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City Auditor

## HIGHLIGHTS

Highlights of City Auditor Report #1618, a report to the City Commission and City management

### WHY THIS AUDIT WAS DONE

From October 1, 2011, through September 30, 2015, the City paid to Public Works employees approximately \$46.3 million in salaries and wages, including approximately \$3.1 million in overtime payments, making it the fourth highest overtime disbursing department in the City during this period. The scope of this audit focused on overtime compensation paid to Public Works employees during that period. We conducted this audit primarily for the purpose of identifying ways in which overtime controls could be improved and overtime expenditures could be reduced.

### WHAT WE CONCLUDED

Our review showed the City's overtime policies and procedures were generally consistent with the processes employed by other jurisdictions and with the requirements of the Fair Labor Standards Act (FLSA). However, we did identify opportunities for improving the level of control exercised over Public Works overtime expenditures and ensuring that overtime is worked only when necessary.

Our audit also identified nine employees who had worked more than ten hours of overtime per week, on average, in each of the last four complete fiscal years (fiscal years 2012, 2013, 2014, and 2015). We found that, although required by City policy, department director approval had not been requested for the recurring overtime worked by these employees. We also found that for some employees, reductions in overtime may be possible through the reassignment of certain clerical duties and through the cross-training of employees in some specialized areas of operation.

Further, our audit disclosed that a relatively small percentage of the timesheets selected by us for testing could not be located and provided for our review. Relative to the timesheets that were made available for testing, we found that, in general, the timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the FLSA and City policies and procedures. In many of the instances in which our tests did disclose documentation issues or errors, the risk of similar issues or errors occurring in the future has been reduced through the recent implementation of MyTime, the City's electronic timekeeping system.

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August 12, 2016

## Audit of Public Works Overtime

*We found that, in general, timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the Fair Labor Standards Act (FLSA) and City policies and procedures. Recommendations were made to help enhance controls and reduce overtime charges incurred in connection with Public Works activities and ensure that records supporting overtime are retained in accordance with FLSA and City policies.*

### WHAT WE RECOMMENDED

To enhance controls and reduce overtime charges incurred in connection with Public Works activities, we made the following recommendations:

- The City should amend its overtime policy (APP 704.05) to require that: (1) Applicable City departments each adopt, subject to review and approval by the City's Human Resources department, an internal policy describing the circumstances under which overtime authorization is appropriate and inappropriate; (2) When not otherwise apparent or otherwise documented, documentation be prepared and retained to explain and justify the necessity for overtime worked; and (3) Applicable City departments each adopt internal procedures which specifically assign responsibility for the budgetary management and control of overtime.
- The City should provide department directors with a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report should be used by management to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures.
- Where possible, certain clerical tasks traditionally performed by Public Works crew members (who have often worked significant overtime) should be assigned to administrative or clerical staff.
- The City should provide cross-training to staff so that assistance is available when needed to supplement specialized crews, such as the painting crew (responsible for street striping and markings) and the road resurfacing crew.

We also recommended that the City ensure that timesheet records are retained in accordance with the federal, state, and City record retention requirements.

In January 2016, a reorganization of the City resulted in the reassignments of the various functional units in the former Public Works department to the Underground Utilities and Public Infrastructure department, the Electric Utility department, and the Community Beautification and Waste Management department.

We would like to acknowledge the full and complete cooperation and support of applicable management and staff.

Office of the City Auditor

# **Audit Report**



T. Bert Fletcher, CPA, CGMA  
City Auditor

## **Audit of Public Works Overtime**

Report #1618

August 12, 2016

### **Executive Summary**

From October 1, 2011, through September 30, 2015, the City paid to Public Works employees approximately \$46.3 million in salaries and wages, including approximately \$3.1 million in overtime payments, making it the fourth highest overtime disbursing department in the City during this period. We conducted this audit primarily for the purpose of identifying ways in which controls over overtime could be improved and overtime expenditures could be reduced. To enhance controls and reduce overtime charges incurred in connection with Public Works activities:

- The City should amend its overtime policy [Administrative Policy and Procedure (APP) 704.05] to require that: (1) Applicable City departments each adopt, subject to review and approval by the City's Human Resources and Workforce Development department, an internal policy describing the circumstances under which overtime authorization is appropriate and inappropriate; (2) When not otherwise readily apparent or otherwise documented, documentation be prepared and retained to explain and justify the necessity for overtime worked; and (3) Applicable City departments each adopt internal procedures which specifically assign responsibility for the budgetary management and control of overtime.
- The City should provide department directors with a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report should be used by management to better ensure that requests for approval of

recurring overtime assignments are submitted (and approved) as required by City policies and procedures.

- Where possible, certain clerical tasks traditionally performed by Public Works crew members (who have often worked significant overtime) should be assigned to administrative or clerical staff.
- The City should provide cross-training to staff so that assistance is available when needed to supplement specialized crews, such as the painting crew (responsible for street striping and markings) and the road resurfacing crew.

As part of our audit, we traced a selection of payroll transactions through the Public Works' timekeeping processes and evaluated the extent of compliance with applicable laws and City policies and procedures. Our audit disclosed that a relatively a small percentage of the timesheets selected by us for testing could not be located and provided for our review. Relative to the timesheets that were made available for testing, we found that, in general, the timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the Fair Labor Standards Act and City policies and procedures.

In many of the instances in which our tests did disclose documentation issues or errors, the risk of similar issues or errors occurring in the future has been reduced through the recent implementation of MyTime, the City's electronic timekeeping system.

Until reorganization in January 2016, the City operated a Public Works department comprised of two major divisions: Capital Programs and Operations. The Capital Programs division,

consisting of five functional units and staffed with 52 employees, was responsible for the design and construction of many of the City’s capital projects, as well as for surveying and traffic studies. The Operations division, consisting of seven functional units and staffed with 221 employees, was responsible for maintaining the City’s street system and storm drainage infrastructures, right-of-way (ROW), and traffic signal system.

From October 1, 2011, through September 30, 2015, the City paid to Public Works employees approximately \$46.3 million in salaries and wages, including approximately \$3.1 million in overtime payments, making it the fourth highest overtime disbursing department in the City during this period.

We conducted this audit primarily for the purpose of identifying ways in which controls over overtime could be improved and overtime expenditures could be reduced.

When and to whom overtime compensation must be paid are matters governed by the Fair Labor Standards Act (FLSA), a federal law. Employees covered by the FLSA’s overtime provisions are referred to as non-exempt employees. Employees for whom overtime compensation is not required under the FLSA are referred to as exempt employees. Under the FLSA, exempt employees generally include those employed in executive, administrative, and professional positions whose annual salary exceeds \$23,660 annually (\$47,476 beginning December 1, 2016).

City Administrative Policy and Procedure (APP) No. 704.05, Compensation, implements the FLSA and delineates the categories of City positions which are exempt and non-exempt under the FLSA. For non-exempt employees, under the FLSA and City policy, overtime must be paid at a rate of at least one and one-half times the employee’s regular rate of pay. Alternatively, a non-exempt employee may elect to receive compensatory time off calculated at a rate not less than one and one-half hours for each hour of overtime.

The City’s overtime compensation policy, in addition to covering the City’s non-exempt

employees, has been extended to cover certain categories of employees who are FLSA exempt. Employees in the City’s Supervisor 1, Supervisor 2, and Professional 1 categories, who are exempt from the overtime pay provisions of the FLSA, are eligible to earn overtime compensation (cash payment or compensatory leave) under the City’s compensation policy.

The scope of this audit focused on the overtime compensation provided during the period October 1, 2011, through September 30, 2015, to Public Works department employees. The objective of this audit was to answer the following two questions:

- 1) What might be done to reduce the overtime charges incurred by the City’s Public Works employees?
- 2) Are records supporting overtime accurate and complete, and was overtime calculated and paid in accordance with the FLSA and City policy and procedures?

The City, on October 31, 2015, implemented MyTime, an electronic timekeeping system. In MyTime, details regarding each employee’s hours of work and leave are recorded electronically, along with supervisory approvals thereof. For payroll processing purposes, the data in MyTime is uploaded to the City’s electronic human resources application (PeopleSoft HRMS) upon the close of each pay period. We obtained an understanding of MyTime sufficient to determine its impact on our audit recommendations relative to the correction of any noted Public Works process issues (that is, the processes in place prior to October 31, 2015). Our audit did not include tests of the effectiveness of MyTime.

**Audit Results**

**Question No. 1: What might be done to reduce the overtime charges incurred by the City’s Public Works employees?**

Opportunities to better control and reduce overtime are summarized as follows:

**Overtime Policy and Procedure Enhancements**

- Policies and procedures had not been established which describe the circumstances under which the authorization of overtime is

appropriate (for example, in the case of emergencies) and inappropriate (for example, non-emergency and routine work). We were advised that in scheduling overtime, Public Works' focus was on completing projects and, generally, consideration was not given to delaying non-emergency and routine work in order to avoid the payment of overtime. **We recommend that the City amend APP 704.05 to require each applicable department to adopt an internal policy describing the circumstances under which overtime authorization is appropriate and inappropriate. In adopting those internal departmental policies, consideration should be given to restricting the authorization of overtime to emergency situations and not authorizing overtime for work that can be deferred without significant consequence. These policies should be reviewed and approved by the City's Human Resources and Workforce Development department prior to implementation.**

- The City's policies and procedures appropriately include a requirement that all overtime work be authorized by a supervisory employee and scheduled in advance whenever possible. However, the City's policies and procedures do not require that the authorization be reduced to writing and retained in the City's records, and our audit tests indicated that, in most instances, evidence of overtime authorization was not available. **We recommend that APP 704.05 be amended to require that, when not otherwise readily apparent or otherwise documented, overtime authorization be documented and that the documentation explain why the overtime is necessary.**
- The amounts expended during each of the last four complete fiscal years (fiscal years 2012 through 2015) significantly exceeded the amounts budgeted. For those four fiscal years, the average annual budget for overtime totaled \$466,000, while the average amount expended totaled \$792,000. In discussions with Public Works staff, it was indicated that since much of the overtime worked by Public Works employees was paid by funds and projects other than the employing Public Works unit

and fund (General Fund), there was a reduced emphasis by Public Works on managing and controlling the Public Works overtime budget. (The overtime paid by funds and projects administered by other City departments and units, described in City accounts as capitalized overtime, averaged \$688,510 during each of the last four complete fiscal years.) Also, we found that the City's policies and procedures do not specifically assign responsibility for the budgetary control of overtime. Notwithstanding that many of the overtime charges are being paid by other departments and units, Public Works could have, by restricting overtime expenditures to the amounts budgeted, better controlled and limited the overtime costs incurred by the City. **We recommend that the City amend APP 704.05 to require adoption of department-level policies and procedures which specifically assign to the department director or the director's designee, the responsibility for the budgetary management and control of overtime.**

**Monitoring of Overtime Assignments**

APP 704.05 provides that no non-exempt or supervisory employee shall be scheduled for a workweek in excess of 40 hours on a regularly recurring basis without approval by the department director. Our audit analyses identified nine employees who had worked in excess of 40 hours on a regularly recurring basis in each of the last four complete fiscal years (fiscal years 2012, 2013, 2014, and 2015) Each of these nine employees had worked more than ten hours of overtime per week, on average. Upon inquiry, we were advised that department director approval had not been requested for the overtime worked by these employees. Absent department director review of recurring requests for overtime work, the City has less assurance that overtime is assigned on an equitable basis and that the amount of overtime worked is neither a special benefit nor burden to any employee.

**We recommend that department directors be provided a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report should be**

used to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures.

### Other Factors Contributing to Overtime

As a part of this audit, we interviewed the supervisors of the employees (and/or the employees) who we identified as frequent overtime earners. During our interviews we inquired about factors contributing to the magnitude of the overtime hours being worked by those employees and ways in which the overtime might be reduced. These interviews and other auditing procedures indicated:

- Time spent by some work crew employees in performing clerical tasks contributed to the overtime hours worked. For example, we found that the employee assigned to the one-person road re-surfacing inspection work crew, in addition to the performance of specialized work associated with the development of project estimates, the preparation of work sites, and the on-site inspection of the resurfacing work, performed clerical duties that could have been performed by administrative or other clerical staff. Those duties included the recording of labor and materials information into Public Works' automated work order system (Cartegraph system), the calculation of fuel adjustments, and the matching of the City's records of materials used to the quantities of materials shown by contractor invoices. **We recommend that, to the extent possible, that these types of duties be reassigned to clerical staff.**
- During the period under review, for some types of work, there were limited numbers of crews available with the knowledge and skills to do the specialized work, and overtime by those crews was often required so that all of scheduled work could be timely completed. **We recommend that the City consider cross-training employees in these specialized areas so that assistance will be available when needed.**

***Question No. 2: Are records supporting overtime accurate and complete, and was***

***overtime calculated and paid in accordance with the FLSA and City policy and procedures?***

A relatively small percentage of the timesheets selected by us for testing could not be located and provided for our review. Relative to the timesheets that were made available for testing, we found that, in general, the timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the FLSA and City policies and procedures.

In those instances in which our tests did disclose documentation issues or errors, the risk of similar issues or errors occurring in the future has been reduced through the recent implementation of MyTime. The specific results of our testing and related recommendations are summarized as follows:

### Record Retention

The FLSA, the State of Florida General Records Schedule (GS1-SL), and City administrative policies and procedures require timekeeping records be retained for a period of three calendar years. Our audit tests disclosed that for 22 (3%) of the 661 timesheets selected, neither an electronic image nor the hard-copy timesheet could be located by Public Works staff. Salary payments made relative to these 22 timesheets, including \$11,645 in overtime, totaled \$44,540.

**We recommend that the City ensure that all timesheet records are maintained in accordance with federal, state, and City record retention requirements.**

### Timesheet Overtime Calculations

We found the following instances in which the working time calculations shown by timesheets, and subsequently recorded in PeopleSoft HRMS for payroll purposes, were either not subject to verification or were incorrect:

- Under the FLSA, in calculating the amount of overtime worked, leave time is not to be counted as hours worked. However, the City has elected to include personal leave meeting certain criteria as hours worked for the purposes of calculating overtime. This type of leave is referred to as Preapproved Personal Leave (PAPER leave). PAPER leave hours

may be counted as hours worked for purposes of calculating the amount of overtime due, but only when personal leave is requested and authorized before the employee is scheduled for or works any extra hours in the workweek. Our audit tests of 639 timesheets indicated that in most instances in which PAPER leave was recorded in weeks worked for which overtime was also recorded, a leave form was not available to show the date and time of the personal leave request and the approval thereof. Absent such information, the department cannot readily demonstrate, and we could not verify, that the applicable personal leave time was correctly reported as working time and appropriately considered in overtime calculations.

- In our tests of 639 timesheets, we noted four instances where personal or sick leave was incorrectly counted as working time and resulted in inappropriate overtime payments. In two other instances, overtime was recorded in an incorrect account, which resulted in each of the two employees being paid overtime at the employee’s regular rate of pay, rather than at one and one-half times the employee’s regular rate of pay.

The effective implementation of MyTime, which automates timekeeping documentation and overtime calculation processes, should preclude issues such as these in the future.

**PeopleSoft HRMS Entries**

In 16 of the 639 timesheets tested, timesheets did not support the associated PeopleSoft HRMS entries, and explanations for the differences were not readily available. The exceptions noted were primarily due to the manual nature of the PeopleSoft HRMS timekeeping entry process. With the implementation of MyTime, this process has been automated and the risk of these types of errors has been significantly reduced.

We would like to thank and acknowledge the full and complete cooperation and support of applicable management and staff of the Underground Utilities and Public Infrastructure department, the Electric Utility department, and the Community Beautification and Waste

Management department.<sup>1</sup>

***Why did we do this audit?***

From October 1, 2011, through September 30, 2015, the City paid to Public Works employees approximately \$46.3 million in salaries and wages, including approximately \$3.1 million in overtime payments, making it the fourth highest overtime disbursing department in the City during this period.<sup>2</sup>

We conducted this audit primarily for the purpose of identifying ways in which controls over overtime could be improved and overtime expenditures could be reduced.

***Background***

**Overview**

Until reorganization in January 2016, the City operated a Public Works department comprised of two major divisions: Capital Programs and Operations. The Capital Programs division, consisting of five functional units and staffed with 52 employees, was responsible for the design and construction of many of the City’s capital projects, as well as for surveying and traffic studies. The Operations division, consisting of seven functional units and staffed with 221 employees, was responsible for maintaining the City’s street system and storm drainage infrastructures, right-of-way (ROW), and traffic signal system. Within the Operations division was a structure of crews which were organized by skill set or the type of work performed. For example, a single paint crew applied all street markings for the City and three sign crews, a total of six employees, manufactured and installed most of the regulatory street signage for the City.

<sup>1</sup> In January 2016, a reorganization of the City resulted in the reassignment of the various functional units in Public Works to the Underground Utilities and Public Infrastructure department, the Electric Utility department, and the Community Beautification and Waste Management department.

<sup>2</sup> The top three overtime disbursing departments were the Police, Electric Utility, and Underground Utilities departments.

**Cartegraph System**

Work performed on the City’s streets and sidewalks is scheduled and recorded in the Cartegraph system. In Cartegraph, work orders may be generated by employees for project work or generated as a result of citizen notifications related to hazards or other issues.

Work order information recorded in Cartegraph includes project location, crew members, and the hours required to complete the work. Employees also record the amounts of the materials used, such as the quantities of asphalt and concrete.

**Public Works Overtime Hours**

As shown in Table 1 below, the functional units in Public Works recorded a total of 112,437 overtime hours during the period October 1, 2011, through September 30, 2015 (fiscal years 2012 through 2015). With a yearly average of 190 overtime earning employees, Public Works accounted for 8% of all overtime paid by the City during those years.

<b>Table 1 – Public Works Overtime Hours</b>						
<b>Fiscal Years (FY) 2012 Through 2015</b>						
<b>Functional Unit</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Total</b>	<b>% of Total</b>
Street Preservation	15,424	14,914	12,931	13,589	56,858	51%
Urban Beautification/ROW	2,604	3,026	4,548	8,030	18,208	16%
Construction	4,875	4,746	3,626	2,611	15,858	14%
Drainage	1,706	838	1,250	2,750	6,544	6%
Landscape & Trees	2,116	1,525	1,288	0	4,929	4%
Construction Inspection	975	865	790	660	3,290	3%
Public Works Engineering	507	1,139	401	15	2,062	2%
Other	810	1,135	1,705	1,038	4,688	4%
<b>Grand Total</b>	<b>29,017</b>	<b>28,188</b>	<b>26,539</b>	<b>28,693</b>	<b>112,437</b>	<b>100%</b>

*Source: City Payroll Data; PeopleSoft HRMS*

As further illustrated by Table 1, three functional units (Street Preservation, Construction, and Urban Beautification/ROW) accounted for 81% (90,924 hours) of the overtime hours recorded by Public Works employees for the four-year period. We observed that in these units many employees worked a four ten-hour-day schedule (that is, Monday through Thursday or Tuesday through Friday) and overtime charges, generally, were attributed to the work occurring on the weekends and scheduled days off.

**FLSA and City Policy**

When and to whom overtime compensation must be paid are matters governed by the Fair Labor Standards Act (FLSA), a federal law.<sup>3</sup> The FLSA establishes overtime pay and recordkeeping standards affecting employers and full-time and part-time workers in the private sector and in federal, state, and local governments. Employees covered by the FLSA’s overtime provisions are referred to as non-exempt employees. Employees for whom overtime compensation is not required under the FLSA are referred to as exempt employees. Such employees generally include those employed in executive, administrative, and professional positions whose annual salary exceeds \$23,660 annually (\$47,476 beginning December 1, 2016).

<sup>3</sup> 29 USC, Section 207(a)

City Administrative Policy and Procedure (APP) No. 704.05, Compensation, implements the FLSA and delineates the categories of City positions which are exempt and non-exempt under the FLSA. Table 2 below correlates the exemption categories under the FLSA with the corresponding categories used pursuant to City policy.

<b>FLSA-Exempt Categories</b>	<b>Corresponding City Exemption Categories (per APP 704.05)</b>
Executive	Managerial
Administrative	Supervisor 1, Supervisor 2
Professional	Professional 1, Professional 2

Under the City policy and the FLSA, overtime is defined as any time an employee’s working time exceeds 40 hours in a workweek. For the City, the workweek begins at 12:01 a.m. on Saturday and ends at midnight on the following Friday. For non-exempt employees, under the FLSA and City policy, overtime must be paid at a rate of at least one and one-half times the employee’s regular rate of pay. Alternatively, a non-exempt employee may elect to receive, in lieu of cash payments for

overtime hours, compensatory time off calculated at a rate not less than one and one-half hours for each hour of overtime.

The City’s overtime compensation policy, in addition to covering the City’s non-exempt employees, has been extended to cover certain categories of employees who are FLSA exempt. As depicted in Table 3, employees in the Supervisor 1, Supervisor 2, and Professional 1 categories, who are exempt from the overtime pay provisions of the FLSA, are eligible to earn overtime compensation (cash payment or compensatory leave) under the City’s compensation policy. Overtime payments made to FLSA exempt Public Works employees during the period October 1, 2011, through September 30, 2015, totaled approximately \$932,000, representing approximately 20 percent of the \$3.1 million in total overtime paid to Public Works employees during that period. Also, under certain limited circumstances, City appointed officials may authorize an hour of compensatory time off for each hour of overtime worked by employees in the Professional 2 and Managerial categories.

<b>Labor/Overtime Provision</b>	<b>Description</b>	<b>FLSA Requirement</b>	<b>City APP Requirement</b>
Non-exempt	Overtime must be paid <u>at a rate of at least one and one-half times</u> the employee’s regular rate of pay for each hour worked in a workweek in excess of 40 hours. <b>OR</b> In lieu of overtime compensation, compensatory time off <u>at a rate not less than one and one-half hours for each hour of</u> employment for which overtime compensation is required.	✓	✓
Exempt – Supervisor 1	Overtime must be paid <u>at a rate of at least one and one-half times</u> the employee’s base rate of pay for each hour worked in a workweek in excess of 40 hours. <b>OR</b> In lieu of overtime compensation, compensatory time off <u>at a rate not less than one and one-half hours for each hour of</u> employment for which overtime compensation is required.		✓
Exempt – Supervisor 2	Overtime will be compensated at the employee’s base rate of pay for each hour worked in a workweek in excess of 40 hours. <b>OR</b> In lieu of overtime compensation, compensatory time off on an hour-for-hour basis.		✓
Exempt – Professional 1	Compensatory time off on an hour-for-hour basis.		✓
Exempt – Professional 2 & Managerial	Upon Appointed Official approval, may be granted compensatory time off on an hour-for-hour basis.		✓



**PAPER Leave**

Another instance in which the City's overtime compensation policy extends beyond the requirements of the FLSA involves the treatment of personal leave hours. Under the FLSA, in calculating the amount of overtime worked, leave time is not to be counted as hours worked. However, the City has elected to include personal leave meeting certain criteria as hours worked for the purposes of calculating overtime for certain categories of employees (non-exempt and Supervisory 1 employees).

This type of leave is referred to as Preapproved Personal Leave (PAPER leave). PAPER leave hours may be counted as hours worked for purposes of calculating the amount of overtime due when: (1) Personal leave is requested and authorized before the employee is scheduled for or works any extra hours in the workweek; and (2) The employee is required to work extra hours during the workweek. Both criteria must be met for personal leave hours to count as working time for the purposes of calculating overtime.

**Timesheets**

With respect to the record-keeping requirements applicable to overtime compensation, City Administrative Policies and Procedure 615, Timesheet Requirements for Payroll Processing, (APP 615) states, in part, that an employee eligible for overtime pay or compensatory time off must complete and manually or electronically sign a weekly timesheet which is to be reviewed and signed by an approving authority. APP 615 indicates that the approving authority's signature is a confirmation that the signed timesheet has been reviewed and the supervisor concurs with the employee's assertion as to the hours worked and/or the leave taken.

During fiscal years 2012 through 2015, in accordance with APP 615, each Public Works employee was to manually complete and sign a weekly timesheet and then submit it to his or her supervisor (the approving authority). Supervisors were then responsible for reviewing and signing each employee's timesheet. The signed timesheets were then submitted to a timekeeper who manually entered hours for each employee in a summary spreadsheet, data from which was

subsequently entered into PeopleSoft HRMS (the City's timekeeping system) for payroll processing. After data entry, the images of the timesheets were to be uploaded to the City's electronic document management system. APP 615 requires that the timesheets be maintained for three full calendar years as back-up documentation for employee pay.

The City, on October 31, 2015, implemented MyTime, an electronic timekeeping system. In MyTime, details regarding each employee's schedule and the hours of work and leave are recorded electronically, along with supervisory approvals thereof. For payroll processing purposes, the data in MyTime is uploaded to PeopleSoft HRMS upon the close of each pay period.

### *Scope, Objectives, and Methodology*

The scope of this audit focused on the overtime compensation provided during the period October 1, 2011, through September 30, 2015, to Public Works department employees. The objective of this audit was to answer the following two questions:

- 1) What might be done to reduce the overtime charges incurred by the City's Public Works employees?
- 2) Are records supporting overtime accurate and complete, and was overtime calculated and paid in accordance with the FLSA and City policy and procedures?

To facilitate the accomplishment of our audit objectives, we performed the following survey and field work audit procedures:

- We reviewed prior City audits, other local government audits, and industry information relevant to overtime compensation.
- We obtained an understanding of related laws, rules, and regulations and City policies and procedures.
- We obtained an understanding of the organization of the Public Works department, including its divisions and functional units.

- We obtained an understanding of the Cartegraph system sufficient to enable us to plan and conduct our audit.
- We compared FLSA requirements to the City’s related policies and procedures.
- We obtained and reviewed schedules showing comparisons of budget to actual expenditures for overtime accounts during the audit period.
- We reviewed vacancy data relating to the audit period.
- We obtained an understanding of the timekeeping processes and control activities in use during the audit period related to overtime authorizations and the recording and calculation of overtime compensation.
- We analyzed overtime earnings for Public Works employees by:
  - Extracting, from PeopleSoft HRMS, earnings reports of actual hours worked per pay period during the audit period;
  - Calculating for each applicable employee, overtime earned as a percentage of the employee’s salary;
  - Identifying trends in overtime by division, position, fiscal year, and FLSA status;
  - Comparing leave taken to overtime hours to identify pay periods for which the amount of overtime and leave required additional scrutiny; and
  - Sorting overtime earnings data to identify employees for whom the amount of overtime hours and payments required additional scrutiny.
- For 55 judgmentally selected employees, we tested the weekly timesheet records for six judgmentally selected biweekly payroll periods (from fiscal years 2013, 2014, and 2015), resulting in our review of 661 weekly timesheets. The objectives of these tests were to determine the extent of compliance with key requirements of the FLSA and related City policies and procedures and the accuracy of overtime calculations and payments.

- As indicated in the **Background** section of this report, the City implemented MyTime, a new timekeeping system, effective October 31, 2015. We obtained an understanding of MyTime sufficient to determine its impact on our audit recommendations relative to the correction of any noted Public Works process issues (that is, the processes in place prior to October 31, 2015). Our audit did not include tests of the effectiveness of MyTime.

We conducted this audit in accordance with the International Standards for the Professional Practice of Internal Auditing and Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

***Audit Results***

**Question No. 1: What might be done to reduce the overtime charges incurred by the City’s Public Works employees?**

Our audit identified opportunities for improving the level of control exercised over Public Works overtime expenditures. These improvements, discussed under the headings, Overtime Policy and Procedure Enhancements and Monitoring of Overtime Assignments, will allow a greater degree of control over overtime authorization and assignment and better ensure that overtime charges are incurred only when necessary. Enhanced controls will encourage reductions in overtime.

As a part of this audit, we also made inquiries to identify factors contributing to the overtime worked by frequent overtime earners. As discussed under the heading Other Factors Contributing to Overtime, we found that some reductions in overtime may be possible through the reassignment of certain clerical duties and through the cross-training of employees in some specialized areas of operation.

## **Overtime Policy and Procedure Enhancements**

The City's overtime pay policies and procedures are described in Administrative Policy and Procedure (APP) 704.05 and in associated clarification memorandums. APP 704.05 includes provisions which address the City's standard 40-hour workweek, the employee classifications eligible for overtime compensation, the work hours that are subject to overtime compensation, the methods that may be used for compensation of overtime (i.e., overtime pay or the receipt of compensatory time in lieu of overtime pay), and a requirement that overtime assignments be made on a fair and equitable basis. APP 704.05 also requires that all overtime work be authorized by a supervisory employee and scheduled in advance whenever possible. During our audit, we noted that the Public Works department had not adopted department-specific policies and procedures relating to overtime.

Our review of the City's policies and procedures included comparing them to the policies and procedures of other jurisdictions.<sup>4</sup> We also reviewed the City's policies and procedures for consistency with the minimum requirements of the FLSA. We found that, generally, the City's policies and procedures were consistent with the processes employed by other jurisdictions and with the requirements of the FLSA. However, our review did identify some areas in which policy and procedure enhancements should be considered. Specifically:

- We found that the policies and procedures of some entities include a description of the circumstances under which the authorization of overtime is appropriate and a description of circumstances under which overtime should not be authorized. For example, one entity's policies and procedures describe unforeseeable emergencies as one acceptable

justification for overtime authorization and indicate that overtime should not be authorized if the work to be performed is of such a routine nature that it can be postponed until the next working day. We found that the City's policies and procedures do not include a similar requirement or guideline that expresses City management's expectations as to when the authorization of overtime work is appropriate. In response to our inquiries, we were advised that in scheduling overtime, Public Works' focus was on completing projects and, generally, consideration was not given to delaying non-emergency and routine work in order to avoid the payment of overtime. Including in policy a specification that overtime work should be authorized only for emergencies and certain other limited circumstances, and prohibiting overtime authorization for routine work that can be postponed, would assist the City in reducing its overtime costs relating to public works activities.

- The policies and procedures of several entities require that overtime be authorized by supervisory staff in advance of the related work and that a record of the authorization be retained. Such an authorization process would include a determination of the need for the overtime and the availability of budget authority. We found that the City's policies and procedures do include a requirement that all overtime work be authorized by a supervisory employee and scheduled in advance whenever possible. However, the City's policies and procedures do not require that the authorization be reduced to writing and retained in the City's records, and our audit tests indicated that, in most instances, evidence of overtime authorization was not available. We were advised by management that most work involving overtime was scheduled in advance by supervisors and thus the overtime had been authorized in advance. However, the schedules had not been retained to allow a demonstration of the authorization. By requiring in policy a written justification and authorization for all overtime, the City should be better able to control its overtime

<sup>4</sup> Relevant policies and procedures of other jurisdictions were determined by reference to audit reports and/or copies of policies and procedures. Jurisdictions included Metropolitan Transportation Authority of New York; District of Columbia; City of Miami Beach, Florida; Fort Lewis College, (Durango, Colorado); City of Durham, North Carolina; City of Scottsdale, Arizona; Washington County, New York; and Kansas City, Missouri. We also considered the guidance included in the U.S. Government Accountability Office publication, "Maintaining Effective Control over Employee Time and Attendance Reporting."

expenditures for public works (as well as other City) activities.

- As shown by Table 4, the amounts expended during each of the last four complete fiscal years significantly exceeded the amounts budgeted. For those four fiscal years, the average annual budget for overtime totaled \$466,000, while the average amount expended totaled \$792,000, resulting in an average annual over-expenditure of \$326,000, or 70% of the budget. In discussions with Public Works staff, it was indicated that since much of the overtime worked by Public Works employees was paid by funds and projects other than the employing Public Works unit and fund (General Fund), there was a reduced emphasis by Public Works on managing and controlling the Public Works overtime budget. (In Table 4, the overtime paid by funds and

projects administered by other City departments and units is shown as capitalized overtime, which averaged \$688,510 during each of the last four complete fiscal years.) Notwithstanding that many of the overtime charges are being paid by other departments and units, Public Works could have, by restricting overtime expenditures to the amounts budgeted, better controlled and limited the overtime costs incurred by the City. We found that the City’s policies and procedures do not specifically assign responsibility for the budgetary control of overtime. Related control responsibilities include periodic reviews of reports comparing budgeted to actual overtime expenditures and the initiation of actions when needed to prevent overtime expenditures from exceeding the amounts budgeted.

<b>Table 4 – Public Works Overtime Budget to Actual Comparison</b>				
<b>Fiscal Years (FY) 2012, 2013, 2014, and 2015</b>				
<b>Public Works Employees</b>		<b>Budgeted</b>	<b>Expended</b>	<b>Variance Under/(Over)</b>
<b>FY 2012</b>	Overtime	\$431,828	\$800,831	(\$369,003)
	Capitalized Overtime (1)	(\$930,199) (2)	(\$706,701)	(\$223,498)
<b>FY 2013</b>	Overtime	\$477,119	\$804,049	(\$326,930)
	Capitalized Overtime (1)	(\$475,531)	(\$714,185)	\$238,654
<b>FY 2014</b>	Overtime	\$477,119	\$742,753	(\$265,634)
	Capitalized Overtime (1)	(\$475,531)	(\$644,880)	\$169,349
<b>FY 2015</b>	Overtime	\$477,119	\$821,424	(\$344,305)
	Capitalized Overtime (1)	(\$475,531)	(\$688,275)	\$212,744
Total Overtime		\$1,863,185	\$3,169,058	(\$1,305,873)
Total Capitalized Overtime (1)		(\$2,356,792)	(\$2,754,041)	\$397,249
Total Overtime Less Capitalized Overtime		(\$493,607)	\$415,017	(\$908,624)
<p>Note (1): The amounts shown as Capitalized Overtime represent that portion of the Overtime shown in the previous line that is planned for expenditure (Budgeted) or actually charged (Expended) with respect to capital or operating projects.</p>				
<p>Note (2): Records were not available to explain why the amount budgeted for Capitalized Overtime for FY 2012 is not comparable in amount to the amounts shown for the succeeding fiscal years.</p>				
<p>Source: City PeopleSoft FMS records.</p>				

**We recommend the City amend APP 704.05 to:**

- **Require applicable City departments to each adopt an internal policy describing the circumstances under which the authorization of overtime is appropriate and the circumstances under which overtime should not be authorized. In adopting those internal departmental policies, consideration should be given to restricting the authorization of overtime to emergency situations and not authorizing overtime for work that can be deferred without significant consequence. These policies should be reviewed and approved by the City's Human Resources and Workforce Development department prior to implementation.**
- **When not otherwise readily apparent or documented, require that overtime authorization be documented and that the documentation be retained and used to explain and justify why the overtime was necessary.**
- **Require adoption of department-level policies and procedures which specifically assign to the department director or the director's designee, responsibility for the budgetary management and control of overtime.**

**Monitoring of Overtime Assignments**

As indicated above, APP 704.05 requires that overtime assignments be made on an equitable basis. APP 704.05 further provides that no non-exempt or supervisory employee shall be scheduled for a workweek in excess of 40 hours on a regularly recurring basis without approval by the department director. Department director consideration of recurring overtime assignments

can assist in ensuring that overtime assignments are made on an equitable basis and that the amount of overtime worked is neither a special benefit nor burden to any employee.

As a part of our audit, we utilized the City's PeopleSoft HRMS records to identify Public Works employees, if any, who had been paid for overtime work in recent fiscal years on a regularly recurring basis. As shown by Table 5, our analysis identified nine employees who had, in each of the last four complete fiscal years (fiscal years 2012, 2013, 2014, and 2015), been paid for overtime work on a regularly recurring basis (that is, worked more than ten hours of overtime per week, on average).

Upon inquiry, we were advised that, contrary to APP 704.05, Department director approval had not been requested for the recurring overtime worked by these employees. Absent Department director review of recurring requests for overtime work, the City has less assurance that overtime is assigned on an equitable basis and that the amount of overtime worked is neither a special benefit nor burden to any employee. **We recommend that Department directors be provided a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report should be used to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures. Also, as indicated under the succeeding heading, Other Factors Contributing to Overtime, monitoring and review of frequent overtime work can assist department management in timely identifying areas in which changes in staffing, duties, and training may be beneficial.**

Employee No.	Total Compensation	Overtime Compensation	Overtime as a Percentage of Total Compensation	Average Overtime Per Week (Hrs.)
1	\$341,256.40	\$161,241.71	47%	23
2	\$261,180.01	\$82,575.47	32%	12
3	\$236,694.66	\$75,892.62	32%	12
4	\$266,213.44	\$74,379.68	28%	10
5	\$274,877.22	\$70,988.31	26%	13
6	\$318,876.84	\$70,229.07	22%	11
7	\$190,557.66	\$55,888.40	29%	16
8	\$181,375.49	\$54,615.65	30%	12
9	\$148,643.01	\$42,610.81	29%	11
<b>Total</b>	<b>\$2,219,674.73</b>	<b>\$688,421.72</b>	<b>31%</b>	

**Other Factors Contributing to Overtime**

As a part of this audit, we interviewed the supervisors of the employees (and/or the employees) who we identified as frequent overtime earners (See Table 5 above). During our interviews we inquired about factors contributing to the magnitude of the overtime hours being worked by those employees and ways in which the overtime might be reduced. These interviews and other auditing procedures indicated:

- The time spent by some work crew employees in performing clerical tasks contributed to the overtime hours worked. For example, we found that the employee assigned to the one-person road re-surfacing inspection work crew, in addition to the performance of specialized work associated with the development of project estimates, the preparation of work sites, and the on-site inspection of the resurfacing work, performed clerical duties that could have been performed by administrative or other clerical staff. Those duties included the recording of labor and materials information into Cartegraph, the calculation of fuel adjustments, and the matching of the City’s records of materials used to the quantities of materials shown by contractor invoices. **We recommend that, to the extent possible, that these types of duties be reassigned to clerical staff.**
- For some types of work, the City did not always have available a sufficient number of appropriately trained and skilled staff. As described in the ***Background*** section of the report, the Operations division of Public Works consisted of various crews. In some instances, there is only one crew available to perform certain activities for the City. More specifically, during the period under review, there was one paint crew consisting of three employees who applied all street markings for any street resurfacing work performed in the City. The limited resources supporting the amount of work performed resulted in significant amounts of overtime for all crew members and their supervisor. There was also a one-member crew responsible for performing the inspections of all street resurfacing work performed by City crews and the City’s contractors. The need for this employee to be present on all such work sites, and complete the related administrative tasks referenced above, resulted in significant amounts of overtime.

**We recommend that the City consider cross-training employees so that others will be available when needed to perform paint crew and resurfacing inspection duties.**

**Question No. 2: Are records supporting overtime accurate and complete, and was overtime calculated in accordance with the FLSA and City policies and procedures?**

As noted in the *Background* section of the report, during fiscal years 2012 through 2015, each Public Works employee was to manually complete and sign a weekly timesheet and then submit it to his or her supervisor (the approving authority). Supervisors were then responsible for reviewing and signing each employee's timesheet. That review included manually verifying that any overtime hours were properly calculated and reported on the timesheet. The signed timesheets were then submitted to a timekeeper who manually entered hours for each employee in a summary spreadsheet, information from which was manually entered into the City's timekeeping system for payroll processing (PeopleSoft HRMS). After data entry, the images of the timesheets were to be uploaded to the City's electronic document management system. APP 615 requires that the timesheets be maintained for three full calendar years as back-up documentation for employee pay.

As part of our audit, we traced a selection of payroll transactions through the above-described processes and evaluated the extent of compliance with applicable laws and City policies and procedures. Our audit disclosed that a relatively small percentage of the timesheets selected by us for testing could not be located and provided for our review. Relative to the timesheets that were made available for testing, we found that, in general, the timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the FLSA and City policies and procedures. In those instances in which our tests did disclose errors, the risk of similar errors occurring in the future has been reduced through the recent implementation of MyTime. The specific results of our testing are described in succeeding sections of this report.

**Record Retention**

The FLSA and the State of Florida General Records Schedule (GS1-SL) require timekeeping records be retained for a period of three calendar years. Consistent with these requirements, APP

615 requires that timesheets or alternate documentation be retained for three full calendar years by each department as back-up for employee compensation payments.

Our audit tests disclosed that for 22 (3%) of the 661 timesheets selected, neither an electronic image nor the hard-copy timesheet could be located by Public Works staff and made available for our review. The employees who we interviewed were unable to provide an explanation as to why the timesheets could not be found. In these instances, the record retention requirements had not expired.

Absent availability of the timesheets, it was not possible for the City to readily support, and for us to verify the validity of, the amount of compensation paid. Salary payments made relative to these 22 timesheets, including \$11,645 in overtime, totaled \$44,540.

**We recommend that the City ensure that all timesheet records are maintained in accordance with federal, state, and city record retention requirements.**

**Timesheet Overtime Calculations**

As a part of this audit, we reviewed selected timesheets to determine if working time calculations shown by the timesheets were in accordance with APP 704.05. APP 704.05 provides working time includes all time where the employee is on duty and holiday time, and for qualifying employees (non-exempt and Supervisory 1 employees), working time includes Preapproved Personal leave (PAPER leave). Conversely, APP 704.05 provides that working time shall not include, for example, time not worked, time off for other personal leave, sick leave, catastrophic leave, military leave, administrative leave, and leaves without pay and suspensions. We found the following instances in which the working time calculations shown by timesheets, and subsequently recorded in PeopleSoft HRMS, were either not subject to verification or were incorrect:

- As indicated in the *Background* section of this report, in order for personal leave to qualify as PAPER leave and be counted as hours worked, the personal leave must be requested

and authorized before the employee is scheduled for or works any extra hours in the workweek. To facilitate a demonstration of the satisfaction of this requirement, each department was responsible for maintaining documentation (for example, a standard leave form) showing the date and time of the request and the date and time of the approval. We found that the department had made a leave form available for use by employees and their supervisors. However, our audit tests indicated that, in 53 of the 66 instances tested (80%) in which PAPER leave was reported on the timesheet of a qualifying employee earning overtime, a leave form was not available to show the date and time of the personal leave request and the approval thereof. Overtime payments associated with those 53 instances totaled \$13,058, representing 6% of selected overtime payments tested. Absent the completed leave forms, the department cannot readily demonstrate, and we could not verify, that the applicable personal leave time was appropriately reported as working time. As a result, a determination could not be made as to the propriety of the associated overtime payments.

MyTime includes functionality that will allow the system to capture the date of personal leave requests and approvals. Also, the MyTime Users Guide for Supervisors includes additional instructions relating the circumstances under which personal leave shall qualify as PAPER leave. This system and the related instructions should help preclude future documentation issues of the type described above.

- In four instances, personal or sick leave was incorrectly counted on the timesheet as working time, resulting in inappropriate overtime payments ranging from \$111 to \$276. In two other instances, overtime was recorded in an incorrect account, which resulted in each of the applicable employees being paid overtime at the employee's regular rate of pay, rather than at one and one-half times the employee's regular rate of pay. In

these two instances, the underpayments amounted to \$53 and \$41, respectively.

The effective implementation of MyTime, which automates timekeeping calculations, should preclude errors such as these in the future.

### **PeopleSoft HRMS Entries**

In 16 of the 639 available timesheets tested, timesheets did not support the associated PeopleSoft HRMS entries, and explanations for the differences were not readily available. More specifically:

- In eight instances, the employee reported overtime hours on the timesheet, but the hours were not recorded in PeopleSoft HRMS. As a consequence, the amount paid to the employee for the pay period did not include compensation for the overtime. Underpayments ranged from \$192 to \$525.
- In four instances, the employee reported sick or personal leave on the timesheet, but the hours were not recorded in PeopleSoft HRMS. In these instances, the employees' leave balances were not reduced for the leave taken, which ranged from 1 to 20 hours.
- In four instances, the timesheets significantly varied from what was recorded in PeopleSoft HRMS. For example, in one of the four instances, an employee recorded on the timesheet 40 regular hours and 40 leave hours for the pay period, but the time and attendance system reflected 59 regular hours, 21 overtime hours, and no leave hours. Explanations for these differences were not provided.

The exceptions noted were primarily due to the manual nature of the PeopleSoft HRMS timekeeping entry process. With the implementation of MyTime, this process has been automated and the risk of these types of errors has been significantly reduced.



## *Conclusion*

We conducted this audit primarily for the purpose of identifying ways in which controls over overtime could be improved and overtime expenditures could be reduced. To enhance controls and reduce overtime charges incurred in connection with Public Works activities:

- The City should amend its overtime policy (APP 704.05) to require that: (1) Applicable City departments each adopt, subject to review and approval by the City's Human Resources and Workforce Development department, an internal policy describing the circumstances under which overtime authorization is appropriate and inappropriate; (2) When not otherwise apparent or otherwise documented, that documentation be prepared and retained to explain and justify the necessity for overtime worked; and (3) Applicable City departments each adopt internal procedures which specifically assign responsibility for the budgetary management and control of overtime.
- The City should provide department directors with a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report should be used by management to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures.
- Where possible, certain clerical tasks traditionally performed by Public Works crew members (who have often worked significant overtime) should be assigned to administrative or clerical staff.
- The City should provide cross-training to staff so that assistance is available when needed to supplement specialized crews, such as the painting crew (responsible for street striping and markings) and the road resurfacing crew.

As part of our audit, we also traced a selection of payroll transactions through the Public Works'

timekeeping processes and evaluated the extent of compliance with applicable laws and City policies and procedures. A small percentage of the timesheets selected by us for testing could not be located and provided for our review. Relative to the timesheets that were made available for testing, we found that, in general, the timesheets were completed in accordance with City requirements and overtime was calculated and paid in accordance with the FLSA and City policies and procedures.

In many of the instances in which our tests did disclose documentation issues or errors, the risk of similar errors occurring in the future has been reduced through the recent implementation of MyTime.

## *Acknowledgements*

We would like to acknowledge the full and complete cooperation and support of applicable management and staff of the Underground Utilities and Public Infrastructure department, the Electric Utility department, and the Community Beautification and Waste Management department.

## *Appointed Official's Response*

We appreciate the thorough job the City Auditor's Office did in reviewing the overtime within the former Public Works Department. We have reviewed the findings and have offered implementation plans to address each recommendation. The implementation of these recommendations will result in improved internal controls, practices, and procedures.

<b>Appendix A – Management’s Action Plan</b>		
Action Steps	Responsible Employee	Target Date
<b>Objective A: Improve control over overtime charges.</b>		
<i>Human Resources &amp; Workforce Development</i>		
1) Amend APP 704.05 to require applicable City departments to each adopt an internal policy to: <ul style="list-style-type: none"> <li>a. Describe the circumstances under which the authorization of overtime is appropriate and the circumstances under which overtime should not be authorized;</li> <li>b. Require overtime authorization, when not otherwise readily apparent or documented, be documented and that the documentation be retained and used to explain and justify why the overtime was necessary; and</li> <li>c. Specifically assign to the department director or the director’s designee, responsibility for the budgetary management and control of overtime.</li> </ul>	Ellen Blair	October 31, 2016
<i>Underground Utilities &amp; Public Infrastructure</i>		
2) Submit internal departmental overtime policies to Human Resources and Workforce Development for review. These internal departmental overtime policies will: <ul style="list-style-type: none"> <li>a. Generally describe the types of operational circumstances under which the authorization of overtime is appropriate;</li> <li>b. Require overtime authorization, when not otherwise readily apparent or documented, be documented and that the documentation be retained and used to explain and justify why the overtime was necessary; and</li> <li>c. Specifically assign to the department director or the director’s designee(s), responsibility for the budgetary management and control of overtime.</li> </ul> <p>In adopting these policies, consideration will be given to balancing the cost of overtime with other fiscal, operational, public safety, and customer service requirements. These departmental internal policies will be reviewed and approved by the City’s Human Resources and Workforce Development department prior to implementation.</p>	Gordon Klein, Tim Potter	March 31, 2017

<p>3) Obtain a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report will be used to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures. This report will also be used to monitor overtime and assist department management in timely identifying areas in which changes in staffing, duties, and training may be beneficial.</p>	<p>Gordon Klein</p>	<p>March 31, 2017</p>
<p>4) Administrative duties and data capture requirements will be reviewed and assigned to field or office staff as appropriate for accurate data capture and operational effectiveness and efficiencies.</p>	<p>Gordon Klein</p>	<p>March 31, 2017</p>
<p>5) Consideration will be given to cross-training employees so that others will be available when needed to perform paint crew and resurfacing inspection duties.</p>	<p>Tim Potter</p>	<p>March 31, 2017</p>
<p><i>Electric Utilities</i></p>		
<p>6) Submit internal departmental overtime policies to Human Resources and Workforce Development for review. These internal departmental overtime policies will:</p> <ul style="list-style-type: none"> <li>a. Generally describe the types of operational circumstances under which the authorization of overtime is appropriate;</li> <li>b. Require overtime authorization, when not otherwise readily apparent or documented, be documented and that the documentation be retained and used to explain and justify why the overtime was necessary; and</li> <li>c. Specifically assign to the department director or the director’s designee(s), responsibility for the budgetary management and control of overtime.</li> </ul> <p>In developing these policies, consideration will be given to balancing the cost of overtime with other fiscal, operational, public safety, and customer service requirements. These departmental internal policies will be reviewed and approved by the City’s Human Resources and Workforce Development department prior to implementation.</p>	<p>Leigh Anne Frechette</p>	<p>March 31, 2017</p>
<p>7) Obtain a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report will be used to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures.</p>	<p>Leigh Ann Frechette</p>	<p>March 31, 2017</p>

<p>This report will also be used to monitor overtime and assist department management in timely identifying areas in which changes in staffing, duties, and training may be beneficial.</p>		
<p><i>Community Beautification &amp; Waste Management</i></p>		
<p>8) Adopt internal departmental overtime policies to:</p> <ul style="list-style-type: none"> <li>a. Generally describe the types of operational circumstances under which the authorization of overtime is appropriate and the types of operational circumstances under which overtime should not be authorized;</li> <li>b. Require overtime authorization, when not otherwise readily apparent or documented, be documented and that the documentation be retained and used to explain and justify why the overtime was necessary; and</li> <li>c. Specifically assign to the department director or the director’s designee, responsibility for the budgetary management and control of overtime.</li> </ul> <p>In adopting these policies, consideration will be given to balancing the cost of overtime versus other fiscal impacts, public safety, customer service, and overtime for work that can be deferred without significant consequence. These departmental internal policies will be reviewed and approved by the City’s Human Resources and Workforce Development department prior to implementation.</p>	<p>Cris Revel, Rod Hightower, Rita Taylor</p>	<p>October 1, 2016</p>
<p>9) Obtain a quarterly report showing the amount of overtime that has been worked during the fiscal year to date by each department employee. This report will be used to better ensure that requests for approval of recurring overtime assignments are submitted (and approved) as required by City policies and procedures. This report will also be used to monitor overtime and assist department management in timely identifying areas in which changes in staffing, duties, and training may be beneficial.</p>	<p>Rita Taylor, Cris Revel</p>	<p>September 30, 2016</p>
<p><b>Objective B: Ensure records supporting overtime are accurate and complete, and retained in accordance with FLSA and City policies and procedures.</b></p>		
<p><i>Human Resources &amp; Workforce Development</i></p>		
<p>10) Timesheet records will be maintained in accordance with federal, state, and City record retention requirements.</p>	<p>Ellen Blair</p>	<p>October 31, 2016</p>

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