

**Limited Review
of
Orange County Corrections
Department's Overtime**

**Report by the
Office of County Comptroller**

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**Report No. 321
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November 25, 2002

Richard T. Crotty, County Chairman
And
Board of County Commissioners

We have conducted a Limited Review of the Orange County Corrections Department's Overtime. The review was limited to an examination of payroll records and supporting documentation to determine compliance with the Orange County Corrections Department Administrative Order No. 202 pertaining to overtime. The period reviewed was July 1, 2001 through December 31, 2001. Our review was conducted in accordance with generally accepted government auditing standards and included such tests as we considered necessary in the circumstances.

Responses to our Recommendations for Improvement were received from the Chief of the Corrections Department and are incorporated herein.

We appreciate the cooperation of the personnel of the Orange County Corrections Department during the course of the review.

Martha O. Haynie, CPA
County Comptroller

c: Ajit Lalchandani, County Administrator
Timothy P. Ryan, Chief, Orange County Corrections Department

EXECUTIVE SUMMARY

Executive Summary

We have conducted a limited review of the Corrections Department. The period audited was July 1, 2001 through December 21, 2001. The audit was limited to the review of Correction's compliance with their Administrative Order 202 pertaining to overtime.

Based on the results of our testing, we found Corrections to be materially in compliance with Administrative Order 202 pertaining to overtime. Improvements are needed as follows:

Forty-eight percent of the payroll worksheets, used to verify hours worked by the correctional officer, were not signed by the officer.

Overtime Certification/Leave Request forms were not adequately controlled to ensure the accuracy of the overtime worked.

Not all of the Overtime Certification/Leave Requests were signed by the correctional officer and the supervisor having direct knowledge of the overtime worked.

Although logs are only maintained for areas where inmates are housed, certain correctional officer positions were not required to sign in and out on a log. As such, a reliable documentation trail of hours worked was not available. Without inspecting documentation to evidence the correctional officer signed in and out for their shift, we were unable to be reasonably assured that they were present for the time paid.

There was no documentation to explain deviations from the Administrative Order concerning overtime. All of the exceptions dealt with hours worked in excess of prescribed limits.

Overtime hours reported on the overtime report for the pay period ending December 22, 2001 were inaccurate for nine of the ten correctional officers selected for review. Reporting should detail overtime hours worked in each supervisory area to help determine the problem areas and in turn make it easier to develop solutions.

During our review of the Administrative Order, we noted that prior approval for overtime hours to be worked is not required and the order does not address supervisors working in lower positions.

An independent staffing analysis needs to be performed to determine whether the staffing levels are appropriate.

A list of correction officers interested in working overtime is not maintained as required in Administrative Order No. 202.

The Corrections Department concurred with all the audit recommendations for improvements and corrective actions are either completed, planned or underway.

ACTION PLAN

LIMITED REVIEW OF THE ORANGE COUNTY CORRECTIONS DEPARTMENT'S OVERTIME
ACTION PLAN

NO.	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS		RECOMMENDATIONS
	CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED	
1.	X			X		We recommend correctional officers sign payroll worksheets to verify and acknowledge the actual hours worked.
2.	X			X		We recommend the Corrections Department implements additional controls to ensure that the hours paid were authorized.
3.	X			X		We recommend all Overtime Certification/Leave Request forms be filled out and signed by the correctional officer and the supervisor having direct knowledge of the overtime worked.
4.	X				X	We recommend correctional officers, not assigned to a post, sign in and out of the main control room log for the area or facility where work is being performed when there is no log maintained for shifts worked.
5.	X			X		We recommend the Corrections Department takes steps to ensure that Administrative Order 202 regarding limits on overtime is followed. Documentation of deviations from this policy should be maintained.
6.	X				X	We recommend the Corrections Department take steps to develop a system that provides an accurate report on overtime hours worked.
7.						We recommend the Corrections Department expands Administrative Order 202 pertaining to overtime to include:
A)	X			X		Review current unfunded positions and develop procedures detailing when prior approval for overtime worked by a correctional officer is required; and,
B)	X			X		Addressing under what conditions supervisors can work overtime in lower positions at the supervisor rate.

LIMITED REVIEW OF THE ORANGE COUNTY CORRECTIONS DEPARTMENT'S OVERTIME
ACTION PLAN

NO.	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS		RECOMMENDATIONS
	CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED	
8.	X				X	We recommend the Corrections Department obtains an independent staffing analysis to determine if the current level of authorized positions is adequate for the facility's operations.
9.	X			X		We recommend the Corrections Department maintains a list at each facility of correctional officers interested in working overtime.

INTRODUCTION

**Background**

The Orange County Corrections Department's (the Corrections Department) stated mission is "to protect the public through the maintenance of safe and secure facilities while providing services to victims and working in partnership with community providers who offer performance driven programs to inmates." The Corrections Department had 1623 authorized correctional officer positions and 150 correctional officer positions open at the end of the fiscal year 2000-2001. The Corrections Department has an average of 4,150 inmates each day. The ratio of inmates to correctional officers is approximately 5.5:1. For fiscal year 2000-2001, \$4,431,315 was budgeted for overtime and \$6,766,176 was spent. The Corrections Department has filled all of the open positions as of June 2002.

Overtime hours are utilized for funded and unfunded positions as well as Holiday pay. Unfunded positions are positions where a prior need could not be adequately established at the start of the fiscal year such as hospital duty, maintenance, or any areas where construction is taking place and increased security is necessary.

**Scope, Objectives,
and Methodology**

The period audited was July 1, 2001 through December 31, 2001. The audit scope included a limited review of the Corrections Department's overtime. The objective of our review was to determine compliance with Corrections Department's Administrative Order 202 pertaining to overtime.

To determine compliance with the section of the Corrections Department Administrative Order 202 pertaining to overtime, the following steps were performed:

1. A sample of ten correctional officers was selected for the period of October 28, 2001 through December 22, 2001, and the following procedures were performed:
 - We determined if the Corrections Department obtained signatures from the correctional officers on the payroll worksheet, verifying and acknowledging hours worked.



- The overtime hours on the Payroll Transmittals were compared to the overtime hours on the payroll worksheets to determine the accuracy of the amount paid to the correctional officer.
 - Overtime Certification/Leave Requests were reviewed to determine if the overtime worked was approved and signed by both a supervisor on the shift and the correctional officer.
 - A sample of the Daily Shift Reports that were attached to the Overtime Certification/Leave Requests were selected and compared to the sign-in log at the corresponding posts to determine if the corrections officers signed it.
2. We performed an analysis of the Payroll Transmittals for the correctional officers selected above to determine if the following overtime usage rules were followed for the audit period of July 1, 2001 through December 31, 2001:
- The correctional officer took one RDO (regular day off) per week.
 - The correctional officer did not work a shift over 16.3 hours.
 - The correctional officer did not work three consecutive 16.3-hour (or more) shifts.

In addition, the overtime report created by the Corrections Department for the pay period ending December 22, 2001, was compared to the corresponding check register for the ten correctional officers selected above to determine if the report was accurate.

Overall Evaluation

Based on the results of our testing, the Corrections Department materially complied with the Corrections Department Administrative Order 202 pertaining to overtime. However, opportunities for improvement were noted and are described herein.

RECOMMENDATIONS FOR IMPROVEMENT

1. Corrections Should Obtain Signatures on All Payroll Worksheets

Forty-eight percent (19 of 40) of the payroll worksheets reviewed were not signed by the correctional officer. The payroll worksheets are used to verify hours worked by the correctional officer and for processing payroll. The Corrections Department Administrative Order 202, Section V.A.6 states, "All staff sign the payroll worksheet verifying their time worked prior to turning the payroll in for final preparation, whenever possible." According to the Corrections Department personnel, no attempts were made to obtain signatures after the pay period had ended. Verification of time worked helps to ensure accuracy of hours recorded. Without a signature on the worksheets (even after-the-fact), the correctional officer does not verify or acknowledge the hours actually worked.

We Recommend correctional officers sign payroll worksheets to verify and acknowledge the actual hours worked.

Management's Response:

We concur and do require signatures by the officers. The purchase of the Time and Attendance program (KRONOS) will eliminate this issue from occurring.

2. Corrections Should Enhance the Documentation Maintained for Overtime

Currently, the correctional officers are responsible for obtaining the Overtime Certification/Leave Request from the approving supervisor and submitting it to their immediate supervisor so that it can be processed for payroll when not working in their regularly assigned area. We were informed that verification is not performed for the overtime hours stated on the Overtime Certification/Leave Request by any of the supervisors. In an effective internal control system, documentation should remain under the control of the supervisor authorizing overtime to ensure the integrity of the

RECOMMENDATIONS FOR IMPROVEMENT



Limited Review of the Orange County
Corrections Department's Overtime

Overtime Certification/Leave Request. Also, periodic verifications should be performed to ensure hours stated on the Overtime Certification/Leave Request match the hours paid. This could be accomplished by photocopying the original approved form or creating a multipart form. A copy of the form should be retained in the authorizing department and later compared to the final hours paid. Unauthorized changes in overtime hours worked on the Overtime Certification/Leave Request could result in payment for hours not worked.

We Recommend the Corrections Department implements additional controls to ensure that the hours paid were authorized.

Management's Response:

We concur as adequate controls are in place to monitor the application and authorization of overtime and Overtime Certification/Leave Requests are maintained with payroll worksheets. The implementation of the KRONOS system will enhance our controls.

3. The Correctional Officer and the Supervisor Having Direct Knowledge of the Overtime Worked Should Sign the Overtime Certification/Leave Request

In our review of the Overtime Certification/Leave Requests, we noted the following:

- A) Twenty percent (71 of 358) of the requests reviewed were not signed by the correctional officer who worked the overtime.
- B) In another sample of the Overtime Certification/Leave Requests reviewed, we found that twenty-one percent (7 of 33) were filled out and approved by supervisors not having direct knowledge of the overtime worked.

RECOMMENDATIONS FOR IMPROVEMENT



Limited Review of the Orange County
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The Corrections Department Administrative Order 202, Section V.B.2 states "Staff working outside his/her assigned Division will obtain a signed Overtime Request form and a copy of the Daily Shift Report from that Facility's Shift Supervisor and forward to his/her immediate Supervisor for signature and payroll processing." Without the proper signatures, there is a possibility that unauthorized changes or false Overtime Certification/Leave Requests could be submitted without timely detection resulting in payment of overtime hours not worked. Also, a signature by the correctional officer signifies that the overtime was actually worked. A signature by the supervisor authorizes the overtime.

We Recommend all Overtime Certification/Leave Request forms be filled out and signed by the correctional officer and the supervisor having direct knowledge of the overtime worked.

Management's Response:

We concur and our procedures require that the supervisor authorizing the overtime ensure the accurate completion of the Overtime Request form, to include signatures of both the supervisor and the employee working the overtime.

4. For Positions Where Daily Logs Are Not Maintained, Correctional Officers Should Sign In and Out in the Main Control Room

When overtime hours are worked, each officer obtains a copy of the daily shift report (noting hours scheduled) and an Overtime Certification/Leave Request form and submits those items with their payroll. In addition, Correctional officers sign in on a log when starting their shift and sign out when their shift is completed; however, certain tasks, such as maintenance performed by correctional officers do not require them to sign a log. As part of our testing, we reviewed the sign in/out logs maintained in each facility to gain further assurance the overtime hours paid to each employee were worked. We were unable to verify 450

RECOMMENDATIONS FOR IMPROVEMENT



Limited Review of the Orange County
Corrections Department's Overtime

hours, estimated at \$6,607, of overtime hours. All of these exceptions related to positions that do not require the employee to sign a log at the start and end of the shift. Although logs are only maintained for areas where inmates are housed, correctional officers should sign in and out of the main control room log for shifts worked where no log is maintained. This provides a reliable documentation trail so that hours can be validated against the timesheet, particularly for these positions where there is little supervision. Without inspecting documentation to evidence the correctional officer signed in and out for their shift, we were unable to be reasonably assured that they were present for the time paid.

We Recommend correctional officers, not assigned to a post, sign in and out of the main control room log for the area or facility where work is being performed when there is no log maintained for shifts worked.

Management's Response:

We agree that a system to enhance verification of overtime hours would be beneficial to the department. The purchase of the Time and Attendance program (KRONOS) will satisfy this recommendation.

5. Exceptions From the Administrative Order Concerning Overtime Should Be Minimized and Documented

During our review of the compliance with the administrative order concerning overtime, we had the following concerns:

- A) Five instances were noted where a correctional officer worked three consecutive shifts of 16 hours or greater. The Corrections Department Administrative Order 202, Section V.C.1 states, "No staff member may work more than 16 hours a day two consecutive days, unless directed by the Division Manager."

RECOMMENDATIONS FOR IMPROVEMENT



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- B) A correctional officer worked over 16 hours in three percent (61 of 1820) of the days reviewed. The Corrections Department Administrative Order 202, Section V.C.2 states, "Staff who works an 8 hour shift may not work more than 16 hours per shift. Staff who works a 10-hour shift may not work more (than) 6 additional hours per shift. Staff who works a 12 hour shift may not work more than 4 additional hours per shift."
- C) A correctional officer did not take one regular day off in four percent (9 of 260) of the weeks reviewed. The Corrections Department Administrative Order 202, Section V.C.3 states, " Staff must have one (1) regular day off (RDO) per week."

We noted no documented approval from the Division Manager for these occurrences. The level of alertness and effectiveness could decrease after a correctional officer has worked too many consecutive 16-hour shifts, over 16 hours, or over seven consecutive days.

We Recommend the Corrections Department takes steps to ensure that Administrative Order 202 regarding limits on overtime is followed. Documentation of deviations from this policy should be maintained.

Management's Response:

We concur with this recommendation. It is the intent of this department to enforce its policies and violations addressed appropriately.

6. A Reporting System Should Be Developed to Better Track and Report Overtime

During the audit period, the Corrections Department prepared a report noting overtime hours worked for each employee during the pay period. This report is prepared from the Overtime Certification/Leave Request forms. However, any shift that is not on a correctional officer's

regular schedule is approved through the Overtime Certification/Leave Request forms. Some of these requests are not actual overtime hours (replacing shifts not worked) and not paid at the overtime rate. Personnel noted that the report is based on inaccurate data due to the current reporting system. We reviewed the overtime hours reported on the overtime report for the pay period ending December 22, 2001, and found that it was inaccurate for nine of the ten correctional officers selected for review. Reporting should detail hours worked in each supervisory area to help determine the problem areas of overtime and in turn make it easier to develop solutions.

We Recommend the Corrections Department take steps to develop a system that provides an accurate report on overtime hours worked.

Management's Response:

We concur that an accurate overtime reporting system should be utilized. The implementation of the Time and Attendance program (KRONOS) with an interface to People Soft will satisfy this recommendation.

7. The Administrative Order Concerning Overtime Should Be Enhanced

During our review of the Administrative Order concerning overtime, we found the following:

- A) Although procedures require approval for overtime worked, prior approval is not required. Overtime procedures should require prior approval for certain unfunded positions and tasks (such as maintenance). By obtaining prior approval, overtime usage can be better monitored. Prior approval of overtime can also help ensure that the rules for overtime are upheld.
- B) The Order does not address supervisors working in lower positions. Supervisors are allowed to work in lower positions; but the supervisor gets paid at an

overtime rate based on their regular rate of pay. In the past, the Corrections Department stated this practice was necessary to avoid assigning mandatory overtime. The Administrative Order should address when a supervisor is allowed to work at a lower position. The future effectiveness of a supervisor that works in a lower position could be affected. Also, the County is paying a higher per hour rate than if a corrections officer worked the overtime.

We Recommend the Corrections Department expands Administrative Order 202 pertaining to overtime to include:

- A) Review current unfunded positions and develop procedures detailing when prior approval for overtime worked by a correctional officer is required; and,
- B) Addressing under what conditions supervisors can work overtime in lower positions at the supervisor rate.

Management's Response:

We concur with this recommendation. Our procedures do require prior approval from a supervisor for any task to include supervisors. Supervisors are used to fill lower positions only in severe staffing shortages. We will expand our Administrative Order to reflect the above recommendations.

8. An Independent Staffing Analysis Should Be Performed

Twenty-four percent (85 of 355) of the overtime certifications/leave requests were for correctional officers working hours in unfunded positions. Before overtime is worked, it should be determined whether it is necessary, keeping in mind that proper levels of staffing should be maintained at all times. Unfunded overtime includes guarding inmates in the hospital, levels of security being increased in certain areas where construction is taking

place, and maintenance. With all of these areas being staffed with correctional officers, the Corrections Department may need more employees than what is currently authorized. A staffing analysis could determine whether more positions are needed or if other solutions are warranted. It should also be noted that the Jail Oversight Commission found a need for a staffing analysis also and recommended this in the report presented to the Board in April of 2002.

We Recommend the Corrections Department obtains an independent staffing analysis to determine if the current level of authorized positions is adequate for the facility's operations.

Management's Response:

We concur with this recommendation. We anticipate having one done in the first quarter of FY 02/03.

9. A List of Correctional Officers Interested in Overtime Should Be Maintained in Each Facility

There is no formal overtime volunteer list maintained at Main, Booking and Horizon facilities. The Corrections Department Administrative Order 202, Section V.D states, "A list of interested staff will be established within each Division and/or facility (if needed)." The significant amount of overtime currently at the Corrections Department demonstrates a need for a volunteer list. With the current system of filling overtime positions, overtime may not be handed out fairly and equitably.

We Recommend the Corrections Department maintains a list at each facility of correctional officers interested in working overtime.

**RECOMMENDATIONS
FOR IMPROVEMENT**



Limited Review of the Orange County
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Management's Response:

We concur with this recommendation. Informal lists are maintained at each facility and overtime is distributed equitably.

Management's Exhibit – Supplemental Response



Corrections Department

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Reply To: Post Office Box 4970
Orlando, Florida 32802-4970
Timothy.Ryan@ocfl.net

October 10, 2002

J. Carl Smith, CPA
Director County Audit Division
County Comptroller

Re: Limited Review of Orange County Corrections (re: Department's Overtime)

Dear Mr. Smith

According to the County Comptroller's "Limited Review of Orange County Corrections Department's Overtime" audit covering the review period from July 1, 2001 through December 31, 2001, the following information is being provided as our response.

The audit scope was to determine compliance with Corrections Department's Administrative Order 202 pertaining to overtime. It should be noted that during the audit period, Corrections averaged 150 correctional officer vacancies. Overtime hours were primarily expended to cover critical security posts, hospital duty, maintenance and areas where construction is taking place.

The Corrections Department has obtained funding to purchase the Kronos System in FY 02/03. This system will permit staff to sign in and out electronically via telephone or computer or palm scan, and compiles the employee's time worked for the week. Additionally, it is anticipated that this system will allow for electronic transmission of payroll information, providing a more efficient operation. The use of this system will eliminate and satisfy most of the issues and recommendations resulting from this audit.

The overall evaluation, as a result of this audit, indicates a substantial and material compliance by the Corrections Department. The issues and recommendations received are appreciated. Compliance and implementation will be initiated where indicated.

I would like to express my sincere appreciation to the Comptroller's Office and specially, the Audit Division, for their cooperative interaction with the Corrections Department.

Sincerely,

A handwritten signature in blue ink that reads "Timothy P. Ryan".

Timothy P. Ryan
Chief of Corrections

c: Chief Carl Plaughter, Acting Director of Public Safety
Major Scott P. Bradstreet, Acting Deputy Chief
Larry Taylor, Chief Fiscal Officer
File