

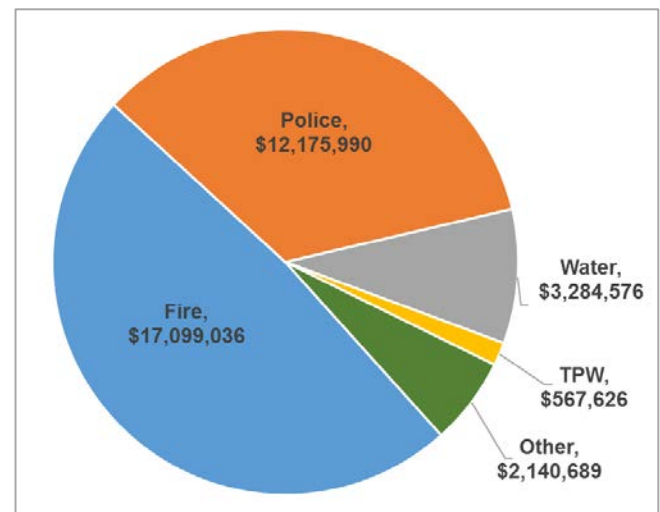
Overtime Usage & Controls

Objective

To assess whether internal controls over overtime usage are adequate, appropriate and whether overtime practices were in compliance with City policies and procedures

Background

- Over 6,700 employees were employed by the City during our audit period.
- The City spent approximately \$35 million in overtime to non-exempt employees in FY2018.
- Fire, Police and Water Department staff generated 92% of overtime paid in FY2018
- Approximately \$11.2 million of the Fire Department's total overtime resulted from constant staffing overtime



What We Found

- Approximately \$261,000.00 in questionable overtime payments to approximately 600 employees
- Employees took paid leave (e.g., vacation and sick), but were paid for hours worked instead. As a result, paid leave valued at approximately \$3,000.00 was not reduced from the employees' leave balances.
- Training materials and guidelines for timekeepers were inconsistent and outdated.
- Additional holiday payments, totaling approximately \$19,000.00, to Fire staff were not supported by policies, contracts, or applicable legislation.

What We Recommend

- Request repayment from current and former employees who were overpaid
- Develop and provide management with exception reports that identify payroll anomalies
- Update timekeeper guidelines and require mandatory training
- Enforce requirement to document support for overtime payments