budget costs rather than protocols for proper authorization of overtime, a much more complete discussion is called for.

As referenced in the Examination, we sought the assistance of the New York State Commission of Correction to perform a "Position and Staffing Analysis". The

Examination should note that our request was rejected, because the Commission did not have the necessary resources available to do the job.

A complete discussion of the overtime issue should also include: directives prohibiting the taking of earned overtime as cash; the requirements of collective bargaining agreements; and the training mandates of the Department of Justice consent decree, none of which are discussed in the Examination.

As a matter of tone, the Examination is also inflammatory, using phrases like “excessive overtime pay” and “excessive leave” when there is no contention that the benefits were not earned and when in fact they were accrued in conformance with collective bargaining agreements and County rules and policies.

We agree with and are in the process of implementing several of the Examination recommendations: creating a clear documentary audit trail for overtime; avoiding data entry delays due to personnel shortages; changing Request for Bereavement Leave forms and processing procedures; attending to procedure and controls for other leave issues (supplemental leave at half pay, military, donated, volunteer firefighter/emergency response); and sorting out overtime and standby pay matters.

We ask that the Examination not include reports of single, isolated incidents of error or concern, which are presented in a way that suggests systemic problems. Context is important, particularly when the Examination focuses upon a handful of time entries among the 8,000 entries per pay period.

Finally, it seems unnecessary to focus attention on the clearly identifiable titles and positions of employees who have done nothing wrong. Similarly, we believe it unnecessary to discuss isolated disciplinary actions that do not indicate generic problems.

We look forward to discussing these matters further.

Auditor's Follow-up Response:

The Correctional Center's Executive Statement (Statement) indicates that we have failed to note certain corrective actions they have taken. Our report is based upon conditions which existed during the audit period, 2002 through the conclusion of field work in April 2004. Where corrective actions were taken by the Correctional Center, we note whether we concur with the corrective actions taken.

The Statement also maintains that the report should have included the fact that the Correctional Center is subject to state and federal oversight, a Department of Justice Settlement Agreement and collective bargaining agreements. Oversight agencies were disclosed in the first paragraph of the background section of the executive summary. Relevant collective bargaining agreements are cited throughout the audit report to put findings in context.

The Correctional Center also provides different inmate headcount information and refers to the information included in the audit report as incorrect. The report used end-of-year headcounts as reported by the Correctional Center to New York State, while their response provides average inmate headcount information. Both data sets reveal similar statistics, that headcount rose by either 240 or 245. The difference between these two increases is insignificant.

Our audit report indicates that the Correctional Center's minimum staffing requirements are based on a January 1995 New York State prepared "Position and Staffing Analysis" that may be outdated. We recommended that it request a new analysis. The Department indicates that it requested the state to prepare an update in 2002, but was turned down. The Correctional Center should have been persistent in requesting a new analysis again in 2003 and 2004.

The Department also believes the tone of the examination is inflammatory because it uses the term "excessive" in describing leave and overtime. Excessive means exceeding what is usual, proper, necessary or normal. We stand by our interpretation that an individual with a base pay of \$79,130, who has earned \$118,330 in overtime, has worked an excessive amount of overtime. Similarly, an individual who took leave for 160 of 307

scheduled workdays, yet managed to increase his or her compensatory leave balance during the same period, has earned excessive overtime and used excessive absences.

Finally, the Correctional Center requests that the report omit “single, isolated incidents of error or concern, which are presented in a way that suggests systemic problems.” The audit process included testing of both large and small samples. We report on the results of testing those samples. It is apparent from the Correctional Center’s audit response that it misunderstands the definition of an error. It maintains that all errors of the same type should be considered as one error only. Multiple errors relating to single control attributes should be reported with disclosure of the number of errors detected. Even a single error is normally the result of a control weakness or breakdown. The significant number of errors noted, whether single or multiple instances, throughout the operations of the personnel unit should be a major concern to management. There are instances whereby even one error can have a significant impact. The Correctional Center should determine the conditions that allowed internal controls to fail and the errors to occur and take appropriate corrective actions.

Audit Finding (1): Agency comments

- The audit report cites the provision in the County Charter as a basis for a Commissioner of Correction.
- The audit report fails to reflect the Department's current chain of command, which includes titles that have replaced some of the defunct titles noted by the auditors.

Audit recommendations: Agency comments

- The audit report failed to identify and include in its findings "A Study of the Management of the Nassau County Correctional Center" that was undertaken by the Criminal Justice Institute. As a result of this study, the prior County Executive abolished the positions of Commissioner and Assistant Warden in 1988. The management of the Correctional Center was reorganized, placing the Sheriff directly in charge of the Correctional Center. Justification for not filling the vacancy of a Commissioner of Corrections is contained in the above noted study.
- The audit report also fails to state that an Undersheriff, a Deputy Undersheriff for Human Resources, a Deputy Undersheriff for Security/Operations, and a Deputy Undersheriff for Administration are in place.
- Although neither the Sheriff nor members of his executive staff were asked about this by the Comptroller's Office during the audit, we remain available to discuss this issue with them.

Auditor's Follow-up Response:

Requirements of the County Charter cannot be changed unilaterally by the County Executive. The Correctional Center should seek legislative action to modify the County Charter if the legislature concurs with the recommendations of the Criminal Justice Institute's Study.

Even if we accept the current titles, the position of Chief Administrative Officer suffered from chronic vacancies and employee turnover.

The Correctional Center's response indicates that neither the Sheriff nor members of the executive staff were asked about these audit findings. The findings were discussed with the Correctional Center's designated liaison to the audit, the Special Assistant to the Sheriff.

Audit Finding (2): Agency comments

- Changes in the reorganization of personnel/payroll did in fact occur.
- The auditor’s reference to an “October 2002 communication”, and statement that “several times after that, the Comptroller’s Office notified the department of problems with the Correctional Center’s timekeeping practices” is inappropriate because such statements and the subsequent conclusions are contrary to generally accepted auditing standards (Chapter 1 of the Government Auditing Standards, 2003 revision, issued by the United States General Accounting Office).
- A Clerk Typist III was in fact the “lead” clerk in the unit; however, contrary to the findings of the audit report the responsibility of the payroll/personnel unit did in fact come under the supervision of a Deputy Undersheriff. It should also be noted that the civil service job description of a Clerk Typist III includes the supervision of clerical staff, the ability to make arithmetical computations and the independent composition of letters and memoranda.

Audit recommendations: Agency comments

- A reorganization of the entire Human Resources department has been underway. After an extensive search, and civil service processing, that spanned 10 months, a qualified senior executive has been hired. The search for individuals with HR expertise began in the last quarter of 2002 and continues today. The senior executive hired has the educational credentials and background in human resources, payroll, civil service and law enforcement to effectively deal with HR issues in a 24 hour, 7 day a week public safety environment.

Appropriate civil service titles and personnel need to be identified to fill positions. The Department has been working with the County HR and Civil Service departments for 2 years now. To replace correction officers requires the cooperation of a number of County agencies and must be preceded by proper planning, budget approval, recruitment and training. To reassign correction officers as recommended by this audit without suitable replacements would bring payroll and personnel functions to a halt. And that action would not be appropriate.

Auditor’s Follow-up Response:

The Correctional Center’s reference to Government Auditing Standards is unfortunately misleading and not accurate. The Government Auditing Standards, as promulgated by the United States General Accounting Office, outline the various standards by which

government audits should be conducted. It should be noted that the Comptroller's Field Audit Division strictly adheres to all such pronouncements.

Upon further questioning of Correctional Center staff, they quoted various sections of the guidelines dealing with cooperative engagements (section 1.16), the need to ensure that auditors exercise prudent use of information acquired in the course of their duties, and that such information not be used for personal gain (section 1.22). However, what Corrections staff failed to understand is that this report resulted from an audit of the Correctional Center and that during the audit various issues previously raised by the County's Payroll department were examined. Section 3.32 of the Government Auditing Standards, dealing with independence, point number 12, clearly notes that personnel who provide non-audit service "are permitted to convey to the audit assignment team the knowledge gained about the audited entity and its operations."

In fact, the audit report makes several references to various sources and documents involved in "non-audit" services, where many of the same findings/issues existed. These references were included for the purpose of putting the findings in the context of an organization where such issues have been lingering for quite some time.

We concur with the Department's corrective actions to reorganize the personnel unit. The Correctional Center also states that it has been working with County Human Resources and Civil Service for two years to identify appropriate civil service titles and personnel to fill positions. We recommend that it request the assistance of the administration to obtain the resources required to correct this inefficiency.

We did not recommend that the correction officer be reassigned before obtaining suitable trained replacements to perform these functions, as implied by the Correctional Center's response.

At the time of the audit, the personnel unit was staffed with only one individual whose civil service title requires the ability to perform arithmetical calculations. Performing arithmetical calculation is not the same as "aptitude or experience in financial matters or payroll administration." We believe that the Unit's performance could benefit from the employment of individuals with these skills, such as Accounting Assistants.

The Correctional Center's response to the audit finding did not address our recommendation that a procedures manual be promulgated for use by the Personnel unit. We reiterate the importance of this to ensure that the Unit's employees are properly informed as to procedures, contract terms and directives.

Audit Finding (3): Agency comments

- The conclusion that the falling staffing levels in the Correctional Center is a cause for the doubling of overtime costs, from \$10 million in 2000 to \$20 million in 2003, does not convey to an uninformed reader all pertinent factors. Parenthetically, we note that the information reported for 2000 and 2001 falls outside the stated audit period.
- The findings failed to identify the following factors:
 - In the year 2000 the former County Executive issued a directive that prohibited NCCC personnel in the rank of corporal and above from taking earned overtime in cash. The amount of overtime earned that year in compensatory time skews the statistical value of this report's analysis.
 - Relevant collective bargaining agreements prior to the current ShOA MOU (Memorandum of Understanding) of August 14, 2001 contained a provision, which put a "cap" on cash overtime earnings over a certain amount without a waiver. Various periods occurred where the "cap" was both waived and enforced by the County.
 - When a new contract was put in place, the dollar amounts associated with the negotiated salary increases (29% over the term of the contract), including step increases, were not cited in this analysis. The resulting cost of those increases equaled an additional \$4.5 million in overtime payments.
 - The audit report fails to include the existence of a Department of Justice (DOJ) review of the NCCC, and the implementation of an associated DOJ settlement agreement, which contained various provisions that directly and indirectly had a significant impact on the staffing of posts. The training required, to insure compliance with the DOJ settlement signed by the County equaled \$1.1 million in overtime.
- The auditors admit that they did not have specific information from the State of New York Commission of Corrections on the number and placement of security posts throughout the (NCCC) facility. They then present a 15.5% increase in the inmate population and a 10.6% decrease in staffing level during the audit period without any correlation of facts in which to draw conclusions on the association of minimum staffing and inmate population to overtime costs.
- The average daily inmate populations used in this finding are incorrect. The average daily populations were: 1,446 in 2000; 1,579 in 2001; 1,731 in 2002 and

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1,686 in 2003. Any analysis or conclusions drawn from the incorrect population figures is faulty.

Audit recommendations: Agency comments

- The NCCC did request an updated “Position and Staffing Analysis” from the State Commission in 2002 to determine the minimum number of staff necessary. The Commission, citing overtime costs, manpower issues and increased workload could not accommodate our request.
- The overtime information referenced and examined is outside the audit period as stated by the Comptroller’s Office in the audit document.

The findings do not take all relevant circumstances into account, such as provisions of collective bargaining agreements that were in effect at the time in which the auditors examined.

Auditor’s Follow-up Response:

Headcount information was presented because it shows a trend that is more meaningful than showing a change over two years only. The audit report cites year-end headcount information reported by the Correctional Center to NYS. This information reveals an increase in inmate headcount of 245 as compared to the increase of 240 cited in the Correctional Center’s response, yet the Correctional Center concludes that any analysis performed or conclusions reached are faulty because the numbers are faulty. We did not reach any conclusions from performing analysis on these numbers. Instead, we concluded that analysis could not be performed because the Correctional Center’s Position and Staffing Analysis was outdated.

We stand by our recommendation that the Correctional Center request an updated analysis from the State. Conditions may have changed at the State since 2002 that would permit it to honor this request.

Audit Finding (4): Agency Comments

- The statement “The Correctional Center has allowed numerous individuals to earn excessive overtime pay” is misleading.
 - There is no evidence presented that the specific employees earned their overtime in violation of any rule, policy or collective bargaining agreement.
 - The finding is in direct contradiction to the audit’s stated objective - “We tested recorded transactions to determine if the records complied with county payroll procedures as set forth in the labor contracts of the County of Nassau Sheriff Officers Association (‘ShOA’), ...” [page 3 Executive Summary]
 - The collective bargaining agreement (CBA) does not permit or allow the correctional center to “cap” the overtime earnings of any corrections officer.
 - Correction officers may under the current CBA, volunteer for and work overtime prior to or after their scheduled shifts and/or on their regular days off.

Audit recommendations: Agency Comments

- Consideration for 12 hour tours is a collective bargaining issue. Labor relations issues are outside the scope of this time and leave audit. The County and Sheriff’s Department is currently in contract negotiations with ShOA. Any comments about our agency’s position with regards to 12 hour or split tours should not be made here and could compromise and interfere with and/or negatively impact the County’s ongoing contract negotiation efforts.
- The audit’s recommendations are based on an inaccurate assumption that overtime is being incurred in the units where employees work.
 - Overtime can in fact be earned at other locations by a single officer.
 - Responsibility centers within the budgetary units of appropriation reflect earnings but not locations of actual work. Overtime may have been earned within an employee’s unit or in another unit
- The necessity for overtime is carefully scrutinized and primarily involves the security of the correction facility and custody of inmates. Audit staff failed to have any discussions with senior management in the Sheriff’s Department

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concerning their field-testing on this item, or how units with high amounts of overtime would be measured to determine the nature and necessity for overtime.

- No plan or methodology was presented or cited to show how an analysis was to be made to support the conclusions, recommendations and findings cited.
- There is no evidence presented that the specific employees earned their overtime in violation of any rule, policy or collective bargaining agreement.

Auditor’s Follow-up Response:

The audit did not conclude that there were violations of any rule, policy or collective bargaining agreement.

Although the Department is correct in that correction officers may work overtime outside of their regular unit, it remains a fact that six of the ten highest overtime earners work within the same unit.

Our findings point out that it may be a more effective use of resources to hire additional correction officers than to have officers working excessive amounts of overtime. Not only might savings result, but the health and safety of officers who perform demanding work under stressful conditions might be better protected.

Additionally, the finding does not violate the audit objective. An underlying objective of all audits is to provide information to improve program operations and facilitate decision making by parties with responsibility to oversee or initiate corrective action, and improve public accountability.

Audit Finding (5): Agency Comments

- The listing of “155 exceptions” is factually incorrect.
 - An “exception” has been defined as the auditing team being unable to trace an overtime slip to another document to establish an audit trail. The lack of an audit trail to an overtime slip represents only one exception in the examination of overtime slips processed. It should be conveyed in terms of 155 overtime slips that could not be traced to another document.
 - The Sheriff’s Department, in a sampling of the same 155 overtime slips referenced above, was able to establish an audit trail to other documents

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that included daily overtime reports, and specialty unit lineup sheets. These documents were never identified by the field audit team nor requested by them.

- The time entered on the employee's unit timesheet does not reflect the overtime hours worked in another location. Since a sampling of the same 155 slips has been verified it would lead us to conclude that the percentages cited in this finding are not accurate. To leave this finding, and the percentages noted as is would improperly give a reader of this audit inaccurate statistical information.

Audit recommendations: Agency Comments

- The audit's recommendations to establish supplemental reports would be labor intensive and duplicate efforts already in place, as well as slow the timekeeper's down in payroll processing.
 - We are in agreement with the purpose behind such a recommendation and feel that a clear audit trail should be documented on the overtime slip to facilitate a match that would quickly establish that overtime was worked.
 - We are willing to work with the Comptroller's payroll and or auditing staff to develop a clearer method for establishing an audit trail.
- We are in agreement that lineup sheets and documentation relative to overtime should be entered in ink and not pencil.

Auditor's Follow-up Response:

The Correctional Center maintains that when examining a test sample of documents to determine if a control attribute has been met, similar errors found on a number of documents represent only one exception. Sampling techniques require that all errors be counted individually. We stand by our finding that 155 out of 428 overtime slips contained errors.

Our examination included documentation possessed by the personnel unit. The Correctional Center should provide all time sheets, daily overtime reports and specialty lineup sheets supporting all hours worked to the personnel unit. The unit should, at a minimum, verify hours worked on a test basis.

Audit Finding (6): Agency Comments

- There is no known payroll procedure, or directive issued by the Comptroller, to require and maintain specimen signatures of all supervisors who authorize overtime.
- There is oversight by the supervisors who are required to compile and submit daily overtime summary reports for their units.
- A timekeeper who is performing data entry cannot possibly identify a signature on an overtime slip without it interfering with their ability to perform their assigned duties in a timely manner. The authorization for overtime rests with the unit supervisors and not the payroll data entry person.
- The supervisors who sign as a “requesting officer” or as an “authorizing” person need not necessarily have to be present when someone works to have knowledge of the overtime request, or to authorize the overtime request. The supervisors can have knowledge and can verify the overtime was worked. This shows a lack of knowledge on the part of auditors tasked with the review of a 24 hour, 7 day-a-week public safety institution.
- The instances cited where overtime request authorization signatures are dated after the date of overtime does not indicate an error, or a discrepancy. Due to the physical layout of the correctional center, as well as the diverse working hours, authorization can be conveyed for overtime, and the form itself can be signed at a later date.

Audit recommendations: Agency Comments

- The NCCC has required the notation of shield numbers on overtime slips.
- Supervisors, who are required to compile and submit daily overtime summary sheets, provide the first level of oversight for overtime performed in their units.
- Instructions and training will be reinforced to convey existing directives that all overtime slips are completed in full.
- Prior authorization for overtime is done. We do not agree with the recommendation that all overtime signatures can be dated the same day as when overtime is worked because, frequently, the authorizing supervisors are not on site at the time.

- We are in agreement that timestamps used for overtime verification should be clear, and that overtime worked in personnel should be recorded on timesheets.
- We would note that one instance of a single employee taking time off on the same day when overtime was worked is a single error and not indicative of a systemic deficiency.

Auditor's Follow-up Response:

The Correctional Center's response indicates that timekeepers cannot identify signatures without it interfering with their ability to perform their assigned duties in a timely manner. Timekeepers cannot effectively perform their duties unless they can determine if an overtime slip had been properly authorized by a supervisor. In order to do this, authorizing signatures must be identifiable.

The Correctional Center's response also states that "requesting" and "authorizing" officers need not be present when someone works. This response does not relate to our finding that overtime slips were incorrectly dated because they were signed and dated by requesting/authorizing officers on dates that the authorizing or requesting officer was off duty. Additionally in a 24/7 operation such as this, there should always be a supervisor present who can verify the necessity for the overtime before it is worked and verify that it was actually worked.

As mentioned in the auditor's response to the Correctional Center's comments on Audit Finding 2, we concur with the Correctional Center's corrective action to provide instructions and training to ensure that overtime slips are completed in full. The Correctional Center should also instruct the personnel unit to ascertain that overtime slips are completed in full before posting them.

Audit Finding (7): Agency Comments

- There is no evidence presented by the auditors that any test sample was conducted to show the number of overtime entries that the Comptroller's office had to delete in any sample period tested.
 - Conveying information that "As a result of these lapses, the Comptroller's Office has been deleting at least 10 duplicate entry errors from this unit per pay period." does not convey a balanced and independent review, as one would expect to be conducted in an audit.
 - If, in fact, the Comptroller's Office is correcting 10 entries out of the more than 8,000 entries the Sheriff's Department makes each pay period that would represent a manual entry error rate of **.001%**. No criteria has been discussed or established to indicate, yet alone measure, an acceptable or unacceptable rate for errors.
- The duplicate entry report referenced does not always show duplicate entries. In fact many of the entries on this report show overtime that was worked pre-tour and post-tour on the same day and are not in fact duplicates.
- In paragraph 3 of the finding it conveys an impression that the timekeepers who perform data entry are required to verify overtime and compare the slips to time sheets. This is not an accurate description.
- The Comptroller's field audit staff is well aware of the Department's efforts to civilianize correction officers yet there is no mention of this in the findings. This section of the finding should be removed.

Audit recommendations: Agency Comments

- A method will be developed so as to record or mark a timekeeper's entry of slips into NUHRS. There is a large volume, of approximately 8,000 entries per pay period.
- On June 14, 2004 the Sheriff forwarded a memo to all Deputy Undersheriffs and all Captains concerning personnel (Human Resources) procedures. Attached to this memorandum were the actual copies of twenty-three (23) procedures many of which originated from the Personnel Unit. All members of the Sheriff's Personnel Unit will be provided with a copy of that memo and copies of the associated procedures.

- No criteria has been discussed or established to indicate, yet alone measure, an acceptable or unacceptable rate for errors. Using the example cited by the auditors, if in fact the 10 error corrections occurred each pay period, it would represent an error rate of .001%.
- Civilianization efforts are underway to replace correction officers in clerical assignments. New personnel must be identified, hired and trained. The following was referenced in Audit Recommendation: Agency Comments for Audit Finding # 2:
 - Appropriate civil service titles and personnel need to be identified to fill positions. The Department has been working with the County HR and Civil Service departments for 2 years now. To replace correction officers requires the cooperation of a number of County agencies and must be preceded by proper planning, budget approval, recruitment and training. To reassign correction officers as recommended by this audit without suitable replacements would bring payroll and personnel functions to a halt.

The purchase of an automated time & leave system would correct global time & leave deficiencies. The Sheriff's Department would welcome the opportunity to be designated for beta testing of such a system.

Auditor's Follow-up Response:

The Correctional Center disagrees with our position that the employee entering overtime should verify that it has been authorized and compare it to timesheets. We believe that the authorization should be verified, and that at a minimum the hours worked should be verified on a test basis. This requirement should be incorporated into the Correctional Center's procedures.

We recommended that a data entry clerk perform the input function instead of a highly trained correction officer. We did not recommend that a correctional officer be reassigned before obtaining a clerk to perform the function, as implied by the Correctional Center's response. The Correctional Center also states that it has been working with County Human Resources and Civil Service for two years to identify appropriate civil service titles and personnel to fill positions. We recommend that it request the assistance of the administration to obtain the resources required to correct this inefficiency.

The Sheriff's Department should be a primary candidate for beta testing of a new time and leave system. We recommend that the Department make this request to the Administration and the Department of Information Technology.

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We concur with the Correctional Center's plan to provide the personnel unit with copies of all personnel procedures. This should be done as soon as possible, and the unit should be provided with copies of new policies as they are issued. Personnel unit staff should be trained in the implementation of such procedures.

Audit Finding (8): Agency comments

- The auditors have identified an employee who was granted “excessive leave”, in the form of compensatory time, in both 2002 and 2003. The audit report cites the employee’s use of 140 days of leave, including 98 days of comp time during 2002, and further cites the employee’s use of 120 days of leave, including 87 days of comp time in 2003. These statements are misleading.
 - The collective bargaining agreement (CBA) permits employees to use accumulated time and leave. There is no known rule, ordinance or contractual provision that would prohibit an employee’s use of time within established policies for requesting and granting time and leave. If there is any rule or contractual agreement that would preclude this, it is neither cited in the Comptroller’s Audit Report, nor is it described in the audit as a basis used in an audit plan, audit worksheet or comparative methodology.
- The audit report also cites this same employee as working 147 days out of 307 scheduled days in a 15 month period, and attempts to form a nexus to a 165 hour increase in the employee’s comp time balance during the same period. The audit report specifically states that “Sixteen hours of overtime each week was used to generate 24 compensatory hours, or two to three days off, each week”.
 - Fact: The audit report’s math is correct – 16 hours of overtime worked will equate to 24 hours of comp time earned, if comp time is opted by an employee.
 - Fact: Any employee under the CBA who works overtime may opt for cash or compensatory time. (With the exception of the first 16 hours of OT each year which must be credited as Contractual Compensatory Time)
 - Fact: There is no contractual agreement to cap or limit an employee’s overtime, with the exception of overtime restrictions under the Sheriff’s Sick Leave Abuser management program.
 - Fact: The employee submitted leave requests and earned compensatory time within department rules and in accordance with the CBA.
- The report also cites that the employee submitted leave slips monthly, requesting 8 to 12 days off at a time and gives an example of how 14 days out of 20 platoon scheduled days in June 2003 were requested and granted. A separate statement is

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made of two days being denied with the audit report concluding that the employee's calling in sick on those days is connected to a denial of a leave request.

- There is no evidence cited or presented to show that the employee in question was not in fact sick on the two separate days used.
- There are no facts presented to conclude that an employee cannot use their sick leave.
- Our records indicate that the employee referenced by the auditors did in fact exercise their legal and contractual rights to call in sick on two separate occasions and did so in compliance with Departmental procedures.
- There are no facts presented to conclude that this employee's use of sick leave was a direct result of a denial of a leave request. Making this conclusion is conjecture it is not an objective finding nor is it impartial.

Audit recommendations: Agency comments

- The recommendation to deny overtime to individuals using what the audit reports states is "excessive" amounts of leave time violates County policies and violates the provisions of Collective Bargaining agreements.
- The recommendation for a NUHRS report to identify employees who earn and use "excessive" amounts of comp time is useless without applicable rules to which the report can be compared.
- The employee referenced in this audit finding is not a sick leave abuser and is not subject to monitoring, discipline or a denial of their leave entitlements.
- The NCCC does in fact have a program to monitor employees who exhibit patterns of abuse concerning sick leave and/or GML207C leave entitlements.
 - The Audit report's recommendation appears to be related to excessive use of authorized leave. Making this type of recommendation does not appear to be based on any County payroll procedure, provision of the contract with ShOA, the contract with the CSEA, nor is it based on the stated scope, objective or methodology of the audit.
 - This facts contained herein do not show any violation or deviation from any county procedure or collective bargaining agreement, as such this finding and recommendation should be removed from the audit report.

Auditor's Follow-up Response:

Our audit finding stated facts obtained from the employees time and leave records. We did not conclude that the employee was not ill on the dates sick leave was used, nor did we conclude that there was a causal relationship between the denial of time off and the use of sick leave.

*The Correctional Center's response states that "There is no known rule, ordinance or contractual provision that would prohibit an employee's use of time within established policies for requesting and granting time and leave." Employees must **request** leave. It is the prerogative of management to grant or deny the request based upon the needs of the department. We believe that management should use its discretion in granting excessive leave in those cases where additional overtime will result. Denial of leave may result in the employee being paid cash for overtime, instead of taking time off that leads to other employees incurring overtime to cover absences.*

We concur with the Correctional Center that current contracts do not permit the denial of overtime to employees who use excessive amounts of leave. We recommend that future contract negotiations consider the inclusion of provisions to define excessive granting of overtime and usage of leave and provide remedies to permit the Correctional Center to properly function without incurring unnecessary overtime costs.

Audit Finding (9): Agency comments

- The ordinance cited does not prohibit the awarding of compensatory time to senior officials at the Correctional Center. In fact, it expressly authorizes the awarding of compensatory time at the direction of the department head for extraordinary circumstances.
- The extraordinary circumstances that existed during part of the period commented on shows that there was nothing improper about this time earned.
 - This includes the Department of Justice investigation following the death of a detainee, implementation of a settlement agreement following a protracted investigation into facility violence and accusations by the government of substandard medical and mental health care, the mass exodus of NCCC executives, labor unrest that included a walk-out, and the fact that there was no labor contract in place since 1997.
- The audit team from the Comptroller's Office never entered into any discussions with the Sheriff to seek clarification or explanation for the circumstances or events associated with this finding.

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- The audit fails to show how the use of compensatory time by three administrators in lieu of using any other accumulated leave balance was improper.
 - There is no evidence that the employees noted in this finding did not in fact work during those hours for which they received compensatory time.

Audit recommendations: Agency comments

- The findings do not accurately relay the extraordinary circumstances in place that warranted the authorized awarding of compensatory time for the work performed by senior officials at the NCCC.
 - There is no evidence that the employees noted in this finding did not in fact work during those hours for which they received compensatory time.

Auditor's Follow-up Response:

The County Executive's 2002 policy prohibited overtime for non-union personnel except in the case of unavoidable events or unanticipated emergencies. The blanket authorizations for overtime did not cite qualifying conditions. Instead, they cite "workload" or "administrative duties." Our findings did not imply that the overtime was not worked; rather the findings relate to the authorization process.

The Correctional Center's response does not address our findings that overtime slips were self-authorized or that slips contained no request for, or authorizations of, overtime. We reiterate our recommendation that overtime be properly requested, authorized and verified.

Audit Finding (10): Agency comments

- Our review concurs with the auditor's findings that platoons 1,2 and 3 work nine (9) shifts (72 hours of shift differential) in some pay periods and ten (10) shifts (80 hours of shift differential) in other pay periods. The review also shows that platoons 4 through 9 worked some pay periods where they appear for only four (4) shifts and were paid 40 hours of differential and not 32 hours.
- This has been a long-standing, historical practice for the payment of shift differentials using the same units (40 and/or 80) that mirror payroll. For example, shift differential use to be paid quarterly in the 1980's with staff assigned to

steady midnights (platoons 1, 2 and 3) receiving quarterly payments for 480 hours and the other platoons receiving quarterly payments for 240 hours.

- The Comptroller's Office (Payroll Unit), which has monitored and has processed these payments for years, has yet to officially advise us of this discrepancy or issue guidelines for shift differential processing.

Audit recommendations: Agency comments

- The Sheriff's Department is reviewing all applicable collective bargaining provisions and other relevant materials to determine the appropriateness of any action that may be taken.
- The actual time when the shift differentials are entered will be examined to see that it is processed in a reasonable time and that unnecessary overtime is not incurred due to any shortages of personnel that may be needed to process the entries.

Auditor's Follow-up Response:

It is the Correctional Center's responsibility to ensure that shift differential is claimed only for hours worked. There is no system in place that allows the Payroll Unit in the Comptroller's Office to determine if individual employees are eligible to receive shift differentials. As such, the Comptroller's Office must rely upon the department and therefore would not be able to detect a discrepancy in relation to shift differentials. The Comptroller's Office is not required to issue guidelines for clearly stated contractual requirements such as paying shift differential for "each hour actually worked."

We concur with the Correctional Center's plan to review collective bargaining agreements and take appropriate action.

Audit Finding (11): Agency comments

- The findings and recommendations will be examined. The Department is currently reviewing the records that pertain to the four employees on the disabled lists and the eighteen cooks referenced.

Auditor's Follow-up Response:

We concur with the Correctional Center's plan to examine our findings. We reiterate our recommendation that official orders be promptly issued when employees are assigned to the disabled list or when their work hours are changed.

Audit Finding (12): Agency comments

- The audit finding states the following “Although the majority of union representatives were entitled only 40 hours of Group I shift differential prior to their union release (and one had received a minimal amount), they are currently being paid 80 hours of Group 2 shift differential.”
- These payments are a result of a pre-existing labor agreement between the prior County administration and ShOA, which commenced in 1999.
- Inasmuch as these payments are pursuant to a labor agreement, any change in payments will likely be the subject of collective bargaining and/or litigation.

Audit recommendations: Agency comments

- As stated above, these payments are pursuant to a pre-existing labor agreement and were not intended to correlate to the union representative's actual hours prior to their assignment to the union.
 - Although neither the Sheriff nor members of his executive staff were questioned about this matter by the Comptroller's Office during the course of this audit, we remain available to discuss this issue with them.

Auditor's Follow-up Response:

The Department defends the payment of 80 hours shift differential by stating that the payments are a result of a pre-existing labor agreement between the prior county administration and ShOA. We believe that the Correctional Center has misinterpreted

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the terms of the labor agreements. The language governing shift differential is contained in the CSEA contract, which requires that “Employees who are on authorized leave with pay shall likewise receive the additional shift differential, if such employees, by reason of their work schedule, would otherwise have worked during such hours for which the said shift differential would be paid.” Based on this contract language, employees who work shifts entitling them to 40 hours shift differential prior to union release would be entitled to 40 hours shift differential while on union release.

The Correctional Center’s response did not address our finding that two employees were reassigned from a shift which earns 40 hours of differential to one which receives 80 hours simultaneous with their assignment to union release. We are concerned that these transfers may have been made to circumvent the terms of the labor agreements. The Correctional Center should investigate the circumstances under which these reassignments were made, and take corrective action, if required.

Subsequent to the completion of the audit, ShOA provided the Comptroller’s Office with an unsolicited copy of a January 26, 2000 letter from a Deputy Undersheriff to the Personnel Supervisor providing guidance on shift differential which states, “As has been past practice and to be consistent with section 7-4 of the current “Collective Bargaining Agreement,” anyone released for union business shall receive the highest shift differential per Sec. 26.” We believe that the Deputy Undersheriff has misinterpreted the contract and is also citing prior practice that contradicts contractual terms. We recommend that the Correctional Center request the guidance of Labor Relations in situations requiring contract interpretation.

Audit Finding (13): Agency comments

- The Sheriff’s Department has had a limited amount of time in which to review the files of the 18 employees in this finding.
 - To date, the Department did find the paperwork the Comptroller’s Office believed to be missing in the personnel files of two of the named employees. We are continuing our review of each employee file referenced.

Audit recommendations: Agency comments

- All recommendations relating to SLHP will be studied.

Information contained in this referenced area is part of a pending civil litigation case. As such, the Sheriff’s Department cannot provide any public comment.

Auditor's Follow-up Response:

We recommended that the Correctional Center follow proper procedure in that SLHP should only be granted when requested and supported by a doctor's certificate. These recommendations should be implemented immediately. We do not believe that a study is needed before following established policy.

Audit Finding (14): Agency comments

- All findings will be examined by the Sheriff's Department.

Audit recommendations: Agency comments

- All recommendations relating to SLHP will be studied.
- Information contained in this referenced area is part of a pending civil litigation case. As such, the Sheriff's Department cannot provide any public comment.
- Due to the pending litigation, without commenting on specific language, description of events or conclusions contained in this finding, public disclosure would not be appropriate.

Auditor's Follow-up Response:

We recommended that the Correctional Center follow proper procedure in that SLHP should only be granted when requested and supported by a doctor's certificate. These recommendations should be implemented immediately. We do not believe that a study is needed before following established policy.

Audit Finding (15): Agency comments

- The Sheriff's Department will review the findings for the two employees referenced.

Audit recommendations: Agency comments

- The Sheriff's Department will comply with the terms of labor agreements relative to this finding.
- The Correctional Center will investigate the findings noted and will seek to recoup any overpayments if they occurred.

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Auditor's Follow-up Response:

We concur with the corrective actions being taken by the Correctional Center.

Audit Finding (16): Agency comments

- The findings identify deficiencies in both the County's Employee Request and Authorization for Leave form (NC 5000) and the Correctional Center's internal form (CC-13-B) used for bereavement. While noting that the Correctional Center form contains more useful information than the County form, the audit criticized only the form used by Correctional Center.

Audit recommendations: Agency comments

- The County's form NC5000 is a general purpose form used for all types of leave. Any recommendations to change or combine the useful information on both the County form and the Correctional Center's form would impact on the form's use County-wide.

The NCCC will adjust its Request for Bereavement Leave form to indicate the employee's social security number, a supervisor's approval as well as a section for the timekeeper to indicate entry of the leave in NUHRS.

Auditor's Follow-up Response:

We concur with the corrective actions being taken by the Correctional Center.

Audit Finding (17): Agency comments

- The Sheriff's Department has had a limited amount of time in which to review the files of the 10 employees identified by the Comptroller's Audit staff in this finding.
 - Given the extent and volume of all the findings noted in the audit report case reviews associated with this finding have not been completed. A review of each employee file referenced is underway.
- The Sheriff's Department does not have the same capability as the Comptroller's Office of generating detailed and comprehensive reports from the NUHRS system reflecting employees' past time and leave. The Comptroller's Office does and,

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thus, was able to identify the referenced employees who utilized 22 and 55 bereavement days respectively.

Audit recommendations: Agency comments

- We agree with the recommendation that all bereavement leave forms should be submitted promptly.
- The department's employee records do not contain the details of all family members that can qualify for bereavement leave.
- The NCCC does not have the data or information technology resources to generate bereavement leave use reports.
 - The NCCC requests that the Comptroller's Office provide the Sheriff's Department with the ability to periodically run time and leave reports on its employees, which includes their past history by leave type. This would be more efficient and effective than requesting reports, periodically, from the Comptroller's office.
- The NCCC has disciplined a number of employees for bereavement leave abuse.
- The records for employees identified in this finding are under examination. Ongoing internal and criminal investigations preclude us from rendering any further comments on this finding.
- A new automated time & leave system would address this finding. Efforts are underway by the County to purchase an automated system with the Sheriff's Department selected to be a beta test site.

Auditor's Follow-up Response:

The Correctional Center can request that the Department of Information Technology produce special purpose reports. These reports should be used to detect excessive or suspicious usage. Leave balances should be adjusted where bereavement leave was improperly taken or granted. The Correctional Center's response did not address our findings that leave was granted in excess of maximum days allowed, granted based upon incomplete requests, or based upon no requests at all.

Audit Finding (18): Agency comments

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- This finding represents a single deviation, an error that was corrected prior to the publication of this draft audit report.

Audit recommendations: Agency comments

- The Comptroller's Office is aware that this employee's status has been changed in NUHRS and that a letter seeking to recoup health insurance premiums was sent out.
- We would note that finding represents a single error, a deficiency that was addressed, and not a systemic problem.

Auditor's Follow-up Response:

Our finding stated that only nine employees were granted donated leave during the audit period, and that we found an exception with one of them. County taxpayers will have incurred an unnecessary expense unless the \$24,000 in health insurance premiums can be recovered. We reiterate our recommendation that the Correctional Center identify employees on active status who are not receiving compensation and transfer them to inactive without pay status.

Audit Finding (19): Agency comments

For the most part, this finding represents a single deviation.

Audit recommendations: Agency comments

- This finding represents a single deviation. It does not represent an error or deficiency or a systemic problem.
- The records for two employees who have unused donated time will be examined and if required the time will be returned to the last donor of record.

Auditor's Follow-up Response:

The Correctional Center maintains that our finding does not represent an error. However, the granting of donated leave for the care of a family member is contrary to the directions of the Department of Labor Relations. The Correctional Center should have counseled the employee of his/her rights under the Family Leave Act.

Audit Finding (20): Agency comments

- The Sheriff's Department has had a limited amount of time in which to review the files of the eight (8) employees referenced in this finding.
 - The audit finding reference material was just provided to the Sheriff's Department within the last two weeks. Given the extent and volume of all the findings noted in the audit report case reviews associated with this finding have not been completed.
 - A review will be conducted of each employee file referenced.

Audit recommendations: Agency comments

- All recommendations relating to finding on the accrual of leave will be studied and if corrections are warranted they will be acted upon.
- One employee identified was on military leave, and it is the Sheriff's Department position that County ordinance states that no employee shall be denied their accruals during their time of military service.
- The 1967 opinion of the New York State Comptroller which is cited by the Comptroller's Audit staff is not applicable in this situation.

Auditor's Follow-up Response:

We concur with the Correctional Center's corrective action plan to review the files and make warranted corrections.

The county ordinance applies to all departments and is not subject to individual departmental interpretation. The ordinance grants salary subsidy to those serving under "Operation Freedom." It does not cover leave benefits. Leave benefits are covered by New York State Military Law. The Correctional Center's position that the Opinion of the New York State Comptroller is not applicable is without merit.

Audit Finding (21): Agency comments

- The military status of these individuals, the cost of living increases, and the salary increase applied are being examined.
 - A case-by-case review is being done.

Audit recommendations: Agency comments

- Two of the six employees are still on military leave.
- It is the Sheriff's Department position that County ordinance states that no employee shall be denied their accruals during their time of military service, this would include the salary increases referenced in the finding.
- The records of the four remaining employee's who have returned from military leave will be reviewed and county policies requiring reimbursement for overcompensation will be followed.

Auditor's Follow-up Response:

The Sheriff's Department's position is contrary to the county resolution, which states that the employee's rate of compensation should be determined by the rate earned on the last date worked prior to receiving notice of military activation.

Audit Finding (22): Agency comments

- The records for the one individual identified in this finding were reviewed.
 - Valid military orders were issued
- This finding is incorrect. The Department is in possession of the appropriate documentation and will make it available to the Comptroller's Office for review.

Audit recommendations: Agency comments

- Current policy at the NCCC requires that requests for Military Leave be accompanied by valid orders.
- An investigation was previously conducted into both the validity of military orders issued for the individual identified and the duties that this individual

performed while absent from the Sheriff's Department due to an on-the-job-injury.

Auditor's Follow-up Response:

We requested that the Correctional Center provide copies of valid military orders, but we did not receive them. Without additional documentation and the results of the investigation, our findings remain unchanged.

The results of investigations which validate the employee's entitlement to military leave, along with copies of official military orders, should be maintained in the employee's file.

Audit Finding (23): Agency comments

- The military leave status of the employee identified in this finding has to be confirmed.
- The Department is attempting to obtain official documentation from the military.

Audit recommendations: Agency comments

We did obtain updated information from this individual. His status both in the military and as a county employee is under review.

Auditor's Follow-up Response:

We recommend that this employee be placed on no-pay status until the Correctional Center's investigation is completed.

Audit Finding (24): Agency comments

- The review conducted in this audit regarding the time that an employee reports to a fire, rescue call or related emergency associated with their volunteer firefighting duties contains errors.
 - Documentation is in the employee's file that shows both a response to a fire on December 7, 2003 and on December 14, 2003
 - Only one instance can be found where the documents show that an employee responded to a fire after taking off his scheduled shift earlier in the day. Given the employee's stellar record of submitting accurate forms for volunteer firefighting calls, that one record may in fact be incorrect. This will be determined upon further review of the day in question.

Audit recommendations: Agency comments

- As of January of 2004, the NCCC requires that volunteer firefighters provide annual documentation of their participation as a volunteer firefighter.
- The NCCC did establish an hourly ECOMP time bank in NUHRS for employees who are firefighters. This was done prior to the publication of this draft audit report.
- The leave entitlements in excess of the contractual four days used by the four employees identified were converted to other leave entitlements.
- The recommendation to deny ECOMP leave requests for standby duty is not appropriate and violates the provisions of the CBA. Standby, as defined by the fire chief or other fire official, is not open for interpretation in this audit. Standby duty at a firehouse can, and does have, associated emergency service duties. The terminology of “standby” should not be misinterpreted.

Auditor’s Follow-up Response:

We provided the Correctional Center with documentation of both instances in which an employee used E-Comp to respond to emergencies which occurred after the shifts ended. The Correctional Center should investigate both instances and take appropriate action.

The Correctional Center subsequently provided a copy of documentation it used to support the employee’s December 14 ECOMP leave. We noted that this employee did not respond to an alarm, but rather chose to serve standby duty at the firehouse. We stand by our finding that ECOMP should not be used for standby duty.

We are not interpreting “standby.” We are stating that the employee used ECOMP to serve standby duty. The purpose of ECOMP is to permit employees leave to respond for the “purpose of engaging in emergency missions.” It does not state that they should be granted time off in anticipation of an emergency.

Audit Finding (25): Agency comments

- The audit findings are in error. There is an assumption that ECOMP must only be used for fires and emergency calls that occurs during an employee's shift. There is no such basis for this conclusion.
- The records for the employee referenced in this finding were reviewed. It was found that a Fire Chief of this employee's volunteer fire department did sign off and determined that the employee in fact responded to calls prior to six of this employee's scheduled midnight (2400 hours by 0800 hours) tours at the NCCC.

Audit recommendations: Agency comments

- It is not in the purview of the Sheriff's Department to determine if the exhausting work associated with individual fires, rescue operations or other emergency responses in the volunteer fire service before an individual's scheduled tour be denied without proper cause.
 - The existence of a valid request from an employee associated with their emergency response duties in the volunteer fire service, accompanied by an attestation from a ranking fire official complies with the provisions of existing CSEA and ShOA labor agreements.
- The recommendation listed as "b"- "The approval of ECOMP usage outside the employee's regular shift should be restricted to prevent additional impact on the department; ..." does not make sense and is contrary to the provisions of the collective bargaining agreements. We only approve ECOMP usage for the hours of an employee's schedule shift; we do approve it for hours outside of their regular shifts.

The recommendation to rename the form "Use of ECOMP Hours" will be considered.

Auditor's Follow-up Response:

We reiterate our recommendations, which would result in employees using ECOMP in hours rather than full days. The use of hours might permit the employees to respond to many more emergencies each year if a full day is not needed for each response. We recommend that the Correctional Center communicate the benefit of using hours to the employees.

Audit Finding (26): Agency comments

- The audit finding accurately states the contractual provisions for the payment of standby pay.
- Multiple Sheriff's Operating Procedures (SOP's) are written wherein the Executive Officer (a Lieutenant) or one of the supervisory investigators (Sergeants) assigned to the Sheriff's Bureau of Investigation (SBI) must be notified, direct investigations and or respond to the Correctional facility.
 - These three are the only members of the SBI that receive standby pay.
 - The existence of multiple written procedures requiring either the notification to, or the response of, these supervisory investigative officers serves as "official orders" for their standby (on a rotating basis) from the time they go off-duty till the time they return to duty.
 - The payment of standby pay to these officers is within the provisions of the collective bargaining agreement and those payments do not violate any known County payroll procedure, directive, rule or ordinance.
 - With the exception of the Nassau County Police Department, no other County department has as many sworn law enforcement officers on duty 24 hours a day, seven days a week where an internal investigative unit needs to be in place.
- Because there is no requirement or mechanism, including any payroll directive or procedure from the County Comptroller's Office, to fill out a form that would facilitate the processing of standby pay, the use of overtime slips became an impromptu method to request payment to individuals.
 - While the completion of the OT slips by the employees to request standby pay, as well as the lack of an authorizing signature or a verified signature may appear to be inappropriate it was not required. An interim directive was issued to process these types of payments, and a new request for "standby pay" form is under development.
- The correlation of one employee's overtime earnings as a comparison indicator to the number of responses while on standby, and thus a conclusion within this audit concerning the need for officers not to be on standby is not an appropriate conclusion.

Audit recommendations: Agency comments

- We do not agree with the first recommendation.

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- Sufficient written procedures exist which require (order) supervisory investigative officers into a standby condition to discharge their official duties.
- We agree with the audit's recommendations that employee's should not receive both overtime and standby pay for the same hours.
 - The records of three individuals were examined and payments for 54 hours of standby pay occurred when overtime for the same hours were paid. The standby pay for the concurrent hours will be recovered.
- We do not agree with the recommendation that "...standby pay does not appear to be justified by the overtime amounts observed. If the department determines that standby is necessary, it should issue formal orders."
 - This finding and its unwarranted recommendation interferes with the Sheriff's authority to determine the appropriate internal controls and investigative needs to comply with the proper operation of the Correctional Center. Specific SOP's, developed to be in compliance with various statutory requirements, including an existing U.S. Department of Justice consent decree, justify the need for standby by supervisory investigative officers.
- We do not agree with the recommendation that employees on standby should not also receive beeper pay.
 - Two different areas of the collective bargaining agreement permit payment for both beeper pay and for standby pay.
 - Employees designated to have beepers are compensated within CBA for this requirement. Employees who are also required to be on standby are compensated separately as per a CBA.

Auditor's Follow-up Response:

We did not reach a conclusion that standby is not required for these officers. Our finding pointed out that, based on the amount of overtime earned, the officers do not often appear to respond while on standby. We requested that the Correctional Center perform an evaluation.

We recognize that labor agreements have provisions for both standby pay and beeper pay. The purpose of standby pay is to compensate employees who have agreed to be available on a one-hour notice. This presumes that while they are being paid, they can

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be contacted should they be needed. They should not be paid additional compensation to carry a device that makes communication more convenient for the employee. Subsequent to the end of field work, we noted that the three officers referred to in the findings were issued cell phones, yet the Correctional Center continues to provide them with beepers and beeper pay compensation.

We reiterate our recommendation that the Correctional Center provide official orders to employees on standby and that requests for standby pay is authorized and verified.

Audit Finding (27): Agency comments

- The Sheriff's Department does not distribute the NUHRS printed records due to a binding settlement arising from the filing of an improper labor practice charge filed by ShOA concerning the discontinuance of the time cards.
- While the audit report may wish to state, "As the official county record for time and leave, only NUHRS balances are recognized." this audit report fails to present a legal or binding decision from a competent authority (such as a court) to overturn the internal labor relations negotiations that was reached in our agency concerning time cards.
- The finding is in contradiction to its stated objective. The examination of this area was done without regard to our binding settlement in negotiations as per the existing collective bargaining agreement.

Audit recommendations: Agency comments

- Any decision to eliminate the use of the Manual Time Cards has to be undertaken with its impact on labor negotiations.
- The auditors did not identify to the Sheriff's Department the three locations that the time cards were sent to. If those locations were the Medical Investigations Unit, Absence Control and/or the Sheriff's Bureau of Investigation; those areas are authorized to examine employee records including social security numbers as part of their assigned duties.

Auditor's Follow-up Response:

The Correctional Center has not provided copies of binding settlements that require the maintenance of manual time and leave cards or which prohibit the distribution of NUHRS printed records.

We reiterate our recommendation that manual time and leave cards be eliminated. We recommend that the Correctional Center request the Department of Information Technology evaluate the possibility of producing computer generated time and leave cards from the NUHRS database and it should include the time and leave card in its desired specifications for a new time and leave system.

Until such time as the cards are discontinued, the Correctional Center should use clerks instead of highly trained corrections officer, often on an overtime basis, to perform the clerical task of posting these cards.

Audit Finding (28): Agency comments

- The Corporal referenced in the finding is assigned to work with the County's Employee Assistance program. His location is known, the audit staff failed to ask a knowledgeable staff member of the Sheriff's department information on this individual. His phone number is readily available and is posted on multiple documents and flyers throughout the Correctional facility.
- The location of the employee assistance program is off-site so as to afford members and their families a level of confidentiality associated with their individual needs and circumstances. This level of confidentiality is protected by State and Federal law.

Audit recommendations: Agency comments

- The location of the Sheriff's Department employee assistance program is known, and their phone number is posted in numerous locations throughout the facility.
- The Corporal's 6 AM by 2 PM schedule is consistent with the schedule for most corporals assigned to the correctional facility. This time period also overlaps the midnight and day platoon schedules affording our employees services during those times.
- The employee's time sheets are being reviewed and signed by a sergeant. In addition, the employee meets every two weeks with the Deputy Undersheriff for Human Resources to discuss EAP issues.
- The leave and time sheets referenced for the pay periods noted will be reviewed. Any vacation time that was taken and not entered will be corrected.

We would note that this single event is not indicative of a systemic deficiency that would

warrant a material change in procedures.

Auditor's Follow-up Response:

The Correctional Center did not address our recommendation requiring an adequate system for the employee's time to be verified by a supervisor at the work location or by an adequate call-in system.

When the auditors requested the location and telephone number of the employee, the Personnel Unit was unable to provide this information.

We did not recommend a change in procedures; rather we recommend that the Correction Center comply with its established procedures.

Audit Finding (29): Agency comments

Instructions have been issued to reinforce the chain of command authority.

Audit recommendations: Agency comments

- The recommendations made in this finding have been addressed.
- A complete reorganization of the Human Resources Department is underway including the relocation and consolidation of personnel to exercise greater controls, oversight and to enforce the chain of command.

Auditor's Follow-up Response:

We concur with the corrective actions being taken.

Audit Finding (30): Agency comments

- The deputy county attorney is no longer a signatory on the forms reviewed by the Comptroller's Office.
- There is no evidence that the time sheets certified by the General Counsel were inaccurate or otherwise contained false information.
 - The General Counsel works at the site audited and has knowledge of the work hours for those employees whose time sheets and overtime slips she had previously signed.
 - The County time sheets do not require a "supervisor" to certify the time sheets.
- There is no evidence that the overtime slips signed by the General Counsel did not accurately represent overtime worked by the various supervisors.
- Although the General Counsel was not questioned about these matters by the Comptroller's Office during the course of their audit, she remains available to discuss it with them.
 - The County Attorney issued a letter, dated June 1, 2004, that finds the duties and responsibilities currently being carried out by the General Counsel to be consistent with her civil service title of deputy county attorney as well as her in-house title of General Counsel.
 - The County Attorney found the General Counsel's role in disciplinary proceedings to be wholly appropriate and certainly a function of legal counsel.
 - The County Attorney did not find it to be inappropriate for the General Counsel to verify overtime when in a position to know whether or not such overtime was actually worked.

Audit recommendations: Agency comments

The recommendation is moot inasmuch as both the Civil Service Commission and the County Attorney's Office have issued statements concerning the General Counsel's authority and role, and the General Counsel carries out her responsibilities consistent with those statements.

Auditor's Follow-up Response:

We concur with the corrective action taken to remove the General Counsel as an authorized signatory.

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Audit Finding (31): Agency comments

- The two senior administrators are assigned and working at the jail due to a reorganization that had occurred in 1988.
- Employees working in various areas appear in person, or check-in with their unit supervisors daily.
- The messenger travels back and forth from Mineola and the Correctional Center as part of the daily routine of duties for a messenger.

Audit recommendations: Agency comments

- Time sheets for employees are verified by a supervisor.
- The departmental budget codes, payroll records and work supervisor locations will have to be adjusted to reflect the conditions described.

Auditor's Follow-up Response:

We reiterate our recommendation that timesheets be verified by employees at the same location as the employees whose time they are certifying.

We concur with the Correctional Center's corrective action to adjust departmental budget codes, payroll records and work supervisor locations to be in agreement.