



**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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December 18, 2009

TO: Supervisor Gloria Molina, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: Wendy L. Watanabe  
Auditor-Controller

SUBJECT: **SHERIFF'S DEPARTMENT – PAYROLL/PERSONNEL REVIEW**

On September 11, 2007, based on issues noted in our review of payroll/personnel in one County department, your Board instructed the Auditor-Controller to develop a risk-based plan to audit payroll/personnel operations in all County departments. In accordance with the developed plan, we completed a review of the Sheriff's Department's (Sheriff's or Department) compliance with County payroll and personnel policies and their use of the Countywide Timekeeping and Payroll/Personnel System (CWTAPPS). Our review covered areas such as overtime usage, recording time and attendance, industrial accident payments, leave accounting, monitoring bonus eligibility, processing employee terminations and data security.

**Summary of Findings**

The Sheriff's maintains sufficient data file security and controls over warrant distribution, employee terminations and leave donations. The Sheriff's needs to strengthen its controls over other areas of their payroll/personnel operations and use of CWTAPPS. The following are examples of areas for improvement:

- The Sheriff's should work with the Chief Executive Office (CEO) to reevaluate its overtime budget. The Department exceeded its overtime budget by an average of 104% in each of the last five fiscal years or an average of approximately \$82.5 million per year.

- The Sheriff's needs to strengthen its overtime policies and controls. While the Sheriff's has some work schedule limitations, they do not have rules on cumulative total overtime. We noted 348 employees worked over 900 hours of overtime (equal to six months of full-time work) in a year. Employees who work significant amounts of overtime may not be physically/mentally capable of performing their jobs. In addition, we noted that non-emergency overtime is not always pre-approved, and management does not always monitor individual overtime worked/reported for compliance with work schedule limitations.
- The Sheriff's needs to ensure staff comply with work schedule rules. Fourteen (70%) of 20 high overtime earners reviewed violated the Department's work schedule rules (e.g., working excessive double shifts, etc.) 44 times, and timekeepers did not identify 32 of the violations.
- The Sheriff's needs to ensure that their timekeeping and overtime documentation procedures comply with federal and State agencies' disaster reimbursement guidelines. The CEO reported that the Sheriff's timekeeping documentation does not comply with some reimbursement guidelines, which could result in unreimbursed costs/claim disallowances.
- The Sheriff's needs to ensure that employees on extended sick leave are paid accurately. Eight (32%) of 25 employees we reviewed were potentially overpaid a total of \$61,800, or an average of \$7,000 per employee since the employees went from using part-pay sick leave to using full-pay leave, or received incorrect part-pay leave hours in CWTAPPS.
- The Sheriff's needs to closely monitor Industrial Accident cases to ensure employees are paid properly. We reviewed 15 Industrial Accident cases and noted nine (60%) employees were overpaid approximately \$49,000, or an average of \$5,400 per employee. The overpayments occurred because the Sheriff's did not immediately notify the Third Party Administrator when the employees returned to work, or because Payroll did not properly compute the employees' leave benefits.
- The Sheriff's needs to maintain adequate documentation for all bonuses and ensure each Departmental unit documents its bonus eligibility reviews. We reviewed 40 bonuses and noted ten (25%) instances where the Department did not have documentation supporting the employee's bonus. We also noted that Departmental units do not always document their quarterly reviews of bonus eligibility.
- The Sheriff's needs to avoid keeping employees in out-of-class assignments for long periods of time and enter bonus information into CWTAPPS timely. The Department of Human Resources indicated that out-of-class bonuses should

generally not exceed one year. We noted four (67%) of the six employees reviewed continued to receive out-of-class bonuses for over a year which increases the risk of employee grievances and arbitrations. The Department also entered eight (80%) of ten bonuses into CWTAPPS an average of 69 days late, resulting in untimely payments to employees.

- The Sheriff's needs to improve security over CWTAPPS. Eight (40%) of 20 CWTAPPS users reviewed can change their own payroll/personnel information.

As indicated, we noted several possible overpayments, underpayments and incorrect leave balances. County policies do not specify when employees are required to repay overpayments because the facts of each overpayment are unique. Sheriff's management should research the individual cases in this report and work with the Department of Human Resources, Auditor-Controller's Countywide Payroll Division and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.

Although this report is a review of Sheriff's Payroll/Personnel operations, we recommend that other County departments review the findings in this report and ensure the necessary controls are in place.

Details of these and other findings and recommendations are included in the attached report.

### **Review of Report**

We discussed our report with Sheriff's and CEO management. Sheriff's attached response indicates agreement with our findings and recommendations.

We thank Sheriff's management and staff for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Jim Schneiderman at (213) 253-0101.

WLW:MMO:JLS:MP

Attachment

c: William T Fujioka, Chief Executive Officer  
Leroy D. Baca, Sheriff  
Lisa M. Garrett, Acting Director, Department of Human Resources  
Robert E. Kalunian, Acting County Counsel  
Department Heads  
Public Information Office  
Audit Committee

# **SHERIFF'S DEPARTMENT PAYROLL/PERSONNEL REVIEW**

## **Background**

The Sheriff's Department (Sheriff's or Department) has over 17,000 employees in more than 30 locations. Payroll staff in the Sheriff's Administrative Services Division's Personnel Administration unit and timekeepers at Departmental units enter employee time information into the Countywide Timekeeping and Payroll/Personnel System (CWTAPPS). Payroll staff also maintain employee leave balances and Industrial Accident information in CWTAPPS. Personnel Administration staff use CWTAPPS to process personnel transactions, such as hires/terminations, and maintain personnel data, including hire dates, social security numbers and County job history.

## **Scope**

We reviewed the Sheriff's compliance with County payroll and personnel processing policies, including compliance with the County Fiscal Manual (CFM). Our review included interviews with staff and tests of overtime usage and controls, employee time records, Industrial Accident payments, bonus eligibility and data security.

## **COMMENTS AND RECOMMENDATIONS**

### **Payroll Exceptions**

Our review disclosed a number of errors, such as incorrect time cards, CWTAPPS input errors and misapplication of County payroll rules and regulations. These errors have resulted in possible overpayments, underpayments and incorrect leave balances. Some of the errors may have only been documentation or procedural errors, and not overpayments that would require employees to repay the amounts.

County policies do not specify when employees are required to repay overpayments because the facts of each overpayment are unique. Sheriff's management should research the individual cases noted in this report and work with the Department of Human Resources (DHR), Auditor-Controller's (A-C) Countywide Payroll Division and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.

### **Recommendation**

- 1. Sheriff's management research the exceptions identified throughout this report and work with DHR, A-C Countywide Payroll Division and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.**

**Overtime**

**Overtime Budget**

We compared the Department's budgeted and actual overtime for Fiscal Year (FY) 2004-05 through FY 2008-09 and noted that the Sheriff's exceeded its overtime budget by an average of 104% in each of the last five fiscal years, or an average of approximately \$82.9 million per year.

<b><u>Fiscal Year</u></b>	<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>Over</u></b>	<b><u>% Over</u></b>
2008-09	\$ 84,565,000	\$ 145,416,274	\$ 60,851,274	72%
2007-08	\$ 80,226,000	\$ 181,437,512	\$ 101,211,512	126%
2006-07	\$ 78,848,000	\$ 194,251,852	\$ 115,403,852	146%
2005-06	\$ 75,646,000	\$ 166,598,163	\$ 90,952,163	120%
2004-05	\$ 77,645,000	\$ 123,697,408	\$ 46,052,408	59%
<b>Totals:</b>	<b>\$ 396,930,000</b>	<b>\$ 811,401,209</b>	<b>\$ 414,471,209</b>	<b>104%</b>

Management indicated that significant salary increases for sworn employees and using overtime to fill recently added budgeted positions (e.g., additional positions to reopen the Century Regional Detention Facility and the Pitchess Detention Center, restore the Community Oriented Policing Services program, etc.) have contributed to overtime usage. Sheriff's management also indicated that, while the Sheriff's hired over 1,200 deputies from July 2006 to June 2008, significant overtime reductions did not begin until FY 2007-08 since deputies must first receive months of required training.

However, the overtime in excess of budget, indicates a need to improve the Department's annual overtime budget. Management should work with the Chief Executive Office (CEO) to reevaluate the Department's annual overtime budget.

**Recommendation**

- Sheriff's management work with the CEO to reevaluate the Department's annual overtime budget and realign the budget amount to better reflect actual expenditures and needs.**

**Overtime Controls**

We reviewed the Sheriff's overtime records and noted:

- Overtime Limits** – A number of employees worked a large amount of overtime. We noted 1,313 employees worked over 600 overtime hours from March 2007 to February 2008, and 348 of these employees worked over 900 hours of overtime (equal to six months of full-time work) during that time. Employees who work excessive amounts of overtime may not be physically/mentally capable of performing their jobs.

- **Overtime is not always pre-approved** – Sheriff's policy requires all non-emergency overtime to be pre-approved. We reviewed 285 emergency and non-emergency overtime slips and noted 30 (11%) instances where the Department did not pre-approve non-emergency overtime. Specifically, nine overtime slips were approved after the overtime was worked, 15 slips did not indicate the approval date and six slips had pre-printed approval signatures and dates. We also noted nine slips included unexplained adjustments to the hours and dates worked.
- **Management does not always monitor individual overtime for appropriateness** – Sheriff's policy requires unit managers to monitor individual overtime worked/reported on a monthly basis for compliance with Departmental guidelines. We noted that all five unit managers sampled did not perform the required monthly monitoring.

While the Sheriff's has some work schedule limitations (discussed further below), they do not have rules on cumulative total overtime. The number of employees working a significant amount of total overtime indicates a need for additional overtime policies and controls. The Department should also ensure that all non-emergency overtime is pre-approved and appropriately documented and ensure that unit managers perform monthly audits of overtime worked/reported for compliance with Departmental policies.

### Recommendations

#### Sheriff's management:

3. **Develop and implement additional overtime policies and controls (e.g., setting monthly/annual overtime limits, monitoring and evaluating employee overtime usage, etc.) to limit excessive overtime.**
4. **Ensure that all non-emergency overtime is pre-approved and appropriately documented.**
5. **Ensure that unit managers perform monthly monitoring of compliance with Departmental overtime policies.**

### Time and Attendance

#### Work Schedule Rules

The Sheriff's has work schedule rules specifying the maximum number of hours employees can work within certain timeframes to help ensure that staff are physically/mentally alert.

We reviewed 20 high overtime earners for a one-year period and noted 14 (70%) employees violated the work schedule rules 44 times. Specifically:

- Twelve (60%) employees worked double shifts (16 hours or more) on consecutive days, which is not allowed by Sheriff's policy. Four of these employees worked double shifts four or more times during the year and two employees worked double shifts on three or more consecutive days.
- Six (30%) employees worked from 13 to 19 consecutive days, exceeding the Department's 12-day limit. Two employees exceeded the limit three times during the year.

Sheriff's timekeeping staff are supposed to issue notices for work rule violations such as the ones we noted. However, timekeepers did not identify 32 of the 44 violations noted in our testwork. Sheriff's management should re-train timekeepers on work schedule rules to ensure they monitor and issue notices for work schedule rule violations. The Department should also re-instruct management and staff regarding the work schedule rules.

### **Recommendations**

#### **Sheriff's management:**

- 6. Re-train timekeepers on work schedule rules to ensure they monitor and issue notices for work schedule rule violations.**
- 7. Re-instruct management and staff regarding work schedule rules.**

### **Disaster Reimbursement Claim Timekeeping Documentation**

The CEO's County Disaster Administrative Team (CDAT) coordinates disaster reimbursement claims submitted by the County to federal and State agencies. CDAT also reviews the documentation for each claim and reports their findings and recommendations to County departments for improvement. While reviewing recent Sheriff's reimbursement claims, CDAT noted that the Sheriff's does not comply with some timekeeping and overtime documentation guidelines, and that this could result in a loss of reimbursement if the funding source audits the claims.

Our audit focused on the Sheriff's compliance with County payroll/personnel rules and not on compliance with disaster reimbursement requirements. However, we did note some timekeeping and documentation issues similar to those identified by CDAT (e.g., unexplained overtime slip adjustments, timekeeping errors, etc.). Sheriff's management should work with CDAT to ensure the Department's timekeeping records comply with disaster reimbursement guidelines to avoid potential federal and State claim disallowances.

### Recommendation

8. Sheriff's management work with CDAT to ensure the Department's timekeeping records comply with disaster reimbursement guidelines.

### Payroll Distribution Payoffs

CFM Section 3.1.12 requires departments to conduct unannounced payroll distribution payoffs annually using personnel who have no other payroll or personnel responsibilities, to verify that all employees receiving warrants or notices of direct deposit are valid employees.

We reviewed the documentation for five payroll distribution payoffs and noted that payoff administrators frequently allow supervisors to sign for and receive their subordinates' warrants/notices of direct deposit. This practice defeats the purpose of the payoffs because it does not provide independent verification of employees. We also noted the payoff lists did not have all employees' signatures, and the administrators did not document if they investigated to ensure they were valid employees. In addition, because the payoff documents do not identify the administrators, we could not verify whether the payoffs were administered by employees with no other payroll or personnel responsibilities as required.

### Recommendations

#### Sheriff's management:

9. Ensure that payoff administrators require employees to sign for their own warrants/notices of direct deposit.
10. Document the personnel administering each distribution and the investigation of any unclaimed warrants/notices of direct deposit, and ensure that the payoff administrators are staff with no other payroll or personnel responsibilities.

### Leave Accounting

Employees who are eligible for sick leave and are out sick can use full or part-pay sick leave for their absence. However, these employees cannot use part-pay sick leave until they have been absent for five consecutive days, unless they provide medical verification showing that an illness/injury is a continuation of a prior illness or injury for which the waiting period has already been met. Once an employee begins using part-pay sick leave, County Code Section 6.20.050 prohibits the employee from using any type of full-pay leave (e.g., vacation, full-pay sick leave, etc.) they may have earned while on leave, unless specifically authorized by the Department Head.



We reviewed CWTAPPS data for 25 employees on extended sick leave and noted eight (32%) employees were paid incorrectly, with multiple errors for some employees:

- Five employees went from using part-pay sick leave to using other full-pay leave (e.g., vacation, holiday earned, etc.), without the required Department Head approval. This resulted in potential overpayments totaling approximately \$60,000 and incorrect leave benefit balances.
- Five employees' part-pay sick leave hours were coded incorrectly in CWTAPPS, resulting in potential overpayments totaling \$1,800 and incorrect sick leave balances.

### **Recommendations**

#### **Sheriff's management:**

- 11. Obtain Department Head approval before employees use full-pay leave when employees are on part-pay status.**
- 12. Train and monitor Payroll staff to ensure correct leave codes are used when employees are on extended sick leave.**

### **Industrial Accidents**

County employees who are unable to work because of work-related Industrial Accidents (IA) may receive temporary disability (TD) benefits. The benefits are authorized by one of the County's Third Party Administrators (TPA). The first year of the injury is known as the salary continuation period.

If an employee's disability continues after one year, the post salary continuation period (PSCP) begins. Employees can use accumulated benefits (e.g., sick leave, vacation, etc.) to supplement the TD benefits up to 100% of their regular pay during the PSCP. Employees generally may not receive PSCP TD benefits during the salary continuation period.

### **Post Salary Continuation Period**

We reviewed 15 PSCP cases and noted that nine (60%) employees were overpaid approximately \$49,000, or an average of \$5,400 per employee. These employees continued to receive TD benefits after they returned to work during the salary continuation period or after they were classified as permanently disabled. In addition, we noted that payroll staff did not properly compute five employees' supplemental earnings, resulting in underpayments totaling \$1,300, minor overpayments and misstated leave balances.

These errors occurred because the Department did not immediately notify the TPA when the employees returned to work, did not adequately review TPA payment reports, or because payroll staff did not recalculate the supplemental earnings when the TD rate changed.

### **Recommendations**

#### **Sheriff's management:**

- 13. Ensure the TPA is notified immediately when employees return to work and thoroughly review TPA payment reports.**
- 14. Ensure staff calculates supplemental payments correctly for employees receiving TD payments.**

### **Supplemental Benefits Notification**

Departments are supposed to notify employees that they can use accumulated benefits to supplement their TD benefits one month before the start of the post salary continuation period. We noted that the Sheriff's does not have written procedures to ensure that employees are notified. As a result, the Department did not notify 13 (87%) of the 15 employees reviewed.

### **Recommendation**

- 15. Sheriff's management develop written procedures to notify employees that they can supplement their TD benefits during the post salary continuation period.**

## **Bonuses**

### **Bonus Documentation**

Employees can receive bonuses for special job skills (e.g., bilingual bonus, out-of-class assignments, etc.). CFM Section 3.1.8 requires departments to verify employee eligibility for bonuses each year and have appropriate documentation in the employees' personnel files.

We attempted to review the documentation for 40 bonuses and noted ten (25%) instances where the Department did not have documentation supporting the bonus in the employee's payroll file. Management indicated that Departmental units confirm employee bonus eligibility quarterly. However, Departmental units do not always maintain documentation of their reviews.

Personnel Administration management indicated that some bonus authorization forms were misfiled because of procedural changes. Personnel management should keep documentation of bonus eligibility and require Departmental units to document their bonus reviews.

### **Recommendations**

#### **Sheriff's management:**

- 16. Ensure Personnel keeps supporting documentation for all bonuses.**
- 17. Require Departmental units to document their bonus reviews.**

### **Out-of-Class Bonus Assignments**

Out-of-class bonuses are used to compensate employees who are assigned the duties of a higher position. County policy requires departments to avoid keeping employees in out-of-class assignments for a "prolonged period of time". According to DHR, out-of-class bonuses should not normally exceed one year.

We reviewed six of the 11 employees receiving an out-of-class bonus and noted four (67%) employees continued to receive out-of-class bonuses for over a year.

Extended out-of-class assignments can reduce employee morale and lead to employee grievances and arbitrations. Sheriff's management should avoid keeping employees in out-of-class assignments for prolonged periods.

### **Recommendation**

- 18. Sheriff's management avoid keeping employees in out-of-class assignments for a prolonged period.**

### **Timeliness**

To ensure employees are paid properly, departments must enter bonus information into CWTAPPS within A-C deadlines each pay period. We noted that the Sheriff's entered eight (80%) of ten bonuses we reviewed into CWTAPPS an average of 69 days late, resulting in untimely payments to employees.

### **Recommendation**

- 19. Sheriff's management ensure bonuses are entered into CWTAPPS by the A-C deadlines and monitor for compliance.**

## Data Access

### Processing Centers

CFM Section 3.1.5 states that CWTAPPS processing centers should be used so that Payroll and Personnel staff do not have access to their own payroll/personnel information. Sheriff's management can group employees into CWTAPPS processing centers by pay location, division, etc.

We noted eight (40%) of 20 CWTAPPS users reviewed can change their own payroll/personnel information.

### Recommendation

20. Sheriff's management use processing centers so that staff do not have access to their own payroll/personnel information on CWTAPPS.

### Security Policy

CFM Section 8.6.3 requires that all employees with access to County computer data sign an acknowledgement that they have read and understand the Department's security policy. The Sheriff's did not have signed acknowledgements for seven (35%) of 20 employees reviewed.

### Recommendation

21. Sheriff's management ensure that all employees with access to County computer data sign the security policy.

### Profiles

Profiles determine which CWTAPPS screens a user can access and the specific actions (e.g., inquire, add, update, delete, etc.) they can process. CFM Section 3.1.5 requires departments to restrict profiles to the scope of the employees' job responsibilities.

We noted three (15%) of 20 CWTAPPS users reviewed have access that exceeds their job responsibilities. Specifically, the employees can view and edit mileage reimbursement information, which is not one of their responsibilities.

### Recommendation

22. Sheriff's management periodically review employees' CWTAPPS access and restrict access based on the employees' job duties.



LEROY D. BACA, SHERIFF

**County of Los Angeles**  
**Sheriff's Department Headquarters**  
4700 Ramona Boulevard  
Monterey Park, California 91754-2169



December 1, 2009

Ms. Wendy L. Watanabe  
Auditor-Controller  
525 Kenneth Hahn Hall of Administration  
Los Angeles, California 90012

Dear Ms. Watanabe:

**LOS ANGELES COUNTY SHERIFF'S DEPARTMENT - RESPONSE TO  
THE AUDITOR-CONTROLLER'S PAYROLL AND PERSONNEL REVIEW**

Accompanying this letter is the Los Angeles County Sheriff's Department's (Department) response to the recommendations contained in your office's review of the Department's Payroll and Personnel Operations Report dated December 2009. We concur with the recommendations made in the report and have either implemented or initiated implementation of most of the recommendations.

We appreciate the opportunity to include our response with your report and the constructive spirit in which the recommendations were offered.

Should you have any questions regarding this audit, please contact Assistant Division Director Glen Dragovich, Administrative Services Division, at (323) 526-5191 or Manager Chuck Porter, Internal Audit/eCAPS Unit, at (323) 526-5628.

Sincerely,

LEROY D. BACA, SHERIFF



VICTOR RAMPOLLA, DIVISION DIRECTOR  
ADMINISTRATIVE SERVICES DIVISION

*A Tradition of Service*

Ms. Watanabe

-2-

December 1, 2009

VR:GD:CP:  
(Administrative Services Division)

- c: Kevin E. Hebert, A/Captain, Personnel Administration
- Paula Tokar, Personnel Administration, Operations Lieutenant
- Frank Williams, Assistant Director, Pay and Leave Management
- Lisa M. Rodriguez, Assistant Director, Personnel Administration
- Charles W. Porter, Manager, Internal Audit/eCAPS Unit

AUDITOR-CONTROLLER'S PAYROLL AND PERSONNEL REVIEW OF THE  
SHERIFF'S DEPARTMENT

RECOMMENDATIONS AND SHERIFF DEPARTMENT RESPONSES

PAYROLL EXCEPTIONS

**RECOMMENDATION 1:**

Sheriff's management research the exceptions identified throughout this report and work with DHR, A-C Countywide Payroll, and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments, and/or adjust employee leave benefit balances.

**Sheriff's Response to Recommendation 1: Agree**

The Sheriff's working with DHR, A-C Countywide Payroll, and County Counsel has corrected all the exceptions identified in this report relating to recovering overpayments, issuing supplemental warrants for underpayments, and adjusting employee leave benefit balances.

OVERTIME BUDGET AND CONTROLS

**RECOMMENDATION 2:**

Sheriff's management work with the CEO to reevaluate the Department's annual overtime budget and realign the budget amount to better reflect actual expenditures and needs.

**Sheriff's Response to Recommendation 2: Agree**

The Sheriff's Department will continue to work with the CEO in developing an overtime budget that is realistic in meeting the needs of the Department's overtime requirements. The Sheriff's Department's overtime usage for the current 2008-09 Fiscal Year is greatly reduced from prior years as evidenced in the Auditor's enclosed chart. Further, as vacancies have been filled, (37% of overtime usage is to backfill vacancies) overtime expenditures have been reduced.

It is worth noting that \$52.4 million (36%) of the Fiscal Year 2008-09 actual overtime expenditures were recovered from Contract and Grant reimbursements reducing the overtime expenditure for this period to \$93 million.

**RECOMMENDATION 3:**

Develop and implement additional overtime policies and controls (e.g., setting monthly/annual overtime limits, monitoring and evaluating employee overtime usage, etc.) to limit excessive overtime.

**Sheriff's Response to Recommendation 3: Agree**

The Department will reevaluate the overtime limit of 96 hours per month and determine if the limit should be updated prior to reinstating a new policy to include controls for monitoring and evaluating employee overtime usage. For the period March 2007 to February 2008, the 50 hours on average per month for the 1,313 employees and 75 hours on average per month for the 348 employees expending overtime cited in the report indicates we are on average within the prescribed 96 hour limit.

**RECOMMENDATION 4:**

Ensure that all non-emergency overtime is pre-approved and appropriately documented.

**Sheriff's Response to Recommendation 4: Agree**

A CWTAPPS report, which documents all overtime violations, will be produced and distributed to all Unit Commanders for their review.

**RECOMMENDATION 5:**

Ensure that unit managers perform monthly monitoring of compliance with Departmental overtime policies.

**Sheriff's Response to Recommendations 5: Agree**

All Overtime Worked Reports will be returned to the unit of origination for correction if they do not meet approval guidelines.

**TIME AND ATTENDANCE**

**RECOMMENDATION 6:**

Re-train timekeepers on work schedule rules to ensure they monitor and issue notices for work schedule rule violations.

**Sheriff's Response to Recommendation 6: Agree**

Some of the employees who worked double shifts, consecutive days exceeding the Departments 12-day limit, and worked more than 19 consecutive hours were sworn



staff assigned to Special Enforcement Bureau, Narcotics, and Homicide. The personnel assigned to these units all have specialized skills and are sometimes required to respond to unplanned and/or critical events, i.e., in-custody homicides, barricaded suspects, etc. While the units make every attempt to schedule their personnel in order to avoid such violations, in the interest of public safety, it is sometimes unavoidable. Under these circumstances, Time Accountants will not issue a violation. For all others, Violation Notices should be issued.

Pay and Leave Management conducts monthly meetings with the Non-Consolidated Time Accountants to train or brief them on issuing violations to the units regarding back to back doubles, working more than 12 consecutive days and working more than 19 hours in a day. Additionally, Pay and Leave Management's Consolidated Timekeeping supervisors are now utilizing the monthly report from Internal Audit Unit to track violations and ensure that Time Accountants are issuing violation notices. If it is now determined after reviewing available data that Violation Notices are not being properly issued by Non-Consolidated timekeepers, Pay and Leave Management's Audit and Training Unit will issue the notices to the appropriate Unit Commander.

**RECOMMENDATION 7:**

Re-instruct management and staff regarding work schedule rules.

**Sheriff's Response to Recommendation 7: Agree**

Recurrent JDIC announcements will be sent out once a month reminding Department personnel of work schedule rules.

**RECOMMENDATION 8:**

Sheriff's management work with CDAT to ensure the Department's timekeeping records comply with disaster reimbursement guidelines.

**Sheriff's Response to Recommendation 8: Agree**

The Sheriff's Department makes every effort to work with CDAT and to date has met all State and Federal reporting requirements for fund reimbursement using current documentation. It is anticipated that with the implementation of the new Countywide timekeeping system (eHR) any of CDAT concerns with the Department's time documentation will be eliminated.

The documents used currently for time reporting meet all required criteria for time recording. Each line of the time card is an individual accounting of that employees' time reflecting actual hours worked, employee name, employee number, item number, and total hours worked. Total hours charged to an unusual occurrence is accounted for on the Overtime Worked Report (OTWR) with a detailed explanation

and justification, overtime code, and an unusual occurrence control number verified by a pre-approving supervisor, employee signature, and approving supervisor signature.

The Office of Management and Budget (OMB) Circular A-87 states, "they (time cards) must be prepared at least monthly and must coincide with one or more pay periods." The Sheriff's Department's time cards exceed the minimum criteria established in the Office of Management and Budget (OMB) Circular A-87 of "at least monthly." The time cards are prepared daily or weekly. Should a pay period end prior to the completion of the week, the time cards are sent to the timekeeper to match the corresponding time period, (i.e., 1<sup>st</sup> to the 15<sup>th</sup> and 16<sup>th</sup> to the end of the month), which establishes a higher standard of review by supervisors and timekeepers than the OMB Circular A-87 monthly requirement.

Presently, the Sheriff's Department works with several other government agencies billing time worked against contracts, grants, and incidents. These agencies have not had any issues with Department's time collection system. In addition, to our knowledge, the Department has not been disallowed State or Federal reimbursement for any claim due to noncompliance with time reporting requirements.

**RECOMMENDATION 9:**

Ensure that payroll administrators require employees to sign for their own warrants/notices of direct deposit.

**Sheriff's Response to Recommendation 9: Agree**

To ensure the Sheriff's Department is in compliance with the controls identified with Section 3.1.11 of the Los Angeles County Fiscal Manual, a "Payroll Distribution Payoff" will be conducted, whereby, regular warrants/direct deposits (pay checks) will be released to employees only after each employee has shown proper identification and has signed for the warrant/notice of direct deposit.

Every attempt will be made to have the actual employee sign the checklist before issuance of the direct deposit receipts or warrant. If the actual recipient is unable to sign the checklist for any reason, the supervisor shall sign their name on the checklist and notate the signing on the checklist.

**RECOMMENDATION 10:**

Document the personnel administering each distribution and the investigation of any unclaimed warrants/notices of direct deposit and ensure that the payroll administrators are staff with no other payroll or personnel responsibilities.

**Sheriff's Response to Recommendation 10: Agree**

The checklist form has been revised to now include a signature line at the bottom of each checklist to identify the administrator or responsible designate issuing the direct deposits or warrants to maintain accountability and separation of duties.

**LEAVE ACCOUNTING**

**RECOMMENDATION 11:**

Obtain Department Head approval before employees use full-pay leave when employees are on part-pay status.

**Sheriff's Response to Recommendation 11: Agree**

In accordance with Section 6.20.070 of the Los Angeles County Code, which deems that employees have the right to utilize their benefits, it is our practice to notify the employee 30 days in advance by sending an Industrial Accident Ending letter with the date the employee's Labor Code (LC) Section 4850 or 231 benefits will end.

Upon completion of the benefit options, the employee will forward the letter to the Workers' Compensation Section of PLM. In lieu of obtaining the Sheriff's approval, the Benefit Election form has been revised to have the Unit Commander or designee of the unit sign, which previously was the employee's supervisor.

**RECOMMENDATION 12:**

Train and monitor Payroll staff to ensure correct leave codes are used when employees are on extended sick leave.

**Sheriff's Response to Recommendation 12: Agree**

Employees have received additional training regarding part-pay sick leave and coding in CWTAPPS.

**INDUSTRIAL ACCIDENTS**

**RECOMMENDATION 13:**

Ensure the Third Party Administrator (TPA) is notified when employees return to work and thoroughly review TPA payment reports.

**Sheriff's Response to Recommendation 13: Agree**

Upon notification from the injured employee's timekeeper via email to the Workers'

Compensation's email group, that email notification is then sent to the TPA identifying a return work date.

**RECOMMENDATION 14:**

Ensure staff calculates supplemental payments correctly for employees receiving TD payments.

**Sheriff's Response to Recommendation 14: Agree**

A meeting with the TPA Tristar, Health and Safety's Return to Work Unit, and PLM's Workers' Compensation staff took place in October 2008. A change in the distribution and routing of TPA's notice of benefits was recommended by PLM and approved by all concerned parties. In November 2008, the distribution began with the Notice of Benefits sent directly to PLM to ensure payment of benefits in a timely manner; corrections of notices were communicated directly with the TPA and corrected notices received. With the new process in place, timely notification should prevent any miscalculations.

**RECOMMENDATION 15:**

Sheriff's management develop written procedures to notify employees that they can supplement their TD benefits during the post salary continuation period.

**Sheriff's Response to Recommendation 15: Agree**

Written procedures have been developed and are now in place. Staff has been trained on the new procedures.

**BONUSES**

**RECOMMENDATION 16:**

Ensure Personnel keep supporting documentation for all bonuses.

**Sheriff's Response to Recommendation 16: Agree**

Effective immediately, upon entering bonuses into CWTAPPS, the original bonus request will be sent to the Records Unit in Alhambra to be filed in the respective employee's Personnel File. All bonus documentation currently held at Personnel Operations will be forwarded to the Records Unit to be filed.

**RECOMMENDATION 17:**

Require departmental units to document their bonus reviews.

**Sheriff's Response to Recommendation 17: Agree**

Personnel Operations will require that each Division return a copy of the quarterly bonus report with any changes and the signature of the Division Personnel Representative indicating that they have validated the report and that they certify either the required changes or that no changes are necessary.

**RECOMMENDATION 18:**

Sheriff's management avoid keeping employees in out-of-class assignments for a prolonged period.

**Sheriff's Response to Recommendation 18: Agree**

The Sheriff's Department believes that their current system of quarterly monitoring and controlling of special pay bonuses such as out-of-class pay is sufficient. Extended out-of-class bonuses sometimes occur due to the Department's lengthy background process. When a candidate does not pass the background process, it requires that the hiring and background process begin over again, thereby, extending the length of an out-of-class bonus situation. The Sheriff's Department makes every effort to resolve out-of-class bonuses in a timely manner.

**RECOMMENDATION 19:**

Sheriff's management ensure bonuses are entered into CWTAPPS by the Auditor-Controller deadlines and monitor for compliance.

**Sheriff's Response to Recommendation 19: Agree**

Personnel Operations will continue to discuss with and instruct the Divisions of the importance of timely submission of bonuses. Personnel Operations has implemented a project to consolidate bonus request forms in order to assist the Divisions in processing bonus requests in a timely manner and will monitor for compliance.

**DATA ACCESS**

**RECOMMENDATION 20:**

Sheriff's management use processing centers so that staff do not have access to their own payroll/personnel information on CWTAPPS.

**Sheriff's Response to Recommendation 20: Agree**

PLM Time Accountants have CWTAPPS universal access based on need. This is

due to non-consolidated timekeeping in outlining units and the possibility of PLM Time Accountants having to act as a back-up timekeeper.

In order to prevent any misuse, the PLM Time Accountant's time card is processed by another section within PLM so the Time Accountants do not process their own time. A Leave Balance Audit Trail report (report ID TPBRLAU1.1) is generated on a weekly basis for review and audit purposes by the Payroll Manager to ensure PLM employees are not manipulating their leave balances.

**RECOMMENDATION 21:**

Sheriff's management ensure that all employees with access to County computer data sign the security policy.

**Sheriff's Response to Recommendation 21: Agree**

All employees with County computer data access have signed security acknowledgments. The discrepancy noted above involved tenured employees who have had computer access prior to the policy of signing security agreements. Those employees have now acknowledged and signed the Department's security policy.

**RECOMMENDATION 22:**

Sheriff's management periodically review employees' CWTAPPS access and restrict access based on the employees' job duties.

**Sheriff's Response to Recommendation 22: Agree**

CWTAPPS access is verified Department-wide twice a year. This process involves sending each Department Head the names of those individuals that have CWTAPPS access from their unit. The Department Head verifies access is still authorized. If any names are to be added, a justification memo must be submitted to Personnel for approval.