



**SUFFOLK COUNTY
OFFICE OF THE COMPTROLLER
AUDIT DIVISION**

**Joseph Sawicki, Jr.
Comptroller**

An Audit of the
Suffolk County Department of Parks, Recreation and Conservation
Payroll Procedures
For the Period
January 1, 2011 through June 30, 2012

**Report No.: 2014-04
Date Issued: March 18, 2014**

**SUFFOLK COUNTY
OFFICE OF THE COMPTROLLER**

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EXECUTIVE SUMMARY

Introduction:

The Suffolk County Comptroller's Office has reviewed the payroll procedures of the Suffolk County Department of Parks, Recreation and Conservation (Department) for the period January 1, 2011 through June 30, 2012. This audit report is one of a series of reports to be issued relative to the County's payroll procedures.

Purpose:

The purpose of our review of the Department's payroll procedures was to determine if the Department's time and accrual sheets were properly processed in accordance with applicable contracts, SOPs, Directives of the Office of Labor Relations and related payroll documentation; to determine if the Department's time and accrual sheets accurately reflect employee hours worked and benefit hours accrued and utilized during the audit period; and to review the Department's current payroll procedures in order to determine if the Department has adequate procedures in place to record, process and properly claim payroll expenses to the County.

Summary of Significant Findings:

- The Department does not have an adequate system of internal controls in place to properly process employee time and accrual records.
- There were numerous instances in which we were unable to ensure the accuracy of employee hours worked and benefit hours utilized.
- The Department did not maintain adequate attendance records for permanent part-time employees; therefore, we were unable to ensure the accuracy of employee hours worked and benefit hours utilized.

Summary of Significant Recommendations:

- The Department should ensure that each Parks location has an adequate system of internal controls in place to record employee attendance. In addition, adequate documentation should be maintained to support the hours worked and accrued hours taken for all employees.
- The Department should ensure that all accrued benefit hour balances are properly calculated.

BACKGROUND

The Department is responsible for ensuring the safety and enjoyment of all visitors to Suffolk County parks, preserves and historic sites. The Department's mission also includes the preservation, restoration and maintenance of historic properties and the proper stewardship of tens of thousands of acres of open space, making both available for public use and education.

The Department is comprised of numerous locations and provides many types of activities; therefore, the Department employs various types of personnel (full-time permanent, part-time permanent, seasonal/temporary, and park police officers) depending on the location and the needs of the Department.

Each park location began utilizing a log book to record employee attendance in October 2011. Some parks utilize an exception based attendance log; some only require an employee's name when present at work; and other parks record arrival, departure and break times. Furthermore, most seasonal employees record hours worked on a time card (Form PRC 213 R-2), and seasonal lifeguards also record hours worked in a log book. The Department's Administrative Offices maintain log-in sheets to record daily attendance; these sheets are reviewed and maintained by the Park Superintendent.

Suffolk County AME employees (Bargaining Units 2 & 6) hired after September 3, 2001 work a 37 ½ hour workweek their first year and then revert to a 35 hour workweek in accordance with the provisions contained in the Suffolk County AME Contract. All employees excluded from collective bargaining agreements and serving as management/management confidential employees (Bargaining Unit 21) mirror the workweek of the AME contract and work a 37 ½ hour workweek their first year and then revert to a 35 hour workweek.

Park Police Officers (Bargaining Unit 17) work a 40 hour week their first year and then revert to a 37 ½ hour workweek in accordance with the provisions contained in the Suffolk County Deputy Sheriffs Benevolent Association, Park Police Unit agreement. Their weekly work schedule is five consecutive days on plus two consecutive days off.

SCOPE AND METHODOLOGY

- Reviewed relevant Suffolk County Laws, Resolutions, All Department Head Memorandums, Payroll Memorandums and the Suffolk County AME and Suffolk County Deputy Sheriffs Benevolent Association, Park Police Unit contracts.
- Conducted interviews of Department personnel as deemed necessary to obtain an understanding of the procedures used to record and process employee time sheets.
- Obtained a crystal report from the Comptroller's Payroll Division of all Department personnel who worked from January 1, 2011 through December 31, 2011. Using the crystal report we randomly selected eleven employees and judgmentally selected an additional eight employees for testing.
- Performed testing procedures as deemed necessary for all time and accrual records submitted by the above nineteen employees from January 1, 2011 through December 31, 2011 in order to accomplish our audit objectives.
- Obtained a crystal report from the Comptroller's Payroll Division of all Department personnel who were docked from January 1, 2011 through June 30, 2012. Judgmentally selected the three highest docked employees from the 2011 calendar year; the three highest docked employees from January 1, 2012 through June 30, 2012; and a random sample of another two employees who were docked in 2011. Performed testing procedures as deemed necessary in order to accomplish our audit objectives.
- Performed testing procedures as deemed necessary for all time and accrual records submitted by five permanent part-time employees and five seasonal/temporary employees during the audit period.
- Interviewed appropriate County personnel in order to obtain an understanding of the procedures followed when processing a Workers' Compensation case.
- Performed testing procedures as deemed necessary for five judgmentally selected workers' compensation cases to ensure that the Department submitted the required documentation to the Suffolk County Office of Insurance & Risk Management, and that the employee's time and accrual records for the period of injury were properly completed.
- Interviewed the Department's designated representative who is responsible for monitoring employee sick leave usage in order to determine if the Department is complying with the provisions of the Sick Leave Management Program.

AUDIT RESULTS

The Department does not have an adequate system of internal controls in place to properly process employee time and accrual records. Each Parks locations has its own procedures for recording employee attendance. Daily attendance is recorded by: daily sign-in sheets, daily log books, absentee books and time-cards. However, our interviews and observations revealed that the Department did not maintain attendance records for many Parks locations until October 1, 2011, and attendance records maintained by the Parks locations beginning October 1, 2011 and thereafter are inadequate and/or inconsistent as many of the attendance records did not contain the necessary information to determine an employee's hours worked and benefit hours utilized.

There were numerous instances in which we were unable to ensure the accuracy of employee hours worked and benefit hours utilized. Our audit testing revealed that the Department could not provide adequate attendance records for ten of the nineteen (53%) full-time employees selected for testing. The Department could not provide a complete set of daily attendance records for the five Administrative employees tested as attendance records did not exist prior to October 1, 2011. In addition, the Department did not maintain any type of daily attendance records for three Park Police Officers and two Laborers who were selected for testing.

The Department did not maintain adequate attendance records for permanent part-time employees; therefore, we were unable to ensure the accuracy of employee hours worked and benefit hours utilized. The Department could not provide any attendance records from January through September 2011 for all five permanent part-time employees tested. In addition, attendance records provided by the Department from October through December 2011 were unreliable for two of the five employees tested as the employees either did not include arrival, departure and lunch times on the attendance record or were not required to record anything except for their name on the attendance record.

In addition to the significant findings identified above, our audit revealed the following additional opportunities to improve internal controls over payroll procedures:

The Department incorrectly calculated the accrued vacation hours earned by one employee during his workers' compensation period. Our audit testing revealed one instance in which the Department failed to include a portion of a pro-rated vacation accrual for an employee returning from workers' compensation leave. As a result, the employee's vacation accruals are understated by 2.5 hours.

The Department did not comply with Section 1079 of the County's Records Retention and Disposal Schedule CO-2. The Department's payroll unit only retains application for leave slips for one year. However, the County's Record Retention and Disposal Schedule CO-2 specifically states that the retention time is 6 years for "Employee request for and/or authorization given to employee to use or donate sick, vacation, personal or other leave, or to work overtime." Section 1079-2 further states, "only those records shall be disposed of by Suffolk County that are described in Records Retention and Disposition Schedule CO-2 after such records have met the minimum retention period prescribed therein."

Employees did not always submit SCIN Form 49 (11/04) "application for leave" slip for the use of sick time. It is the Department's policy that an employee is only required to submit an "application for leave" slip for sick time when the use of the accrual is known in advance. If an employee "calls-in" sick, the Department does not require the form to be filled out.

RECOMMENDATIONS

- The Department should ensure that each Parks location has an adequate system of internal controls in place to record employee attendance. In addition, adequate documentation should be maintained to support the hours worked and accrued hours taken for all employees.
- The Department should ensure that all accrued benefit hour balances are properly calculated.
- The Department should comply with the provisions of the County's Records Retention and Disposition Schedule CO-2 and retain all "application for leave" slips for a minimum of six years.
- All employees should submit "application for leave" slips for the use of sick leave accruals. These slips should then be compared to the employee's time sheet to ensure that the use of all leave time was properly reported.

APPENDICES

APPENDIX A

COUNTY OF SUFFOLK



STEVEN BELLONE -
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF
PARKS, RECREATION AND CONSERVATION

GREG DAWSON
COMMISSIONER

February 25, 2014

Mr. Frank Bayer, Executive Director of Auditing Svcs.
Suffolk County Office of the Comptroller
H. Lee Dennison Building
100 Veterans Memorial Highway
P.O. Box 6100
Hauppauge, New York 11788-0099

Dear Director Bayer:

Thank you for sending me the unofficial draft report containing the results of the Comptroller's Office audit of our payroll procedures. I have reviewed the auditor's recommendations and have no objection to the content. Please note that Parks has already taken corrective action to ensure the recommendations are followed.

Once again, thank you and please feel free to contact me if you have any additional questions or concerns.

Sincerely,



Greg Dawson
Commissioner

cc: Jim Barr, Superintendent
JoAnn Williams, Administrator I



APPENDIX B

Exit Conference Report

Auditee: Suffolk County Department of Parks, Recreation and Conservation

The Department did not request an exit conference, but did submit a written response to the audit report (Appendix A, p. 8). In its response the Department concurred with the audit findings and has taken corrective action in response to our audit. Therefore, no modification of the audit report is warranted.