

BCC Meeting

Parks and Recreation Department

Audit Report 2012-7 Immokalee Payroll



February 26, 2013

Dwight E. Brock

Background

- On April 4, 2012, a parent of a job bank employee reported, to Parks and Recreation, a discrepancy with the income earned reported on her daughter's 2011 W2.
- Research conducted by Human Resources showed the employee's hours worked were continuous for 2011 and checks were issued accordingly.
- The parent told Parks and Recreation it was impossible for there to be continuous hours for 2011 because her daughter had been away at college.

Overview - Payroll Scheme

- Location Supervisor approved falsified timecards
- Timekeeper entered falsified time into SAP to trigger issuance of payroll check
- Authorized Approver failed to review the time; approved and released time in SAP without validation
- Timekeeper picked up printed checks
- Timekeeper or Supervisor cashed checks at a local Immokalee business

Audit Limited Scope

- 100% testing was completed for job bank employees who received manual checks from Immokalee Sports Complex (IMSC) and Immokalee Community Center (IMCC) during the testing period August 29, 2009 – March 23, 2012.
- Employees not selected include job bank employees receiving direct deposit, regular full time employees, and regular part time employees.
- 25 job bank employees were tested (28 employee identification SAP numbers).
- When employees worked in multiple locations, only timecards from IMSC and IMCC were tested.
- Timesheets were excluded from testing because they were not considered source documents.
- Limitation – Parks and Recreation was unable to provide a portion of the internal time schedules, employee timecards, and timesheets for the testing period.
- Testing relied on the timecards that should have been certified by the employee and the supervisor.

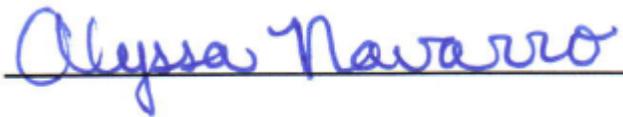
Audit Findings

1. It appears payroll theft and/or forgery has occurred and the potential for theft may still exist.

Examples of Inconsistent Signatures

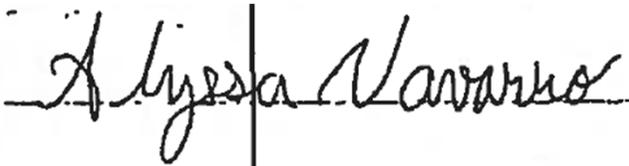
Alyssa Navarro

Job Offer Memo Signature 6/6/2008



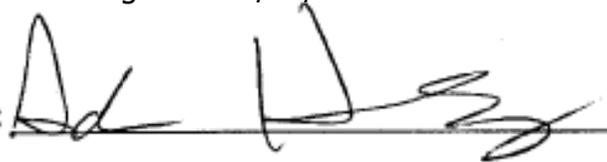
Employee Signature

Payroll Check Endorsement 8/19/2011



Adan Hernandez

IT Attestation Signature 1/10/2007

Signed: 

Payroll Check Endorsement 7/9/2010

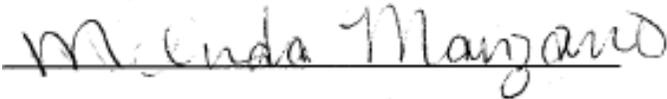
ENDORSE HERE:


1. It appears payroll theft and/or forgery has occurred and the potential for theft may still exist.

Examples of Inconsistent Signatures

Melinda Sue Manzano

Job Offer Memo Signature 5/12/2008

A handwritten signature in cursive that reads "Melinda Manzano" written over a solid horizontal line.

Employee Signature

Payroll Check Endorsement 10/15/2010

A handwritten signature in cursive that reads "Melinda Manzano" written over a dashed horizontal line.

Elizabeth Ann Cervantes

Employee Acknowledgement 6/4/2007

A handwritten signature in cursive that reads "Elizabeth Cervantes" written over a solid horizontal line.

Payroll Check Endorsement 12/23/2009

A handwritten signature in cursive that reads "Elizabeth Cervantes" written over a solid horizontal line.

1. It appears payroll theft and/or forgery has occurred and the potential for theft may still exist.

Examples of Inconsistent Signatures

Stephen Herrera

Temporary Appointment Waiver 4/8/2009

SIGNATURE: Stephen Herrera

Payroll Check Endorsement 11/23/2011

PLACE HERE.
Stephen Herrera, J.

Marcos Ocanas

Loyalty Oath 4/8/2009

Marcos Ocanas
Signature

Payroll Check Endorsement 9/3/2010

Marcos Ocanas

2. The time entry process lacked management oversight.

Overlapping Hours-not possible to be in two places at once.
Missing Signature; Pay Discrepancy

WEEKLY TIME CARD PAY PERIOD # 19 PERIOD ENDING 6/3/11
 EMPLOYEE'S NAME (PRINT) Melinda Manzano
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 4802

WEEK #1	IN	OUT	IN	OUT
SATURDAY	-	-	-	-
SUNDAY	-	-	-	-
MONDAY	-	-	-	-
TUESDAY	-	-	-	-
WEDNESDAY	10:00	3:00	-	-
THURSDAY	8:00	1:00	-	-
FRIDAY	-	-	-	-

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Melinda Manzano
 SUPERVISOR SIGNATURE Jamela R...

WEEKLY TIME CARD PAY PERIOD # 19 PERIOD ENDING 6/3/11
 EMPLOYEE'S NAME (PRINT) Melinda Manzano
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 4802

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	-	-	-	-	-	-	0
SUNDAY	12:00	6:00	-	-	-	-	6
MONDAY	1:00	7:00	-	-	-	-	6
TUESDAY	1:00	7:00	-	-	-	-	6
WEDNESDAY	1:00	7:00	-	-	-	-	6
THURSDAY	1:00	7:00	-	-	-	-	6
FRIDAY	1:00	7:00	-	-	-	-	6
WEEKLY TOTAL							30

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE _____
 SUPERVISOR SIGNATURE _____

Immokalee Community Center

Immokalee Sports Complex

oyees,
it into
eive a
ution

2. The time entry process lacked management oversight.

- Authorized approvers did not inspect timecards when approving them in SAP.
- Undetected - Employee reported duplicated, overlapping hours.
- Undetected – Employees submitted multiple timecards for the same pay period containing conflicting information.
- Undetected – Timecards contained calculation and input errors, overtime errors, blank spaces for information, alterations, corrections approved by the supervisor and not the employee, no employee signature, and/or no supervisor signature.
- When policies are not followed, it leaves the opportunity for theft/fraud, documentation discrepancies, and exposes the County to possible loss.

through the department. Finally, beginning in February 2013, issuance of checks/payments will change from one week following the close of the payroll period to two weeks following the close of the payroll period. This will provide for keying of hours worked and approval of the time entries following the end of the payroll period, and eliminate the need to forecast time.

Further, the Human Resources staff is working closely with Parks managers to determine which of the temporary employees continue to work routinely and to remove them from the HR/Payroll system timely upon the end of the assignment.

2) The time entry process lacked management oversight.

It appears authorized approvers (typically the regional manager) did not inspect timecards when approving them in SAP. The regional manager said when they were in the field working, they did not always have timecards available for review and would call the location supervisor to verify the information in SAP was accurate, then approve the time entered without the timecard.

One instance was noted where a job bank employee worked at the IMSC and IMCC in the same day. The IMCC timecard showed the employee worked from 10am-3pm and the IMSC timecard showed the employee worked from 1pm-7pm. It appears the employee reported duplicated overlapping hours. When the time entered into SAP is reviewed by the authorized approver, the original source documents should be reviewed for possible duplicated hours.

Seven exceptions were noted where employees submitted two timecards for the same pay period. In some instances the timecards contained conflicting information and were signed by the same supervisor or two different supervisors. It cannot be determined which timecard is accurate because both timecards were signed and certified by the employee and signed by a supervisor. It appears the authorized approver who approved the time in SAP should have detected the error if physical timecards were reviewed.

Parks and Recreation Policy PN0003 states "Supervisor Responsibilities: Must review time cards for correctness and sign both sides of the time card." It does not appear the supervisor properly reviewed timecards for accuracy or consistency or signed to approve the timecard. Timecards submitted and approved contained the following: no supervisor signature; signatures on only one side of the timecard; calculation errors; input errors; blank spaces for the pay period, week of the pay period, employee SAP #'s, employee signatures; alterations; corrections not approved by the supervisor or the employee; and illegible numbers.

CMA 5311.1 states "Personnel and other County records including employment applications, accident records, work records, purchase orders, timesheets, or any other report, record applications or any other documents must be truthful and contain accurate information." Documentation provided by Parks and Recreation do not contain accurate information.

There are policies and procedures in place that authorized approvers, supervisors, and/or employees are not following. When policies and procedures are not followed, it leaves the opportunity for theft / fraud, documentation discrepancies, and exposes the County to possible loss.

Recommendations:

- Management should thoroughly review existing policies and procedures for any changes necessary to further protect the time entry process.
- Management should ensure compliance with policies and procedures.
- Parks and Recreation staff should adhere to policies and procedures.

Parks and Recreation Management Response

“Prior and subsequent to this incident, the regional managers and supervisors were providing management oversight of the timekeeping process, though adherence to County and departmental procedures was not consistent across all of the supervision groups...”

Internal Audit Response

Our audit did not indicate this was an isolated incident with the terminated supervisors, but a broader department issue warranting full review.

card prior to approving time entered into SAP. If a
e due diligence in reviewing timecards.

Parks and Recreation Management Response:

Prior and subsequent to this incident, the regional managers and supervisors were providing management oversight of the timekeeping process, though adherence to County and department procedures was not consistent across all of the supervision groups. As a result, the manager responsible for the terminated individuals has been disciplined. In addition to the aforementioned bi-weekly post audit of payroll time across the department; Management is taking steps in coordination with the Human Resources Department to update and enhance all written procedures governing payroll time. Additional training is planned for all time keepers for January 2013 in concert with the development of a timekeeping CMA for the agency. Further, the department will standardize forms for time collection, time entry processes, and internal department methodology for entering time on source documents as well as business processes for timekeeping.

Internal Audit Response to Parks and Recreation Management Response:

Over the course of approximately 3 years of documentation reviewed, numerous supervisors and management lacked oversight. The issues discovered were repeated at all locations tested indicating management and supervisory weakness in monitoring the process.

Our audit did not indicate this was an isolated incident with the terminated supervisors, but a broader department issue warranting full review.

3) Parks and Recreation staff did not follow the established practices for segregation of duties for the time entry process.

The Parks and Recreation Department has four steps in the time entry process: 1. Location supervisor approves the employee's timecard, 2. Timekeeper enters the timecard information into the payroll system (SAP), 3. Authorized approver reviews, approves, and releases the time entered in SAP, and 4. Checks are picked up from Administration and distributed to employees. These steps should also be properly segregated not allowing one employee to complete two steps in the time entry process to maximize control.

It appears the IMSC did not have proper segregation of duties to prevent, detect, and control the opportunity for theft. The timekeeper entered the hours into SAP and was responsible for the distribution of checks to employees. The authorized approver did not observe and validate the physical timecards when reviewing, approving, and releasing the time entered in SAP. Segregation of duties does not prevent collusion; however, compliance with policies and management oversight can detect and reduce the potential for collusion.

Exceptions noted include: IMCC's location supervisor is the timekeeper; timekeepers have entered the time in SAP and reviewed, approved, and released time in SAP; and the regional manager has approved/signed employee timecards and reviewed, approved, and released the time in SAP.

The lack of proper segregation of duties and management review enables a person and/or persons to perpetrate and conceal a fraud and/or theft.

Recommendations:

- The Department should create, implement, and adhere to a policy for segregation of time entry process job duties.
- Employee rosters should be routinely reviewed by an independent party.

Parks and Recreation Management Response:

As the audit reports states, the segregation of duties does not absolutely prevent the possibility of collusion that occurred in this instance. Nonetheless, the Department recognized the need for further segregation of the time entry process upon discovery of the discrepant information in April 2012. Accordingly, the department

shortly thereafter implemented a standard operating procedure that requires segregation of duties as follows:

4. It appears employees have been improperly paid as a result of calculation and input errors.

- There were **639** time entry errors detected
- 303 input errors
- 330 calculation errors
- 6 other errors
 - i.e. payment for holidays, overlapping hours, or time-in and time-out errors

Without proper review and management oversight, the County may be exposed to a liability or loss.

The Human Resources Department now requires newly hired employees to receive their compensation through direct deposit and, for employees still receiving manual checks, upon appropriate notification of the change, the County will initiate a process of mailing checks directly to employees' home address of record to ensure only the employee receives the check and in order to avert future possibility of theft.

4) It appears employees have been improperly paid as a result of calculation and input errors.

Parks and Recreation Policy PN0003 states "Supervisor Responsibilities: Must review time cards for correctness." It does not appear the supervisor properly reviewed the timecards for hours recorded. There were 639 time entry errors detected - 303 from input errors, 330 from calculation errors, and 6 from other errors noted in the review.

Exceptions were noted where it appears the timekeeper input the timecard hours into SAP inaccurately and the supervisor/authorized approver did not discover the error. The timecard and the time entered into SAP appear inconsistent. It appears the input errors have recorded employees working more hours than shown on the timecard or the employee has been paid for more hours than worked.

Exceptions were noted where the timecard was not properly calculated for the actual daily hours worked, indicating the employee may have been improperly paid.

Employees should carefully review their timecards for accuracy prior to submitting them for review. Supervisors and authorized approvers should properly review timecards for accuracy and consistency with SAP. Without proper review and management oversight, employees may be under or over paid exposing the County to a liability or loss.

Recommendations:

- Authorized approvers should always review the physical timecard prior to approving time entered into SAP. If a timecard is not available, the time should not be approved.
- Parks and Recreation staff should be trained on policies and procedures.
- Authorized approvers should use due diligence in reviewing timecards and not approve timecards that are not approved by employees and supervisors.
- Supervisors and authorized approvers should validate timecards are properly calculated.
- The County should review and determine if there is a liability to employees for hours worked and not paid and for employees paid for hours not worked.

Parks and Recreation Management Response:

In June, 2012, the Department established a central, ongoing post-audit of payroll records for each payroll period to ensure standardization of time entry. This centralized post-audit includes:

1. Schedules for all cost centers in the department are posted and maintained electronically
2. Time cards are matched to the schedules
3. Time cards are matched to what has been entered into SAP
4. All entries are checked for completeness (e.g.; appropriate signatures, inclusion of leave slips, proper coding, etc.)
5. The Program Supervisor and Regional Manager are contacted immediately if any discrepancy is uncovered.

4. It appears employees have been improperly paid as a result of calculation and input errors.

WEEKLY TIME CARD PAY PERIOD # 26 PERIOD ENDING 9-11-09

EMPLOYEE'S NAME (PRINT) Eric Aponte

DEPARTMENT PARKS AND RECREATION

SOCIAL SECURITY # 6330

WEEK #2	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	10:00	1:00	1:30	7:00	—	—	8.5
SUNDAY	11:30	6:30	—	—	—	—	7
MONDAY	10:00	1:00	1:30	5:00	—	—	6.5
TUESDAY	2:30	1:00	1:30	9:00	—	—	6
WEDNESDAY	2:30	1:00	1:30	9:00	—	—	6
THURSDAY	2:30	1:00	1:30	9:00	—	—	6
FRIDAY	OFF	—	—	—	—	—	0
WEEKLY TOTAL							40.00

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE *Eric Aponte*

SUPERVISOR SIGNATURE *[Signature]*

“Calculation Error”

Timecard			
Day / Date	Recalc.	SAP	
Sat 9/5	8.5	8.5	
Sun 9/6	7.0	7.0	
Mon 9/7	6.5	6.5	
Tue 9/8	18.0	6.0	
Wed 9/9	18.0	6.0	
Thu 9/10	18.0	6.0	
Fri 9/11	0.0	0.0	
Total Hours	76.0	40.0	

Appears Employee was underpaid 36 hours at overtime rate

4. It appears employees have been improperly paid as a result of calculation and input errors.

WEEKLY TIME CARD PAY PERIOD # 21 PERIOD ENDING 7-2-10
 EMPLOYEE'S NAME (PRINT) Elizabeth Cervantes
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 6544

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY							
SUNDAY							
MONDAY	1:00	4:00					4.0
TUESDAY	1:00	4:00					4.0
WEDNESDAY	1:00	4:00					4.0
THURSDAY	1:00	4:00					4.0
FRIDAY	1:00	4:00					4.0
WEEKLY TOTAL							20.0

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Signature on file
 SUPERVISOR SIGNATURE Andrea Ramos

“Calculation Error”

		Timecard	
Day / Date		Recalc.	SAP
Sat	6/19	0.0	0.0
Sun	6/20	0.0	0.0
Mon	6/21	3.0	4.0
Tue	6/22	3.0	4.0
Wed	6/23	3.0	4.0
Thu	6/24	3.0	4.0
Fri	6/25	3.0	4.0
Total Hours		15.0	20.0

Appears Employee was overpaid 5.0 hours

Note: The employee did not properly sign the timecard

4. It appears employees have been improperly paid as a result of calculation and input errors.

“Calculation, Input & Overtime Errors”

WEEKLY TIME CARD PAY PERIOD # 11 PERIOD ENDING 2-24-2012
 EMPLOYEE'S NAME (PRINT) Stephen Herrera
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 8711

WEEK #2	IN	OUT	IN	OUT	IN	OUT	TOTAL HO
SATURDAY	—	—	—	—	—	—	0
SUNDAY	—	—	—	—	—	—	0
MONDAY	7:00	5:00	—	—	—	—	10
TUESDAY	2:00	7:00	—	—	—	—	5
WEDNESDAY	7:00	9:00	—	—	—	—	12
THURSDAY	7:00	6:00	—	—	—	—	9
FRIDAY	3:00	7:00	—	—	—	—	4
WEEKLY TOTAL							<u>40.00</u>

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.
 EMPLOYEE SIGNATURE Steph Herrera
 SUPERVISOR SIGNATURE _____

		Timecard		
Day / Date	Recalc.	Timecard	SAP	
Sat 2/18	0.0	0.0	0.0	
Sun 2/19	0.0	0.0	0.0	
Mon 2/20	10.0	10.0	10.0	
Tue 2/21	5.0	5.0	5.0	
Wed 2/22	14.0	12.0	9.0	
Thu 2/23	11.0	9.0	4.0	
Fri 2/24	4.0	4.0	4.0	
Total Hours	44.0	40.0	32.0	

Appears the employee was underpaid by 12 hours; 4 should be overtime rates

"Input Error"

WEEKLY TIME CARD PAY PERIOD # 8 PERIOD ENDING 1/1/2010
 EMPLOYEE'S NAME (PRINT) Marcos Ocanas
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 9208

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	10:00	1:00	2:00	7:00	-	-	8
SUNDAY	10:00	1:00	2:00	6:00	-	-	7
MONDAY	-	-	-	-	-	-	0
TUESDAY	3:00	9:00	-	-	-	-	6
WEDNESDAY	3:00	7:00	-	-	-	-	4
THURSDAY	-	-	-	-	-	-	0
FRIDAY	-	-	-	-	-	-	0
WEEKLY TOTAL							25

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Marcos Ocanas
 SUPERVISOR SIGNATURE [Signature]

- Employee & Supervisor certified actual hours = 6.0
- Time Keeper entered 24.0 hours into SAP
- Authorized approver released in SAP
- **Employee was overpaid 18 hours**

Data Entry Period: 12/19/2009 - 01/01/2010

Data Entry Area																					
Pe...	Name	A...	P	Name	Name	Total	12/19	12/20	12/21	12/22	12/23	12/24	12/25	12/26	12/27	12/28	12/29	12/30	12/31	01/01	Rec. C...
8712	Marcos Ocanas Jr				Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8712	Marcos Ocanas Jr				Job Bank	64.50	8.00	7.00	0.00	24.00	0.00	0.00	0.00	8.00	5.50	0.00	4.00	4.00	4.00	0.00	
8712	Marcos Ocanas Jr	4001		Reg Hours -	Job Bank	64.50	8.00	7.00						8.00	5.50		4.00	4.00	4.00		156349

"Input Error"

WEEKLY TIME CARD PAY PERIOD # 23 PERIOD ENDING 7/30/10
 EMPLOYEE'S NAME (PRINT) Makisha Gadsden
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 6542

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY							
SUNDAY							
MONDAY	1:00	5:00					4
TUESDAY	1:00	5:00					4
WEDNESDAY	1:00	11:30					0.5
THURSDAY	1:00	5:00					4
FRIDAY	1:00	5:00					4
WEEKLY TOTAL							19.5

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE M. Gadsden
 SUPERVISOR SIGNATURE [Signature]

- Employee & Regional Manager certified actual hours = 0.5
- Time Keeper entered 3.50 hours into SAP
- Authorized approver released in SAP
- **Employee was overpaid 3.0 hours**

Data Entry Period 07/17/2010 - 07/30/2010

Data Entry Area																							
LT	Per...	Name	A/A...	Name	Name	Total	07/17	07/18	07/19	07/20	07/21	07/22	07/23	07/24	07/25	07/26	07/27	07/28	07/29	07/30	Rec. Cctr	R...	P..
	6542	Makisha K Gadsden			Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
	6542	Makisha K Gadsden			Job Bank	19.50	0.00	0.00	4.00	4.00	3.50	4.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
	6542	Makisha K Gadsden	4001	Reg Hours -	Job Bank	19.50			4.00				4.00								156343		

3.50

WEEKLY TIME CARD PAY PERIOD # 5 PERIOD ENDING 12/2/11
 EMPLOYEE'S NAME (PRINT) Cody Garcia
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 9503

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	10:00	1:00	2:00	2:00			8
SUNDAY	12:00	2:00	2:30	6:00			5.5
MONDAY	—						0
TUESDAY	—						0
WEDNESDAY	—						0
THURSDAY	—						0
FRIDAY	—						0
WEEKLY TOTAL							13.5

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Cody Garcia
 SUPERVISOR SIGNATURE Debra D...

“Input Error”

- Employee & supervisor certified actual hours = 13.5
- Time Keeper entered 0.0 hours into SAP
- **Employee was underpaid 13.5 hours**

Time Sheet: Data Entry View

Data Entry Period: 11/19/2011 - 12/02/2011

LT	Pers.No.	Name	A/AT...	Pr...	Name	Name	Total	11/19	11/20	11/21	11/22	11/23	11/24	11/25	11/26	11/27	11/28	11/29	11/30	12/01	12/02
	9503	Cody Alexander Garcia				Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	9503	Cody Alexander Garcia				Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Parks and Recreation Management Response

Actions:

- Establishment of a central, ongoing post-audit of payroll records for each payroll period
- When errors are detected, they are promptly corrected in the next pay period
- New procedures will be formally memorialized through a CMA to outline responsibilities

Parks and Recreation Management Response:

In June, 2012, the Department established a central, ongoing post-audit of payroll records for each payroll period to ensure standardization of time entry. This centralized post-audit includes:

1. Schedules for all cost centers in the department are posted and maintained electronically
2. Time cards are matched to the schedules
3. Time cards are matched to what has been entered into SAP
4. All entries are checked for completeness (e.g.; appropriate signatures, inclusion of leave slips, proper coding, etc.)
5. The Program Supervisor and Regional Manager are contacted immediately if any discrepancy is uncovered.

9

6. A log is kept that details the audit and filed for each pay period.
7. All new and re-hires are now paid by direct deposit only

In the months following the implementation of this change, the Department, has noted that the payroll entry error rate has been reduced by 88%. Further, when errors are detected, they are promptly corrected in the next pay period. To further reduce the occurrence of time entry errors, new procedures will be formally memorialized through a CMA outlining employee, supervisor, timekeeper and time approver responsibilities, retraining efforts and ensuring that CMA guidelines are followed related to time card entries.

Human Resources Management Response:

Human Resources Department staff will work with Parks and Recreation to assist where needed in the review process, and where corrections are warranted, to provide notices to employees related to over- or underpayments. This will include requests through Finance to cut checks for payments to employees who were underpaid.

Internal Audit Response:

Responses appear to minimize the amount and severity of the problem. The audit was a limited scope audit representing 25 job bank employees at 2 Parks and Recreation locations.

A total estimated calculation has an absolute variance of \$24,496.05 based on under / over payments reflected by time recorded on the employee timecards is \$13,746.97 for under payments and \$10,749.08 for over payments.

If the limited scope problem is pervasive and persistent, the potential additional amount of improperly paid employees could be significantly larger.

Internal Audit Response

- Parks and Recreation responses appear to minimize the amount and severity of the problem
- A total estimated calculation for 25 job bank employees has an absolute variance of \$24,496.05 based on under / over payments
- Estimated under payments = \$13,746.97
- Estimated over payments = \$10,749.08
- If the limited scope problem is pervasive and persistent, the potential additional amount of improperly paid employees could be significantly larger

Parks and Recreation Management Response:

In June, 2012, the Department established a central, ongoing post-audit of payroll records for each payroll period to ensure standardization of time entry. This centralized post-audit includes:

1. Schedules for all cost centers in the department are posted and maintained electronically
2. Time cards are matched to the schedules
3. Time cards are matched to what has been entered into SAP
4. All entries are checked for completeness (e.g.; appropriate signatures, inclusion of leave slips, proper coding, etc.)
5. The Program Supervisor and Regional Manager are contacted immediately if any discrepancy is uncovered.

9

6. A log is kept that details the audit and filed for each pay period.
7. All new and re-hires are now paid by direct deposit only

In the months following the implementation of this change, the Department, has noted that the payroll entry error rate has been reduced by 88%. Further, when errors are detected, they are promptly corrected in the next pay period. To further reduce the occurrence of time entry errors, new procedures will be formally memorialized through a CMA outlining employee, supervisor, timekeeper and time approver responsibilities, retraining efforts and ensuring that CMA guidelines are followed related to time card entries.

Human Resources Management Response:

Human Resources Department staff will work with Parks and Recreation to assist where needed in the review process, and where corrections are warranted, to provide notices to employees related to over- or underpayments. This will include requests through Finance to cut checks for payments to employees who were underpaid.

Internal Audit Response:

Responses appear to minimize the amount and severity of the problem. The audit was a limited scope audit representing 25 job bank employees at 2 Parks and Recreation locations.

A total estimated calculation has an absolute variance of \$24,496.05 based on under / over payments reflected by time recorded on the employee timecards is \$13,746.97 for under payments and \$10,749.08 for over payments.

If the limited scope problem is pervasive and persistent, the potential additional amount of improperly paid employees could be significantly larger.

5. It appears Parks and Recreation has not complied with the Fair Labor Standards Act, CMA 5341, or PM002 for overtime payments.

- There were **90** overtime errors detected
- 9 input errors
- 77 calculation errors
- 4 employees working at multiple locations

5) It appears Parks and Recreation has not complied with the Fair Labor Standards Act,

the pay "at least 1 ½ an
employees exceeded a 40.0
appear to have been paid

ance by the Department
approval from the Regional
al Managers approved

There were 90 overtime errors detected – 9 from input errors, 77 from calculation errors, and 4 from employees working multiple locations. It does not appear the supervisor or authorized approver properly reviewed the timecards for hours entered into SAP, proper calculation of timecards, or monitored employees working multiple locations, resulting in employees exceeding a 40.0 hour workweek.

Exceptions were noted where it appears the timekeeper inaccurately input the timecard hours into SAP and the supervisor/authorized approver did not discover the error. The timecard and the time entered into SAP appear inconsistent. It appears the input errors have recorded employees working less hours than certified and approved on the timecard.

Exceptions were noted where the timecard was not properly calculated for the actual daily hours worked, indicating employees were not paid for overtime hours worked. |

Exceptions were noted where the employees appear to have worked at multiple locations without proper monitoring by the supervisors, timekeepers, or authorized approvers. It appears the timekeeper input hours exceeding 40.0 hours for the work week without changing the wage type to overtime. It appears the final approver (manager) approved the time entered into SAP without discovering time was entered as regular hours worked when more than

10

40.0 hours were in the system. It also appears Payroll overlooked location errors when completing their payroll audits.

Management does not appear to have properly approved overtime. Authorized approvers (regional managers) and/or supervisors do not appear to have monitored employees working in multiple locations, properly reviewed timecards, or properly reviewed time entered into SAP. Non-compliance with FLSA can lead to grievances, federal audits, and/or litigation. The County may have a liability to employees for wages improperly paid or for hours worked and not paid.

Recommendations:

- Management should properly approve overtime hours.
- Authorized approvers and timekeepers should properly review time entered into the payroll system for wage type.
- Managers and/or supervisors should monitor the hours worked by employees who work at multiple locations.
- County staff should adhere to FLSA, CMA 5341, and PM002.
- The County should determine if there is a liability to employees for overtime for hours worked and paid at the wrong wage type or for hours worked and not paid.
- The SAP configuration should be reviewed to ensure maximum system controls are implemented.

5. It appears Parks and Recreation has not complied with the Fair Labor Standards Act, CMA 5341, or PM002 for overtime payments.

Week 2 Total = 46 Hours

Data Entry Period		07/16/2011 - 07/29/2011																			
Data Entry Area																					
L	P...	Name	A...	Name	Name	Total	SA...	SU...	M...	T...	W...	T...	FR...	SA...	SU...	M...	T...	W...	T...	FR...	Rec. CCtr
		6517 Evelyn Sanders ...			Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
		6517 Evelyn Sanders ...			Job Bank	86.00	0.00	0.00	8.00	8.00	8.00	8.00	8.00	0.00	0.00	8.00	8.00	8.00	11.00	11.00	
		6517 Evelyn Sanders ...	4001	Reg Hours - Jo...	Job Bank	6.00													3.00	3.00	56343
		6517 Evelyn Sanders ...	4001	Reg Hours - Jo...	Job Bank	80.00			8.00	8.00	8.00	8.00	8.00			8.00	8.00	8.00	8.00	8.00	56425

- It appears the employee worked 6 hours of overtime but was paid at the regular rate instead of the overtime rate
- 46 hours were reported in week 2 of the pay period
 - 6 hours were reported for Immokalee Community Center
 - 40 hours were reported for Immokalee Sports Complex
- It appears the timekeeper entered the time without changing the wage type to overtime, the final approver (regional manager) approved the time entered into SAP without discovering the error, and Payroll overlooked the error when completing payroll audits.

Parks and Recreation Management Response

roll overlooked location errors when completing their payroll

proved overtime. Authorized approvers (regional managers) and/or supervisors do not appear to have monitored employees working in multiple locations, properly reviewed timecards, or properly reviewed time entered into SAP. Non-compliance with FLSA can lead to grievances, federal audits, and/or litigation. The County may have a liability to employees for wages improperly paid or for hours worked and not paid.

“Staff does not anticipate that this exercise will uncover significant unpaid balances.”

Human Resources Management Response

Recommendations:

- Management should properly approve overtime hours.
- Authorized approvers and timekeepers should properly review time entered into the payroll system for wage type.
- Managers and/or supervisors should monitor the hours worked by employees who work at multiple locations.
- County staff should adhere to FLSA, CMA 5341, and PM002.
- The County should determine if there is a liability to employees for overtime for hours worked and paid at the wrong wage type or for hours worked and not paid.
- The SAP configuration should be reviewed to ensure maximum system controls are implemented.

Parks and Recreation Management Response:

The Parks and Recreation Director has been and will continue to be responsible for authorizing all overtime for the Department. Employees are generally provided compensatory time in lieu of overtime. Payroll time for part time employees who work additional hours, but less than 40 hours per week is coded as overtime, but paid on a straight time basis. Upon completion of this audit, the Director will request the audit detail from Internal Audit and review all data in question to determine if all time was/was not paid properly. Staff does not anticipate that this exercise will uncover significant unpaid balances. Additionally, the Department will establish a Standard Operating Policy to address job bank employees being used in multiple locations/roles no later than January 2013. Staff will be trained on policy prior to seasonal employment of job bankers for the Summer of 2013.

Human Resources Management Response:

The organization, in compliance with FLSA, must pay overtime or, when appropriately noticed in advance, provide the equivalent number of hours of compensatory time to eligible employees whose work hours exceed the 40 hour work-week threshold, regardless of whether it has been pre-approved by management. Human Resources is able to provide training to managers, supervisors or other Parks staff members regarding the requirements of FLSA and County CMAs to ensure they understand their roles and responsibilities and can successfully administer these functions of their jobs.

Human Resources will work with Parks and Recreation on any necessary corrections that come out of the timecard review process.

SAP enhancements in the area of timekeeping/time approval are on the organization's roadmap for future consideration, at such time as appropriate funding and other resources are available for the project.

Payroll Management Response:

We agree that our manual review did not detect these input exceptions. We concur that additional reporting and/or configuration of the SAP system that could enhance system alerts should be reviewed. We are exploring additional measures to enhance input alerts to the department and improve our ability to detect payroll exceptions, providing a stronger review of department input including:

1. A preventative control, which would alert the departments timekeeper when the time is entered, if more than 40 hours in a week have been input without an overtime time type being used
2. A detective control, consisting of a report being run after all time has been entered, that would alert us if an employee had more than more than 40 hours worked in a week without an overtime time type being used

“The organization, in compliance with FLSA, must pay overtime or, when appropriately noticed in advance, provide the equivalent number of hours of compensatory time...regardless of whether it has been pre-approved by management.”

Actions:

- Provide training to Parks and Recreation for requirements
- Review and complete necessary corrections
- SAP enhancements for approval, as funding is available

Internal Audit Response to Parks and Recreation

- Parks and Recreation responses appear to minimize the amount and severity of the problem
- A total estimated calculation for 25 job bank employees for overtime reflected on the employees timecards is \$3,395.14 (under payment)
- While the value may not be considered material for financial statement purposes, the lack of controls for review and calculation for overtime can lead to more significant issues
- If the limited scope problem is pervasive and persistent, the potential additional amount of improperly paid employees could be significantly larger

continue to be responsible for authorizing all overtime and compensatory time in lieu of overtime. Payroll time but less than 40 hours per week is coded as overtime,

of this audit, the Director will request the audit detail from Internal Audit and review all data in question to determine if all time was/was not paid properly. Staff does not anticipate that this exercise will uncover significant unpaid balances. Additionally, the Department will establish a Standard Operating Policy to address job bank employees being used in multiple locations/roles no later than January 2013. Staff will be trained on policy prior to seasonal employment of job bankers for the Summer of 2013.

Human Resources Management Response:

The organization, in compliance with FLSA, must pay overtime or, when appropriately noticed in advance, provide the equivalent number of hours of compensatory time to eligible employees whose work hours exceed the 40 hour work-week threshold, regardless of whether it has been pre-approved by management. Human Resources is able to provide training to managers, supervisors or other Parks staff members regarding the requirements of FLSA and County CMAs to ensure they understand their roles and responsibilities and can successfully administer these functions of their jobs.

Human Resources will work with Parks and Recreation on any necessary corrections that come out of the timecard review process.

SAP enhancements in the area of timekeeping/time approval are on the organization's roadmap for future consideration, at such time as appropriate funding and other resources are available for the project.

Payroll Management Response:

We agree that our manual review did not detect these input exceptions. We concur that additional reporting and/or configuration of the SAP system that could enhance system alerts should be reviewed. We are exploring additional measures to enhance input alerts to the department and improve our ability to detect payroll exceptions, providing a stronger review of department input including:

1. A preventative control, which would alert the departments timekeeper when the time is entered, if more than 40 hours in a week have been input without an overtime time type being used
2. A detective control, consisting of a report being run after all time has been entered, that would alert us if an employee had more than more than 40 hours worked in a week without an overtime time type being used

11

3. A reformatting of the time display in the SAP CAT2 transaction, to show subtotals by week in addition to the totals per 2-week pay period. This would make it more obvious if time worked exceeded 40 hours in a week.

Internal Audit Response to Parks and Recreation Management Response:

Responses appear to minimize the amount and severity of the problem. The audit was a limited scope audit representing 25 job bank employees at 2 Parks and Recreation locations.

An initial estimated calculation of unpaid overtime reflected on the employee timecards is \$3,395.14.

While the value may not be considered material for financial statement purposes, the lack of controls for review and calculation for overtime can lead to more significant issues relating to financial statement reporting and controls, FLSA, and/or grant compliance.

If the limited scope problem is pervasive and persistent, the potential additional amount of improperly paid employees could be significantly larger.

6. Original time entry documents (i.e. employee timecards) were altered and corrections were not properly approved by employees.

WEEKLY TIME CARD PAY PERIOD # 23 PERIOD ENDING 7/30/10
 EMPLOYEE'S NAME (PRINT) Makisha Gadsden
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 16542

WEEK #	OUT	IN	OUT	IN	OUT	TOTAL HOURS
Week 1						
SATURDAY						
SUNDAY						
MONDAY	1:00	5:00				4
TUESDAY	1:00	5:00				4
WEDNESDAY	1:00	5:30				5
THURSDAY	1:00	5:00				4
FRIDAY	1:00	5:00				4
WEEKLY TOTAL						19.5

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE M. Gadsden
 SUPERVISOR SIGNATURE [Signature]

- White-out was used on the timecard
- It appears the supervisor altered the time card and the employee did not initial the changes
- Timecard was not properly calculated (weekly total hours should be 16.5)

Unauthorized alterations circumvent the controls in place that ensure accuracy and legitimacy of the reported time

Parks and Recreation Management Response

“The alterations on the time cards were the result of correcting projected time that had originally been submitted in advance in order to meet the payroll period deadlines in question.”

Actions:

- Re-trained supervisors for the requirements of time card entry and review
- Post-pay audit of each payroll submission
- Further standardization of the process

approval or authority, the integrity of the timecard information is dependent on the controls in place that ensure the accuracy and legitimacy of the information. The Department has implemented the controls to prevent the payment of an employee and/or discrepancies in the submitted timecards.

Recommendations:

- Policies and procedures must be followed by the supervisor and employees.
- Supervisors should review all timecard changes with the employee and the employee should initial all changes.
- Timecards with changes and without the employee's initials should not be entered into the payroll system by the timekeeper without proper validation.

Parks and Recreation Management Response:

The Department decentralized the time keeping process in 2007. This was done to ensure park supervisors were responsible for their respective employees' time and to compensate for diminishing administrative resources. The alterations on the time cards were the result of correcting projected time that had originally been submitted in advance in order to meet the payroll period deadlines in question.

In May, 2012, all supervisors were re-trained on the requirements of time card entry and review. In June 2012, the department implemented an internal post pay period audit of each payroll submission. Through these changes, the Department has identified and effectively eliminated errors related to proper completion of time cards from that time forward.

The Department is further standardizing the time keeping process and will retrain staff on these forthcoming changes in January 2013.

Internal Audit Response to Parks and Recreation

- In numerous cases for the audited time period, timecards submitted contained alterations for actual time worked, not only the time submitted in advance as estimations.
- Regardless of the pay period schedules, all time should be reviewed for accuracy.

Human Resources Management Response:

The Human Resources Department is leading an effort that will shift the schedule on which employees will receive their pay that will begin in February 2013, incrementally moving the day on which paychecks are issued over a period of five pay cycles. This will result in employees receiving payments for hours worked two weeks following the close of a pay cycle, compared to the current system of one week following the close of the cycle. This change enables departments to complete a payroll period and report hours worked in real time, eliminating the need for Parks and Recreation and all other County departments to estimate time worked for hours beyond the current submission date for time cards and leave slips.

Internal Audit Response to Parks and Recreation Management Response:

In numerous cases for the audited time period, timecards submitted contained alterations for actual time worked, not only the time submitted in advance as estimations. Regardless of the pay period schedule, all time should be reviewed for accuracy.

7. Employees did not properly complete or sign timecards.

WEEKLY TIME CARD PAY PERIOD # 21 PERIOD ENDING 7-1-11

EMPLOYEE'S NAME (PRINT) Alyssa Navarro

DEPARTMENT PARKS AND RECREATION

SOCIAL SECURITY # _____

Week 1

WEEK #1	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	7:00	2:00	7:00		8
SUNDAY	12:00	1:30	2:00	6:00	5.5
MONDAY					
TUESDAY	10:00	2:00	3:00	7:00	8
WEDNESDAY					
THURSDAY	10:00	2:00	3:00	7:00	8
FRIDAY					
WEEKLY TOTAL					29.5

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Signature on file

SUPERVISOR SIGNATURE _____

Employee # Blank

Week 1

Unsigned

- Employee did not sign either side of the timecard
- Employee ID # was left blank

WEEKLY TIME CARD PAY PERIOD # 21 PERIOD ENDING 7-1-11

EMPLOYEE'S NAME (PRINT) Alyssa Navarro

DEPARTMENT PARKS AND RECREATION

SOCIAL SECURITY # _____

Week 2

WEEK #2	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY					
SUNDAY					
MONDAY					
TUESDAY					
WEDNESDAY					
THURSDAY					
FRIDAY					
WEEKLY TOTAL					

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE _____

SUPERVISOR SIGNATURE _____

Employee # Blank

Week 2

Unsigned

7. Employees did not properly complete or sign timecards.

WEEKLY TIME CARD PAY PERIOD # 13 PERIOD ENDING 3/12/10
 EMPLOYEE'S NAME (PRINT) Evelyn Vidaurri
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 6517

WEEK #1	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	-	-	-	-	
SUNDAY	-	-	-	-	
MONDAY	5:00	9:00	-	-	4
TUESDAY	-	-	-	-	
WEDNESDAY	5:00	9:00	-	-	4
THURSDAY	-	-	-	-	
FRIDAY	5:00	9:00	-	-	4
WEEKLY TOTAL					12

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE [Signature] **Unsigned**
 SUPERVISOR SIGNATURE _____

- Employee did not sign either side of the timecard

WEEKLY TIME CARD PAY PERIOD # 13 PERIOD ENDING 3/12/10
 EMPLOYEE'S NAME (PRINT) Evelyn Vidaurri
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 6517

WEEK #2	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	-	-	-	-	0
SUNDAY	-	-	-	-	0
MONDAY	5:00	9:00	-	-	4
TUESDAY	-	-	-	-	0
WEDNESDAY	-	-	-	-	0
THURSDAY	-	-	-	-	0
FRIDAY	4:00	12:00	-	-	8
WEEKLY TOTAL					12

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE _____ **Unsigned**
 SUPERVISOR SIGNATURE [Signature]

When employees do not certify and sign approving the timecard, the timecard is unreliable. This can cause discrepancies in documentation and inaccurate payments.

7. Employees did not properly complete or sign timecards.

WEEKLY TIME CARD PAY PERIOD # 18 PERIOD ENDING 5/20/2011

EMPLOYEE'S NAME (PRINT) Diego Villa

DEPARTMENT PARKS AND RECREATION

SOCIAL SECURITY # 8887

WEEK #1	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	-						0
SUNDAY	12:00	6:00					6
MONDAY	-						0
TUESDAY	9:00	2:00					5
WEDNESDAY	2:00	7:00					5
THURSDAY	2:00	7:00					5
FRIDAY	9:00	2:00	1:00	7:00			9
WEEKLY TOTAL							30

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Diego Villa

SUPERVISOR SIGNATURE _____

**Time out and
time in entry
are conflicting**

Inaccuracies lead to miscalculation of hours paid.

Parks and Recreation Policy PN0003

- Employees must sign both sides of the time card
- Correction must be initialed by the employee
- Do not use white out
- Supervisor must review both sides of the time card and verify information accuracy

Each employee will be responsible for recording his/her own in and out work times on a daily basis.

PROCEDURE:

A. Employee responsibilities:

1. Exempt (salaried) employees' work times will be recorded on time cards.
2. Non-exempt (hourly) employees' work time will be recorded on time cards.
3. Employee must record all absences from work using appropriate abbreviations (Attachment).
4. Employee must sign both sides of the time card.
5. Corrections may be made on the time cards. All corrections must be initialed by the employee. Cross out and correct, do not use white out.
6. If an employee disagrees with the hours he/she is paid, the immediate supervisor should be informed. If corrections are to be made, the immediate supervisor will make changes with the payroll supervisor.

B. Supervisor Responsibilities:

1. Must review time cards for correctness and sign both sides of the time card.
2. Time cards must be turned into Administration by 12 noon on the Tuesday prior to the end of the pay period.

Parks and Recreation Management Response

“...the Department acknowledges that there were instances where employees did not sign both sides of the time card and instead relied on signing the card on one side as sufficient.”

Internal Audit Response to Parks and Recreation

- In numerous cases for the audited time period, both sides of the timecard were unsigned by the employee

or sign timecards.

employee will be responsible for recording his/her own in and out time. Supervisors have not required employees to complete timecards on a daily

basis.

It appears that employees have not properly completed timecards. Timecards submitted and approved contained the following: incomplete information for the week and pay period, inaccurate SAP #'s or no SAP #, blank information for hours worked, miscalculated hours, alterations, and blanks for the employee's name.

Timecards contained conflicting information. One exception noted the employee recorded the time-out for meal period at 2pm and recorded the time-in for returning from the meal period at 1pm. Such inaccuracies lead to miscalculation of hours paid.

Parks and Recreation Policy PN0003 states "Employees must sign both sides of the time card." It does not appear employees have always signed their timecards or both sides.

ard, the timecard is unreliable. This can cause errors worked or overpayment for hours not worked, and should be used when completing timecards to ensure

Recommendations:

- Incomplete timecards should not be accepted by the supervisor or timekeeper.
- Employees should be trained to properly complete a timecard according to policy and procedure.
- Supervisors should review timecards to ensure they have been properly completed and certified.
- Timekeepers and authorized approvers should review information to ensure proper approvals are in place and the time is accurately calculated.

Parks and Recreation Management Response:

From the time period of August 29, 2009 through possibly as late as May, 2012, the Department acknowledges that there were instances where employees did not sign both sides of the time card and instead relied on signing the card on one side as sufficient.

Effective June, 2012, the Department implemented a post-audit of its payroll process. Through this process, the Department has identified and effectively eliminated errors related to proper completion of time cards identified in the audit report.

13

The Department is further standardizing the time keeping process and will retrain staff on proper completion of time cards and record keeping in January 2013.

Internal Audit Response to Parks and Recreation Management Response:

In numerous cases for the audited time period, both sides of the timecards were unsigned by the employee.

8. It appears employees have not been provided benefits for hours worked.

- 25 job bank employees were tested and 3 employees had 2 SAP (employee ID) #'s – approximately 12% of the population.
- Each employee had 1 SAP # as a regular part time employee (20 hours per week with benefits) and a 2nd SAP # for any additional hours worked above 20 hours per week) without benefits.
- Regular employees accrue vacation and sick time, personal time, receive holiday pay (pro-rated by % of hours worked), health benefit rates, and FRS pension plan benefits based on the hours worked.
- As an employee works more hours, they would earn/accrue additional benefits.
- It appears by paying an employee as a job bank employee (without benefits) or straight time overtime rates when they were hired as a regular part time employee with benefits, the employee may not have received benefits that have been earned for the additional hours.
- This could expose the County to possible grievances, litigation, and/or liabilities.

Parks and Recreation Management Response

“...The Department concurs with the recommendation to discontinue this practice and no longer does so. Care is provided to ensure that employees who are working at or close to 40 hours are provided all appropriate benefits..”

“...Employees who are permanent part time and work another temporary position, typically in the summer, will be identified and compensated if required for FRS benefits.”

Internal Audit Response to Parks and Recreation

- All applicable benefits such as accrued leave or other benefits should be reviewed in addition to FRS benefits.

not been provided benefits for hours worked.

and it appears three employees had two employee SAP (ID#) numbers (12% of employees have one SAP number as a regular part time employee (20 hours per week) and one as a job bank employee for any additional hours worked above 20 hours per week (without benefits).

Two regular part time employees received straight time overtime rates for additional hours worked in excess of the allotted 20 hours per week. Straight time overtime rates pay the employee the regular hourly rate and the FRS pension benefits, but do not accrue paid time off and are not used when computing holiday pay.

Employees who are regular part time employees accrue vacation and sick time, personal time, receive holiday pay (a percentage of the hours worked), health benefit rates, and FRS pension plan benefits based on the hours worked. As employees work more hours each week, they would accrue additional benefits.

It appears by paying an employee as a job bank employee (without benefits) or at straight time overtime rates when they were hired as a regular part time employee with benefits, may create inconsistent application of benefits and the employee may not have received benefits that have been earned for the additional hours worked.

This could expose the County to possible grievances and/or litigation. It also could result in County liability to the employee for benefits that were earned and not paid.

Recommendations:

- Employees should not have two active SAP numbers.
- Human Resources should review all employees for two SAP numbers and correct exceptions.
- All hours worked should receive appropriate benefit allocations.
- The County should review and determine if there is a liability to employees for benefits not paid.
- The County should have a policy to address regular employees working additional hours for seasonal / temporary positions and programs.

Parks and Recreation Management Response:

During the audit period in question, the Department used job bank employees as well as regular part time employees for seasonal employment related to summer programming, resulting in these individuals being assigned two SAP numbers. The Department concurs with the recommendation to discontinue this practice and no longer does so. Care is provided to ensure that employees who are working at or close to 40 hours are provided all appropriate benefits.

Past practice of individuals working one permanent part time position and another temporary part time position has raised benefit compensation questions. Employees who are permanent part time and work another temporary position, typically in the summer, will be identified and compensated if required for FRS benefits.

Human Resources Management Response:

We have discontinued the practice of allowing an individual to be employed under two different SAP ID numbers in the same agency, and do not have any employee who is actively working anywhere in the agency under two numbers. Human Resources will initiate a review of existing CMAs to determine if modifications are warranted in addressing additional hours worked for part time employees.

9. It appears non-exempt employees have not received meal periods, and if they receive a meal period, they have not been relieved of job duties, a violation of CMA 5345.

D. CMA #5345 states “Meal Periods: An unpaid meal break of at least 30 minutes, but not more than 60 minutes, shall be given during the work day. Nonexempt employees are prohibited from performing any work during their meal break...”

CMA # 5345

WORK HOURS

§ 5345-1. Purpose.

§ 5345-3. Reference.

§ 5345-2. Currency.

[Effective Date: October 1, 1998 (Revised: October 1, 2001; Revised: October 1, 2003; Revised: April 1, 2006)]

§ 5345-1. Purpose.

The purpose of this Instruction is to provide for the implementation of a work hours procedure authorized by the County Manager.

§ 5345-2. Currency.

It is the practice of the County to establish work hours that are conducive to the effective conduct of County business.

- A. Length of the Workday: Each Department Director, subject to approval of the Division Administrator, shall establish the scheduled hours of work for employees within a department.
- B. Length of the Work Week:
 - (1) A forty-hour workweek is generally in effect for most full-time employees in the County service.
 - (2) The County workweek begins on Saturday and ends seven days later at midnight Friday.
- C. Exceptions to Regular Work Schedules: When the operational and service needs of the County require a work schedule different from the normal workday or workweek described above, the Division Administrator is authorized to change or adjust the work schedule.
- D. Meal Periods: An unpaid meal break of at least 30 minutes, but not more than 60 minutes, shall be given during the workday. Nonexempt employees are prohibited from performing any work during their meal break. It is the Supervisor's responsibility to see that work is not performed during the meal break. Meal periods are to be scheduled in a manner to best serve the public. The County Manager or designee may authorize the inclusion of the meal period as actual work time for twenty-four-hour and/or three consecutive eight-hour-shift positions.
- E. Work Breaks: A Supervisor may, at his/her discretion, grant up to two daily fifteen-minute breaks, one in mid-morning and one at mid-afternoon, to relieve fatigue and increase employee morale. Employees may or may not be permitted to leave the

Parks and Recreation Management Response

“The Department generally affords meal breaks to employees, excepting only in instances where it is not logistically feasible. Employees associated with child care programs are unable to take meal periods according to existing CMA’s due to operational needs and in the case of summer camp counselors who eat with the children as a part of the programming.”

“This practice is consistent with and permissible under FLSA standards.”

“The department will work with Human Resources to establish a written policy concurrent with Park and Recreation operational needs.”

Internal Audit Observation

- The exceptions were noted for all types of job bank employees not limited to childcare or lifeguard positions.

Parks and Recreation Management Response:
as accrued leave or other benefits should be reviewed in addition to FRS benefits.

9) It appears non-exempt employees have not received meal periods, and if they receive a meal period, they have not been relieved of job duties, which is a violation of CMA 5345.

CMA 5345 – Work Hours states “Meal Periods: An unpaid meal break of at least 30 minutes, but not more than 60 minutes, shall be given during the workday. Nonexempt employees are prohibited from performing work during their meal break.”

Exceptions were noted for non-exempt employees not receiving meal periods and not being relieved of job duties when a meal period is provided. Parks and Recreation’s explanation was that non-exempt job bank employees who worked as summer camp counselors or lifeguards were required to be on-site to supervise the children. Employees were either provided a meal period on rotation or were unable to be relieved of their job duties because the children required assistance or supervision. The exceptions were noted for all types of job bank employees not limited to childcare or lifeguard positions.

It does not appear employees have been provided meal periods. It does not appear job bank employees have been provided relief from job duties for meal periods. It appears the department is not compliant to CMA 5345.

Recommendations:

- Employees should be provided meal periods in conformance with CMA 5345.
- The County should review and determine if CMA 5345 should be revised for changes in operations/procedures.

Parks and Recreation Management Response:

The Department generally affords meal breaks to employees, excepting only in instances where it is not logistically feasible. Employees associated with child care programs are unable to take meal periods according to existing CMA’s due to operational needs and in the case of summer camp counselors who eat with the children as a part of the programming. This practice is consistent with and permissible under FLSA standards. The Department will work with Human Resources to establish a written policy concurrent with Park and Recreation operational needs.

Human Resources Management Response:

Human Resources will review the existing language of the CMA, propose changes as necessary to meet organization needs.

10) It appears employees hours worked were allocated to the wrong cost center.

Exceptions were noted indicating the timecard information and the cost center allocation for payroll expenses were inconsistent. The timecards provided indicated the employee worked at one location while the expense was allocated to a different location. The timecards contained no notations to indicate the employee worked at another location.

Exceptions were noted for employees who appear to have worked at the IMSC, had a timecard provided by IMSC, and approved by the IMSC location supervisor. This indicates the employee worked at IMSC. The timecard contained no notations to indicate the employee worked elsewhere. The timekeeper input the hours to IMCC. It appears the timekeeper entered the hours to the wrong cost center.

It cannot be determined where the employee physically worked because the timecards and information in SAP are inconsistent. When the department was asked, they were unable to provide an answer. The department said it was possible this was an input error or it was possible SAP was accurate and the timecard should have had a notation.

It appears this may not comply with accounting cost matching principle – expenses incurred by a location should be allocated to the same location. This may cause financial information to be inaccurate. When budgets are created, they rely on the information from prior year’s financial information. If the financial information is inaccurate, the budget may not have the funds necessary to cover the location’s expenditures. If a location does not have funds

10. It appears employees hours worked were allocated to the wrong costs center.

WEEKLY TIME CARD PAY PERIOD # 19 PERIOD ENDING 06/04/10
 EMPLOYEE'S NAME (PRINT) EVELYN VIDAURRI
 DEPARTMENT PARKS AND RECREATION 
 SOCIAL SECURITY # 6517

WEEK #	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS
SATURDAY	OFF	—	—	—	—	—	0
SUNDAY	OFF	—	—	—	—	—	0
MONDAY	OFF	—	—	—	—	—	0
TUESDAY	OFF	—	—	—	—	—	0
WEDNESDAY	OFF	—	—	—	—	—	0
THURSDAY	OFF	—	—	—	—	—	0
FRIDAY	4:00	9:00					5
WEEKLY TOTAL							5

I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.

EMPLOYEE SIGNATURE Evelyn Vidaurri
 SUPERVISOR SIGNATURE [Signature]

- Timecard = Immokalee Sports Complex (IMSC)
- SAP = Immokalee Community Center (IMCC)
- IMSC location supervisor certified the timecard indicating the employee worked at IMSC, not IMCC
- It appears the employee worked at the IMSC

Data Entry Period: 05/22/2010 - 06/04/2010

Data Entry Area																					
L	P...	Name	A...	Name	Name	Total	SA...	SU...	M...	T...	W...	T...	FR...	SA...	SU...	M...	T...	W...	T...	FR...	Rec. Cctr
🕒	6517	Evelyn San...			Job Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
🕒	6517	Evelyn San...			Job Bank	15.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	5.00	5.00	0.00	0.00	
	6517	Evelyn San...	4001	Reg Ho	Job Bank	15.00							5.00				5.00	5			156343

11. Cost distribution / allocation for payroll expenditures have not been properly recorded.

- In SAP (payroll system) the highest allocation level for payroll expenditures is IT27 cost distribution
- When IT27 Master Data is entered into SAP for allocation, the payroll expenditure will automatically post according to the IT27 cost distribution
- IT27 is not a required entry
- The timekeeper enters time worked into the CAT2 time entry screen
- The entry should reflect the physical location where the job bank employee worked

11) Cost distribution / allocation for payroll expenditures have not been properly reviewed.

In SAP (payroll system) the highest allocation level for posting payroll expenditures is the IT27 cost distribution. When IT27 master data is entered into SAP for cost distribution / allocation, the salary expenditure will automatically post to the cost center recorded in the IT27 record. IT27 cost distribution is not a required entry.

When a timekeeper enters hours worked from the timecard into SAP, the information is entered into the CAT2 time entry screen with the receiving cost center / WBS Element information. This entry should reflect the physical location where the employee worked.

The SAP posting hierarchy is as follows: 1) IT27 Cost Distribution / Allocation 2) CAT2 Time Entry. When there is conflicting information between the IT27 cost distribution / allocation and the CAT2 time entry, SAP will post according to the IT27 cost distribution / allocation.

Two exceptions were noted where the employees CAT2 time entered reflected time actually worked at North Collier Regional Park (Cost Center 156314), but the time was posted to the Immokalee Sports Complex (Cost Center 156349) because the employees had an IT27 cost distribution / allocation. In this case SAP posted according to the IT27 cost distribution / allocation.

When employees rotate between multiple locations, there should not be master data entered for an IT27 cost distribution / allocation because it will then cause time to be allocated to the wrong cost center. Expenses incurred by a location should be allocated to that location. This may cause financial information to be inaccurate.

Recommendations:

- The IT27 cost distribution / allocation master data should be removed from all employees who work across multiple locations.
- The department should review budget to actual reports to ensure salary expenditures are allocated to the appropriate cost center.

Parks and Recreation Management Response:

The department concurs with the recommendations set forth herein and will work with the Human Resources Department to ensure that proper coding entries are used for all payroll time submissions.

Human Resources Management Response:

Human Resources will provide periodic reports to Parks to review cost distribution records, inclusive of their start and end dates, if applicable. Prospectively, no entries will be made for job bank Parks and Recreation

new hires or rehires for IT27 Cost Distributions; the department will be responsible to key the appropriate cost center when making time entries each payroll period.

11. Cost distribution / allocation for payroll expenditures have not been properly recorded.

SAP Posting Hierarchy:

1. IT27 Cost Distribution
2. CAT2 Time Entry

*SAP will post according to the IT27 Cost Distribution when there are entries in both screens

Exception:

The CAT2 Time Entry reflected time worked at North Collier Regional Park, but the time worked posted to the Immokalee Sports Complex because the employee had an IT27 cost distribution.

Expenses have been expensed to the wrong location. This may cause financial information to inaccurate.

11) Cost distribution / allocation for payroll expenditures have not been properly reviewed.

In SAP (payroll system) the highest allocation level for posting payroll expenditures is the IT27 cost distribution. When IT27 master data is entered into SAP for cost distribution / allocation, the salary expenditure will automatically post to the cost center recorded in the IT27 record. IT27 cost distribution is not a required entry.

When a timekeeper enters hours worked from the timecard into SAP, the information is entered into the CAT2 time entry screen with the receiving cost center / WBS Element information. This entry should reflect the physical location where the employee worked.

The SAP posting hierarchy is as follows: 1) IT27 Cost Distribution / Allocation 2) CAT2 Time Entry. When there is conflicting information between the IT27 cost distribution / allocation and the CAT2 time entry, SAP will post according to the IT27 cost distribution / allocation.

Two exceptions were noted where the employees CAT2 time entered reflected time actually worked at North Collier Regional Park (Cost Center 156314), but the time was posted to the Immokalee Sports Complex (Cost Center 156349) because the employees had an IT27 cost distribution / allocation. In this case SAP posted according to the IT27 cost distribution / allocation.

When employees rotate between multiple locations, there should not be master data entered for an IT27 cost distribution / allocation because it will then cause time to be allocated to the wrong cost center. Expenses incurred by a location should be allocated to that location. This may cause financial information to be inaccurate.

Recommendations:

- The IT27 cost distribution / allocation master data should be removed from all employees who work across multiple locations.
- The department should review budget to actual reports to ensure salary expenditures are allocated to the appropriate cost center.

Parks and Recreation Management Response:

The department concurs with the recommendations set forth herein and will work with the Human Resources Department to ensure that proper coding entries are used for all payroll time submissions.

Human Resources Management Response:

Human Resources will provide periodic reports to Parks to review cost distribution records, inclusive of their start and end dates, if applicable. Prospectively, no entries will be made for job bank Parks and Recreation

Example:

Time Entries from 1/29/2011 – 2/11/2011

Exc...	Pers.No.	Empl./appl.name	Date	Σ	Hours	A/A type	Att./abs. type text	Created by	Last change	Appr. by	Cost ctr	Rec. C...	WBS Elem.
<input type="checkbox"/>	8889	Abigail Santiago	01/29/2011		8.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
<input type="checkbox"/>	8889	Abigail Santiago	01/30/2011		5.50	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
<input type="checkbox"/>	8889	Abigail Santiago	02/02/2011		6.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
<input type="checkbox"/>	8889	Abigail Santiago	02/05/2011		10.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
<input type="checkbox"/>	8889	Abigail Santiago	02/06/2011		9.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156314	
<input type="checkbox"/>	8889	Abigail Santiago	02/07/2011		6.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
<input type="checkbox"/>	8889	Abigail Santiago	02/09/2011		6.00	4001	Reg Hours - Job Bank	REYNAM	02/10/2011	ALVAREZA		156349	
					50.50								

Total Hours = 50.50 hours; Immokalee Sports Complex = 41.50 hours; North Collier Regional Park = 9.0 hours

IT27 Cost Distribution = 100% of time allocated to cost center 156349, Immokalee Sports Complex

Pers.no.	Last name	First name	Cost ctr	Cost Center	Costs to be distributed	Cost ctr	Cost Center	Prcnt.	Start Date	End Date
00008890	Molina	Samantha	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	05/22/2010	06/04/2010
00008890		Samantha	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	06/05/2010	06/18/2010
00008890		Samantha	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	06/19/2010	07/02/2010
00008890		Samantha	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	07/03/2010	07/16/2010
00008890		Samantha	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	07/17/2010	12/31/9999
00008708	Rodriguez Jr	Alberto	156315	JOB BANK	Wage/salary	156343	RECREATION/MSTD	100.00	02/11/2012	03/09/2012
00008889	Santiago	Abigail	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	06/19/2010	06/04/2010
00008889		Abigail	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	06/19/2010	06/18/2010
00008889		Abigail	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	06/19/2010	07/02/2010
00008889		Abigail	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	07/03/2010	07/16/2010
00008889		Abigail	156315	JOB BANK	Wage/salary	156349	IMM AQUATIC	100.00	07/17/2010	12/31/9999

Finance Records = 100% of time (50.50 hours) was allocated to cost center 156349

Account with Text	CO Acct	Wage Type Long Text	Pers.No.	Debit Amount	Credit Amount	Crcy	Number of	Name of employee or applicant	Docum	Start/FP	End/FP
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	4802	732.78		USD	75.00	Melinda Sue Manzano	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	6028	678.00		USD	60.00	Adan Hernandez Martinez	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	6330	727.64		USD	71.00	Eric Aponte	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8788	131.90		USD	13.50	Kira Rose Newman	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8854	48.85		USD	5.00	Rolando Rivera	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8887	664.39		USD	68.00	Diego Armando Villa	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8888	478.75		USD	5.00	Mayur Mendoza	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8889	493.40		USD	50.50	Abigail Santiago	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8890	278.45		USD	28.00	Samantha Alexandria Molina	...1065	01/29/2011	02/11/
<input type="checkbox"/> 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...	8905	468.98		USD	48.00	Said Gomez	...1065	01/29/2011	02/11/
* 513100 OTHER SA...	CCtr 156349	4001 Regular Hours ...		4,703.14		USD					
**				4,703.14		USD					

12. The timecards do not appear to match the after period adjustments made for payroll and lack supporting documentation.

WEEKLY TIME CARD PAY PERIOD # 11 PERIOD ENDING 2/11/11
 EMPLOYEE'S NAME (PRINT) Rolando Rivera (IASC)
 DEPARTMENT PARKS AND RECREATION
 SOCIAL SECURITY # 8854

WEEK #2	IN	OUT	IN	OUT	IN	OUT	TOTAL HOURS	
SATURDAY								
SUNDAY								
MONDAY								
TUESDAY								
WEDNESDAY								
THURSDAY								
FRIDAY								
I, the undersigned, certify that this is a true and accurate record of my working time for the period above mentioned.							WEEKLY TOTAL	
EMPLOYEE SIGNATURE <u>Rolando Rivera</u>								
SUPERVISOR SIGNATURE <u>Jamdia Ramos</u>								

- 4 hours entered after period ended – not reflected on time card

Data Entry Period: 01/29/2011 - 02/11/2011

Data Entry Area																					
L	Pe...	Name	A...	Name	Name	Total	SA...	SU...	M...	T...	W...	T...	FR...	SA...	SU...	M...	T...	W...	T...	FR...	Rec. Cctr
	8854	Rolando Rivera			Job Bank	35.50	5.00	0.00	5.00	0.00	3.50	5.00	0.00	0.00	0.00	5.00	0.00	0.00	5.00	7.00	
	8854	Rolando Rivera	4001	Reg Hours - J	Job Bank	26.50			5.00		3.50	5.00				5.00				5.00	43
	8854	Rolando Rivera	4001	Reg Hours - J	Job Bank	9.00	5.00														49

13. Inactive job bank employees have not been terminated in a timely manner or in accordance with the job offer memorandum.

Findings:

- 40% of the population (4 of 10) job bank employees tested for termination dates were not terminated when inactive
- 5.3% of the population (1 of 19) job bank employees tested for inactivity periods was not terminated when inactivity exceeded 120 days

Retaining inactive employees can create the opportunity for fraud/theft

13) Inactive job bank employees have not been terminated in a timely manner or in accordance with the job offer memorandum.

Human Resources provide a job offer memorandum to new employees who sign and agree to the following: "if I do not work a shift for 90 days (concessions / childcare) or 120 days (lifeguard), my employment with Collier County will terminate." It appears inactive job bank employees have not been terminated in a timely manner or in accordance with the job offer memorandum.

Ten SAP numbers (some job bank employees had two SAP numbers and both were used for testing) were tested for termination dates. Four SAP numbers (40% of the population tested) were not terminated when inactive.

17

An example of this is a job bank employee who last worked on September 30, 2011 and should have been terminated for inactivity no later than December 30, 2011 (90 days). The Human Resources Department listed the assignment end date as November 1, 2011, but did not complete the termination in SAP until June 26, 2012.

Nineteen current job bank employees were tested for inactivity periods. One current job bank employee had an inactivity period of greater than 120 days without being terminated (approximately 5.3%).

One exception was noted for a job bank employee who last worked on December 27, 2011 and should have been terminated no later than April 25, 2012 (120 days) for inactivity. The next pay period the employee worked was in mid-May 2012. It appears the Human Resources Department should have terminated the employee for inactivity.

Terminating employees immediately at the end of an assignment through Human Resources is an internal control. Retaining inactive job bank employees can create the opportunity for fraud / theft. By properly terminating inactive employees, it lowers risk.

Recommendations:

- The County should have a policy to immediately inactivate or terminate inactive employees.
- All periods of inactivity should be documented and reviewed by Human Resources.
- All job bank employees should be reviewed for inactivity and appropriately terminated if the employee has been inactive or put on a no pay/inactive status.

Parks and Recreation Management Response:

The hiring and screening of each employee is a labor intensive and costly process. As such, the Department is not prepared to implement a policy where all temporary employees are terminated and immediately removed from the system at the end of a given assignment as the department may need to re-deploy one or more of them in the near future.

The Department will work with the Human Resources Department to fully implement a policy where all job bank employees are identified with the Personnel Action Report (PAR) with an ending date on the PAR. Extensions will only be granted with the submission of a new PAR.

Human Resources Management Response:

Reviewing a temporary employee's time records for last date worked and last payment received is currently a multi-step process. We will work with SAP programmers to determine if a single report can be created to facilitate review of active job bank staff members to show last date worked and last check received. This will be used as a review tool for both Human Resources and Parks and Recreation employees for individuals currently employed by the agency, allowing us to take appropriate action at the prescribed times.

Human Resources will ensure that all newly hired or rehired job bank employees have two PARs – one for their hiring action, and a second for their separation at the end of their assignment. The department will not process the action until both documents are received.

Internal Audit Response to Parks and Recreation Management Response:

The Internal Audit Recommendation did not include immediate removal of inactive employees from the system, but immediate inactivation to prevent unauthorized payments. Continuing inactive employees as an active employee, even for one pay period, enables unauthorized payments.

Parks and Recreation Management Response

“The hiring and screening of each employee is labor intensive and costly process. As such, the Department is not prepared to implement a policy where all temporary employees are terminated and immediately removed from the system at the end of a given assignment...”

Internal Audit Response to Parks and Recreation

The Internal Audit Recommendation did not include immediate removal of inactive employees from the system, but immediate inactivation to prevent unauthorized payments. Continuing inactive employees as active employees, even for one pay period, enables unauthorized payments.

...k employees have not been terminated in a timely manner or in a job offer memorandum.

...a job offer memorandum to new employees who sign and agree to the following: "If I do ...s (concessions / childcare) or 120 days (lifeguard), my employment with Collier County ...will terminate. It appears inactive job bank employees have not been terminated in a timely manner or in accordance with the job offer memorandum.

Ten SAP numbers (some job bank employees had two SAP numbers and both were used for testing) were tested for termination dates. Four SAP numbers (40% of the population tested) were not terminated when inactive.

17

An example of this is a job bank employee who last worked on September 30, 2011 and should have been terminated for inactivity no later than December 30, 2011 (90 days). The Human Resources Department listed the assignment end date as November 1, 2011, but did not complete the termination in SAP until June 26, 2012.

Nineteen current job bank employees were tested for inactivity periods. One current job bank employee had an inactivity period of greater than 120 days without being terminated (approximately 5.3%).

One exception was noted for a job bank employee who last worked on December 27, 2011 and should have been terminated no later than April 25, 2012 (120 days) for inactivity. The next pay period the employee worked was in ... Human Resources Department should have terminated the employee for inactivity.

...nd of an assignment through Human Resources is an internal control ...reate the opportunity for fraud / theft. By properly terminating inactive

Recommendations:

- The County should have a policy to immediately inactivate or terminate inactive employees.
- All periods of inactivity should be documented and reviewed by Human Resources.
- All job bank employees should be reviewed for inactivity and appropriately terminated if the employee has been inactive or put on a no pay/inactive status.

Parks and Recreation Management Response:

The hiring and screening of each employee is a labor intensive and costly process. As such, the Department is not prepared to implement a policy where all temporary employees are terminated and immediately removed from the system at the end of a given assignment as the department may need to re-deploy one or more of them in the near future.

The Department will work with the Human Resources Department to fully implement a policy where all job bank employees are identified with the Personnel Action Report (PAR) with an ending date on the PAR. Extensions will only be granted with the submission of a new PAR.

Human Resources Management Response:

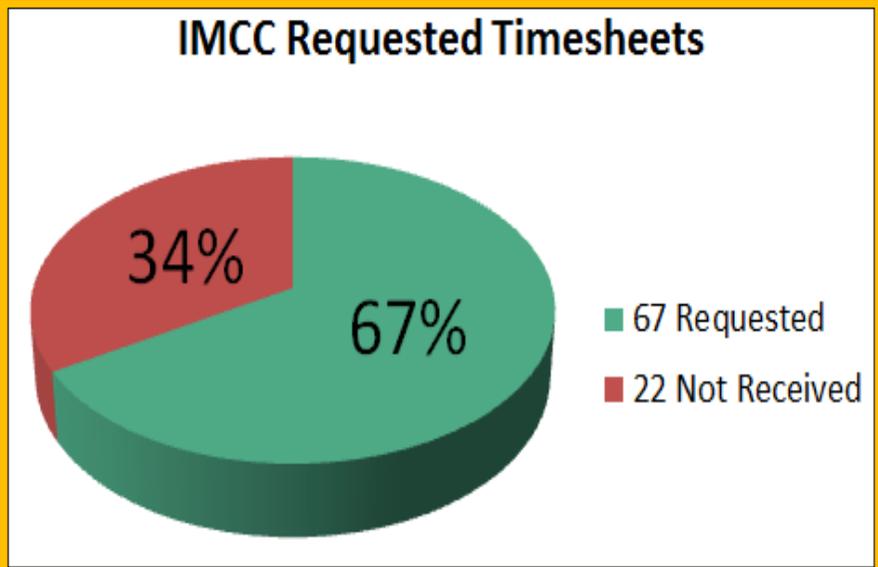
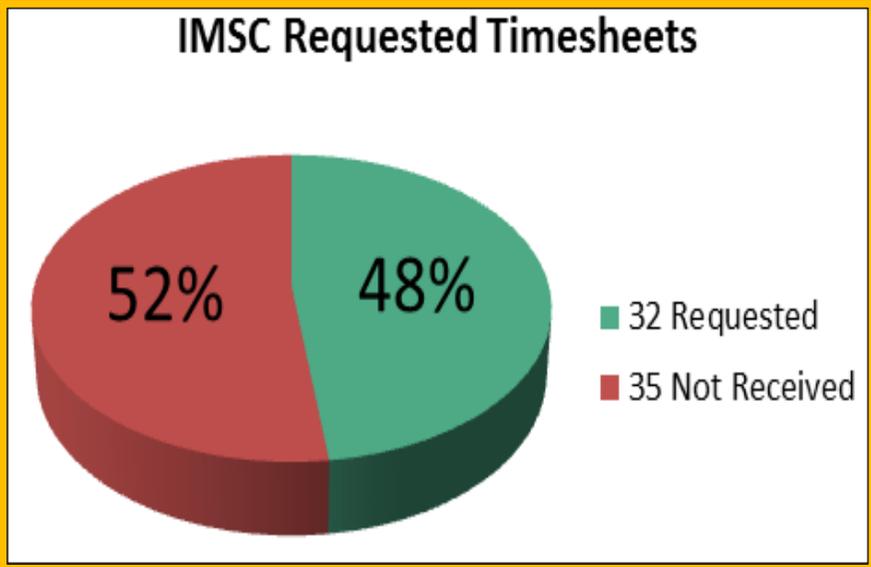
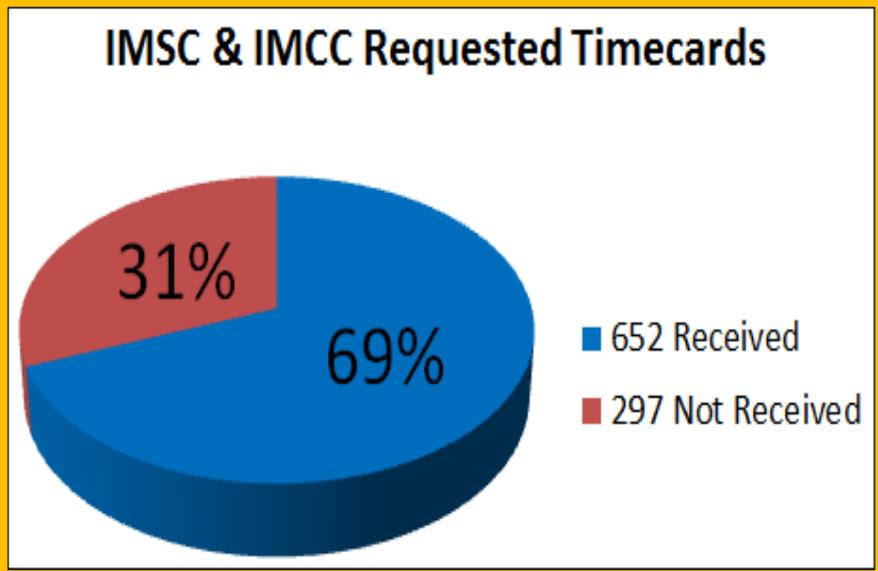
Reviewing a temporary employee's time records for last date worked and last payment received is currently a multi-step process. We will work with SAP programmers to determine if a single report can be created to facilitate review of active job bank staff members to show last date worked and last check received. This will be used as a review tool for both Human Resources and Parks and Recreation employees for individual employees currently employed by the agency, allowing us to take appropriate action at the prescribed times.

Human Resources will ensure that all newly hired or rehired job bank employees have two PARs – one for their hiring action, and a second for their separation at the end of their assignment. The department will not process the action until both documents are received.

Internal Audit Response to Parks and Recreation Management Response:

The Internal Audit Recommendation did not include immediate removal of inactive employees from the system, but immediate inactivation to prevent unauthorized payments. Continuing inactive employees as an active employee, even for one pay period, enables unauthorized payments.

14. There is a lack of an audit trail and it does not appear the department complied with the State of Florida General Records Retention Schedule.



Parks and Recreation Management Response

“The Department does require records be kept in accordance with Florida Statute. Personnel associated with payroll discrepancies at Immokalee Sports Complex have been terminated from County employment.”

audit trail and it does not appear the department complied with the Records Retention Schedule.

The State of Florida General Records Retention Schedule for State and Local Government Agencies provided for the minimum retention periods as set forth by federal and state regulations, general administrative practices, and fiscal management principles. The records retention schedules are issued by the Department of State in accordance with statutory provisions, Florida Statute Chapter 119 and 257.

18

Item 195 Payroll Records: Supporting Documents states “This record series consists of, but is not limited to, time sheets/cards and certification reports signed by the supervisor approving hours worked by employees, correction forms to rectify errors in payroll processing, pay lists used to verify the payroll certification report, and other related supporting materials.” Retention for record copies is “3 calendar years provided applicable audits have been released.”

Parks and Recreation was unable to provide portions of the requested documentation. 132 internal time schedules were requested from IMSC, 47 were received, and 85 were not received (64%). 134 internal time schedules were requested from IMCC, 127 were received, and 7 were not received (5%).

949 timecards were requested from IMSC and IMCC, 652 were received, and 297 were not received (31%).

Supervisor Responsibilities: Time from the time card will be recorded

2 were received, and 35 were not received (52%). 67 timesheets were requested from IMCC, 22 were received, and 45 were not received (67%).

Internal time schedules, timecards, and timesheets do not appear to have been properly retained by the department or were not provided by the department for review and testing. Employee records cannot be fully validated because there is inadequate documentation.

Without a proper audit trail, the County may be in violation of Florida Statute and may not have properly paid employees. Proper records must be available to document activity.

Recommendations:

- Parks and Recreation should retain payroll documentation according to State of Florida General Records Retention Schedule.
- Timesheets should be signed by the preparer and retained as supporting payroll documentation or the policy should be updated to reflect different practices used in operation.
- Policy should be reviewed and updated for duplication of automated controls.

Parks and Recreation Management Response:

The Department does require records be kept in accordance with Florida Statutes. Personnel associated with payroll discrepancies at Immokalee Sports Complex have been terminated from County employment.

With the initiation of an ongoing internal payroll post audit in June, proper records are checked for accuracy, completeness and are centralized at the administrative offices of the Parks and Recreation Department. These records are properly retained and available for review.

Internal Audit Response to Parks and Recreation Management Response:

Missing records were not isolated to Immokalee Sports Complex. Based upon the audit, all locations should be consistently reviewed for proper records retention.

44

Internal Audit Response to Parks and Recreation

Missing records were not isolated to Immokalee Sports Complex.

Based upon the audit, all locations should be consistently reviewed for proper records retention.

15. Information and/or statements provided are inconsistent.

Behavioral Action Plan:

“...As a result of the conference call, and with Joe and Michael being unable to explain the discrepancy, Barry Williams requested both Joe and Michael immediately proceed to North Collier Regional Park (NCRP) Administration office to discuss the discrepancy.”

Concern: The Behavioral Action Plans are inconsistent with the recollection of events.

COLLIER COUNTY GOVERNMENT BEHAVIOR ACTION PLAN	
NAME OF EMPLOYEE: Joseph O. Boney JOB TITLE: Supervisor – Parks Programs SAP ID #: 1817 DATE: 04/04/2012	
DIVISION: Public Services Division DEPARTMENT: Parks & Recreation/ISC SUPERVISOR: Anais Alvarez/Barry Williams	
I.	<p>DESCRIPTION OF INCIDENT/NATURE OF VIOLATION: (DESCRIBE MISCONDUCT, LIST DATE, TIME AND STANDARDS OF CONDUCT VIOLATED. INDICATE PERFORMANCE NOT MET. DESCRIBE WORKFLOW IMPACT.)</p> <p>Joseph (Joe) Boney has been employed with Collier County Parks and Recreation since December 14, 1996, and has been the Supervisor, Park Programs for the Immokalee Sports Complex (ISC) since October 1, 2010.</p> <p>On April 4, 2012 Anais (Annie) Alvarez, Regional Manager, spoke to a parent of a temporary employee of ISC regarding a discrepancy with the income earned amount reported on her daughter's 2011 W-2. The parent was inquiring about the amount reported on the W2, as her daughter stated it was much greater than the hours she believed she worked for ISC during 2011. The employee attends college out of town and works sporadically during the school year. Annie requested a time report from Human Resources to investigate the issue. After reviewing the time report which shows continual hours worked for the months of August 2011 to January 2012, Annie and Barry Williams, Parks and Recreation Director contacted the timekeeper for ISC, Michael Reyna, Customer Service Specialist (CSS) to inquire about the information contained in the hours worked report. Michael Reyna, Joe Boney, Annie Alvarez and Barry Williams had a subsequent conference call. As a result of the conference call, and with Joe and Michael being unable to explain the discrepancy, Barry Williams requested both Joe and Michael immediately proceed to North Collier Regional Park (NCRP) Administration office to discuss the discrepancy.</p> <p>Joe Boney met with Barry Williams, Doug Hendley, Security Chief, and a Human Resources staff member on April 4, 2012 around 1:30 PM at NCRP. Joe was asked about the discrepancy with the time recorded for payment versus actual hours worked by the employee for the dates of August 2011 to January 2012, as the employee was attending college and unavailable to work. Joe admitted to Barry that he had knowingly authorized timecards for payment for hours not worked by the employee, subsequently cashed the checks at a local business in Immokalee and retained the money.</p> <p>Barry Williams advised Joe Boney he would be placed on Administrative Leave without pay effective immediately and the matter would be turned over to the Collier County Sheriff's Office (CCSO) for further investigation.</p>
II.	<p>SUMMARY OF EMPLOYEE'S PAST DISCIPLINARY ACTION(S): LIST ALL DISCIPLINARY ACTIONS, COUNSELING THAT HAVE OCCURRED INCLUDE DATES, ACTION TAKEN AND RESULTS.</p> <p>December 1997 – Behavior Action Plan (BAP) – Written Counseling for recording scheduled times, not actual worked times, and leaving before the end of his shifts. June 2002 – BAP – Written Counseling for failure to properly close the facility and secure the register at the end of the night Verbal Counseling in February 2004 – housekeeping and equipment negligence after a gym rental Verbal Counseling in April 2007 and early May 2004 for missing three section meetings May 2004 – BAP – Written Counseling for leaving a County vehicle unsecured/unlocked at Immokalee Community Park with the keys on the floor of the vehicle</p>
III.	<p>MEASURABLE IMPROVEMENTS/GOALS: (INCLUDE WELL-DEFINED EXPECTATIONS AND TIMEFRAMES, IF APPROPRIATE. LIST TRAINING AND DIRECTION TO BE PROVIDED.)</p> <p>None.</p>
IV.	<p>POSITIVE/NEGATIVE CONSEQUENCES: (EXAMPLE: WHEN YOU MEET THE ESTABLISHED GOAL, PROBATION MAY BE LIFTED -or- IF THIS ACTION OCCURS AGAIN, YOU MAY BE SUBJECT TO ADDITIONAL DISCIPLINARY ACTION.)</p> <p>Mr. Boney's actions and admission of authorizing time for payment for hours not worked by an employee of the Immokalee Sports Complex, and subsequently cashing the checks to obtain the money represent a serious breach of conduct that warrants immediate action on the part of the County. As provided under CMA 5351, Discipline, Section C, Philosophy, he is being recommended for immediate termination of employment. In addition, this matter has been reported to the CCSO for further investigation.</p>

15. Information and/or statements provided are inconsistent.

Parks and Recreation staff Recollection of Events:

“...Joseph Boney said he had spoken with Alyssa Navarro and she consented to him entering false hours into SAP and taking the money through her paychecks...

“...he was having ‘issues with his house’ and needed the extra money”

Concern: The Behavioral Action Plans are inconsistent with the recollection of events.

Accurate records are critical when interviewing people for suspected fraud/theft.

IMMOKALEE PAYROLL - INITIAL INCIDENT

<i>Purpose</i>	Review initial incident details
<i>Contact Method</i>	In Person
<i>Contact Place</i>	Building F, MG's Office
<i>Contact Date</i>	8/31/2012 - 2:45pm
<i>Participants</i>	Megan Gaillard (MG), Internal Auditor; Annie Alvarez (AA), P&R Regional Manager; and Sandra Gurrrola (SG), P&R Human Resources Technician

INITIAL INCIDENT DETAILS

AA said she received a voicemail message on her office phone (Ext #4028) on April 4, 2012, from Alyssa Navarro's mother (Severa) reporting an erroneous W2 for FY 2011.

AA said she returned the phone call at approximately 10:30am. AA said she spoke directly with Severa. AA said Severa said the W2 was erroneous because Alyssa had not worked that much during the year. AA said she would look into the payroll records and would return the phone call with an explanation.

AA said she walked over to Sandra Gurrrola's (SG) office and requested Sandra review and search SAP for hours worked and dates. AA and SG said they reviewed the records showed no large gaps in employment and checks were issued consistently through January 20, 2012.

AA said she returned Severa's phone call at approximately 11am to report that SAP showed no large gaps and that she was a current employee through January 2012. AA said Severa said Alyssa was away at school at FSU in Tallahassee. AA said she told Severa she would have to look into the matter further and would get back to her.

AA said she went back to SG's office and said there was an issue with the records and the cancelled checks would need reviewed. AA said she called the Immokalee Sports Complex (IMSC) to discuss the matter with Michael Reyna and requested Alyssa's payroll supporting documentation on speaker phone with SG present for the phone call. AA said she told the employees to be prepared with the records for a return phone call in a few minutes.

AA and SG said they went to Barry Williams (BW), P&R Director, to report the incident at approximately 11:15am. AA said BW, SG, Jenny Morris (JM) (Human Resources), and AA called the IMSC on speaker phone. AA said Joseph Boney was reached and requested to be taken off speaker phone to speak with AA. AA said Joseph Boney said he was sorry and admitted to stealing payroll checks. AA said she told Joseph Boney that he needed to tell everyone else what he just told her and he was being put back on speaker phone. SG said Joseph Boney admitted to stealing paychecks. SG said that Joseph Boney said he had spoken with Alyssa Navarro and she consented to him entering false hours into SAP and taking the money through her paychecks. SG said Joseph Boney said he was having "issues with his house" and needed extra money. SG said BW told Joseph Boney to say nothing else and come immediately to North Collier Regional Park (NCRP) Administrative Office and bring Michael Reyna with him. SG said BW told them they had one hour to get to NCRP. AA and SG said the phone call was ended.

AA said she was upset and returned to her office.

SG said BW, JM, and SG went to lunch separately.

15. Information and/or statements provided are inconsistent.

Behavioral Action Plan:

“Joe Boney met with Barry Williams, Doug Hendley, Security Chief, and a Human Resources staff member on April 4, 2012...”

Concern: The Behavioral Action Plan does not specify who in Human Resources was present.

When acts of this nature occur, as many details as possible should be included in final documentation to ensure the records are thorough and accurate.

COLLIER COUNTY GOVERNMENT BEHAVIOR ACTION PLAN	
NAME OF EMPLOYEE: Joseph O. Boney JOB TITLE: Supervisor – Parks Programs SAP ID #: 1817 DATE: 04/04/2012	
DIVISION: Public Services Division DEPARTMENT: Parks & Recreation/ISC SUPERVISOR: Anais Alvarez/Barry Williams	
I.	DESCRIPTION OF INCIDENT/NATURE OF VIOLATION: (DESCRIBE MISCONDUCT, LIST DATE, TIME AND STANDARDS OF CONDUCT VIOLATED. INDICATE PERFORMANCE NOT MET. DESCRIBE WORKFLOW IMPACT.) Joseph (Joe) Boney has been employed with Collier County Parks and Recreation since December 14, 1996, and has been the Supervisor, Park Programs for the Immokalee Sports Complex (ISC) since October 1, 2010. On April 4, 2012 Anais (Annie) Alvarez, Regional Manager, spoke to a parent of a temporary employee of ISC regarding a discrepancy with the income earned amount reported on her daughter's 2011 W-2. The parent was inquiring about the amount reported on the W2, as her daughter stated it was much greater than the hours she believed she worked for ISC during 2011. The employee attends college out of town and works sporadically during the school year. Annie requested a time report from Human Resources to investigate the issue. After reviewing the time report which shows continual hours worked for the months of August 2011 to January 2012, Annie and Barry Williams, Parks and Recreation Director contacted the timekeeper for ISC, Michael Reyna, Customer Service Specialist (CSS) to inquire about the information contained in the hours worked report. Michael Reyna, Joe Boney, Annie Alvarez and Barry Williams had a subsequent conference call. As a result of the conference call, and with Joe and Michael being unable to explain the discrepancy, Barry Williams requested both Joe and Michael immediately proceed to North Collier Regional Park (NCRP) Administration office to discuss the discrepancy. Joe Boney met with Barry Williams, Doug Hendley, Security Chief, and a Human Resources staff member on April 4, 2012 around 1:30 PM at NCRP. Joe was asked about the discrepancy with the time recorded for payment versus actual hours worked by the employee for the dates of August 2011 to January 2012, as the employee was attending college and unavailable to work. Joe admitted to Barry that he had knowingly authorized timecards for payment for hours not worked by the employee, subsequently cashed the checks at a local business in Immokalee and retained the money. Barry Williams advised Joe Boney he would be placed on Administrative Leave without pay effective immediately and the matter would be turned over to the Collier County Sheriff's Office (CCSO) for further investigation.
II.	SUMMARY OF EMPLOYEE'S PAST DISCIPLINARY ACTION(S): LIST ALL DISCIPLINARY ACTIONS, COUNSELING THAT HAVE OCCURRED INCLUDE DATES, ACTION TAKEN AND RESULTS. December 1997 – Behavior Action Plan (BAP) – Written Counseling for recording scheduled times, not actual worked times, and leaving before the end of his shifts. June 2002 – BAP – Written Counseling for failure to properly close the facility and secure the register at the end of the night Verbal Counseling in February 2004 – housekeeping and equipment negligence after a gym rental Verbal Counseling in April 2007 and early May 2004 for missing three section meetings May 2004 – BAP – Written Counseling for leaving a County vehicle unsecured/unlocked at Immokalee Community Park with the keys on the floor of the vehicle
III.	MEASURABLE IMPROVEMENTS/GOALS: (INCLUDE WELL-DEFINED EXPECTATIONS AND TIMEFRAMES, IF APPROPRIATE. LIST TRAINING AND DIRECTION TO BE PROVIDED.) None.
IV.	POSITIVE/NEGATIVE CONSEQUENCES: (EXAMPLE: WHEN YOU MEET THE ESTABLISHED GOAL, PROBATION MAY BE LIFTED -OR- IF THIS ACTION OCCURS AGAIN, YOU MAY BE SUBJECT TO ADDITIONAL DISCIPLINARY ACTION.) Mr. Boney's actions and admission of authorizing time for payment for hours not worked by an employee of the Immokalee Sports Complex, and subsequently cashing the checks to obtain the money represent a serious breach of conduct that warrants immediate action on the part of the County. As provided under CMA 5351, Discipline, Section C, Philosophy, he is being recommended for immediate termination of employment. In addition, this matter has been reported to the CCSO for further investigation.

15. Information and/or statements provided are inconsistent.

The endorsed check issued on 1/6/2012 to the job bank employee was deposited into the job bank employee's account and appears suspect:

1. The endorsement signature appears inconsistent with the job bank employee's signature on file;
2. There is no timecard for the job bank employee for the time period when other employees had timecards available; and
3. Two employees documented Joseph Boney's statement that the job bank employee consented to the payroll arrangement.

15) Information and/or statements provided are inconsistent.

Statements in the Behavioral Action Plans (BAP) do not appear consistent with statements from Parks and Recreation staff.

The BAPs are inconsistent with Parks and Recreation staff's documented recollections of the attendees present for the initial conference call and the second conference call. Accurate records are critical when interviewing people for suspected fraud/theft. If a person's name is not in the written record, valuable information may be lost if all attendees do not document their recollection of events.

19

The BAPs indicate a Human Resource staff member was present for the interviews but do not specify who was in attendance. When acts of this nature occur, as many details as possible should be included in final documentation to ensure the records are thorough and accurate.

The BAP for Joseph Boney, Supervisor, indicates "As a result of the conference call, and with Joe and Michael being unable to explain the discrepancy..." This is inconsistent with Parks and Recreation staff recollection of events. Parks and Recreation staff's documented recollections indicate Joseph Boney had spoken to the job bank employee and obtained her consent to enter false time into SAP and cash her paychecks for himself. He, also, reportedly indicated he had admitted to having financial issues with his house.

The endorsement on the check issued 1/6/2012 to the job bank employee was deposited into the job bank employee's account and appears suspect:

1. The endorsement signature appears inconsistent with the job bank employee's signatures on file;
2. There is no timecard for the job bank employee for the time period; other employees had timecards available for the time period; and
3. Two employees documented Joseph Boney's statement that the job bank employee consented to the payroll arrangement.

CMA 5311.1 "An employee who intentionally lies during an internal investigation or otherwise impedes the County's ability to properly conduct an internal investigation may be subject to disciplinary action up to and including discharge."

The BAPs appear to lack a detailed accounting of the events that occurred. Detailed accountings and recollections of events should be documented at the time of incident to prevent poor recollections of events or discrepancies between records of event. Documentation should be thorough and approved by all parties present to ensure accuracy.

Recommendations:

- The County should have a policy for how events are documented.
- Incidents should be properly documented at the time of the incident to provide an accurate record of events.

Parks and Recreation Management Response:

Department staff documented the initial facts as known in the BAP and confronted the employees who in turn immediately confessed to committing serious crimes. As a result, management recommended both for termination of their employment immediately thereafter and referred the matter to the Collier County Sheriff's Office (CCSO). Given that the matter appeared criminal in nature, the Department did not seek to investigate further at that time in order to protect the integrity of the CCSO's investigation.

Statements made by others were not considered as part of the disciplinary process; however, the Department will work with the Human Resources Department to formalize processes for investigation of allegations of impropriety in the work force.

Human Resources Management Response:

The Department will work to formalize processes for internal investigations, including investigations for allegations of impropriety in the workplace, and provide appropriate education to Human Resources staff members conducting investigations.

CONCLUSION

- It appears there is a systemic lack of supervisory and management oversight and control over the time entry process.
- Without a proper audit trail and review of the time entry documents, the County is exposed to errors, fraud, loss, and liability.
- Immediate action is needed to protect County assets and correct the time entry and submission processes.

Audits do not relieve management of their responsibilities. It is the ultimate responsibility of management to understand and implement the proper controls.

The Clerk's Office may suggest recommendations in audits, but it is the ultimate decision of management to formulate and implement controls for operations.

CONCLUSION

It appears there is a systemic lack of supervisory and management oversight and control over the time entry process. Without a proper audit trail and review of the time entry documents, the County is exposed to errors, fraud, loss, and liability. Immediate action is needed to protect County assets and correct the time entry and submission processes.

Audits do not relieve management of their responsibilities. As a reminder, it is the ultimate responsibility of management to understand and implement the proper processes and proper controls to comply with the Fair Labor Standards Act, Florida Statute, County CMA's, and Department Policies and to limit the risk of fraud, error, and misappropriation of County assets. The Clerk's Office may suggest recommendations in audit reports, but it is the ultimate decision of management to formulate and implement controls for operations.

Additional Recommendations:

- The Department should confirm and ensure all employees being paid are active employees.
- Training should be provided to County staff to ensure they understand the policies, procedures, and payroll forms.
- All County Departments should review their time entry processes and validate adherence to FLSA, CMA's and Department Policies and Procedures.
- The Parks and Recreation Department should be reviewed for all locations, including but not limited to, using job bank employees (review should be completed by Parks and Recreation).

Additional Parks and Recreation Management Comments:

The Parks and Recreation Department recognizes the severity of the theft by the two former employees. While, the theft associated with the Immokalee Sports Complex is viewed as an isolated incident; its occurrence has established the need for strengthening existing controls within the department.

To this end, the Department has taken several steps to strengthen controls in response to the incident including:

- Retraining staff (May 2012) on proper time keeping processes.
- Hiring staff (June, 2012) to post-audit all payroll time submissions to ensure proper documents are retained, information is entered correctly and corrective action is taken immediately with any discrepancies. It should be noted that the department has documented an 88% reduction in the error rate as a result.
- Requiring all new job bank employees to receive direct deposit

The Department continues to work on further standardizing payroll reporting procedures and forms and will be delivering additional training to appropriate staff in January 2013.

Additional Human Resource Management Comments:

Human Resources staff responded immediately in assisting with recommendations to the department, as well as taking steps to require all new employees as of June 1, 2012 to receive earning payments via direct deposit. We began discussions on moving the pay date as well to eliminate the need to estimate working times, with a projected implementation date of February – April 2013.

The Department is currently in the process of changes to our service delivery model, ensuring our customer needs are met, and there will be additional Human Resources staff members focused specifically on training activities. We will conduct a needs assessment with Department management in early 2013 to determine appropriate training activities.

Internal Audit Comments:

Internal Audit gratefully acknowledges the cooperation and assistance from the Parks and Recreation staff, Human Resources, and Clerk's Finance staff. The assistance provided by the departments greatly assisted Internal Audit in the audit process.

Thank you

