



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

**Joseph Sawicki, Jr.  
Comptroller**

An Audit of the  
Suffolk County Department of Social Services  
Payroll Procedures  
For the Period  
January 1, 2010 through June 30, 2011

**Report No.: 2014-08  
Date Issued: July 14, 2014**

**SUFFOLK COUNTY  
OFFICE OF THE COMPTROLLER**

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Comptroller

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Chief Deputy Comptroller

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## **EXECUTIVE SUMMARY**

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### **Introduction:**

The Suffolk County Comptroller's Office has reviewed the payroll procedures of the Suffolk County Department of Social Services (Department) for the period January 1, 2010 through June 30, 2011. 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 could not provide any 2010 Daily Attendance Logs for two of the twenty-three (9%) employees tested, and could not provide any attendance logs for another employee from January 1, 2010 through March 31, 2011.
- There were several instances in which employee time and accrual records did not accurately reflect employee hours worked and benefit hours utilized during the audit period.

### **Summary of Significant Recommendations:**

- The Department should ensure that daily attendance logs are prepared. These attendance logs should be retained for a period of six years in accordance with Suffolk County Laws, Chapter 1079, Records Retention, and used to verify the accuracy and propriety of employee time & accrual sheets.
- The Department should ensure that employee time and accrual records accurately reflect employee hours worked and benefit hours utilized.

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## **BACKGROUND**

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The Suffolk County Department of Social Services enriches the quality of life for Suffolk County citizens who find themselves in need of assistance and services by providing child support enforcement services, food stamps, temporary financial, housing, medical and home energy assistance as well as protective and preventative services for vulnerable children and adults.

The Suffolk County Department of Social Services is comprised of four Divisions:

- Child Support Enforcement Bureau
- Client Benefit Services
- Family and Children Services
- Medicaid Services

Each Division maintains a daily attendance log on which the Division's supervisor records each employee's daily attendance as well as any leave time taken. Management employees (Bargaining Unit 21) work a 37 ½ hour workweek their first year and then revert to a 35 hour workweek. Suffolk County AME employees (Bargaining Unit 2 and Bargaining Unit 6) hired after September 3, 2001 work a 37 ½ hour week their first year and then revert to a 35 hour workweek in accordance with the provisions contained in the Suffolk County AME Contract.

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## SCOPE AND METHODOLOGY

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- Reviewed relevant Suffolk County Laws, Resolutions, All Department Head Memorandums, Payroll Memorandums, the Suffolk County AME contract and the Department's Payroll Policies and Procedures.
- 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, 2010 through June 30, 2011. Using the crystal report we randomly selected ten employees and judgmentally selected an additional thirteen employees for testing.
- Performed testing procedures as deemed necessary for all time and accrual sheets submitted by the above twenty-three employees from January 1, 2010 through June 30, 2011 in order to accomplish our audit objectives.
- Randomly selected five temporary employees from the above crystal report and performed testing procedures as deemed necessary 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, 2010 through June 30, 2011. Judgmentally selected the five highest docked employees and randomly selected an additional five employees for testing. Performed testing procedures as deemed necessary for all time and accrual sheets submitted by these employees from January 1, 2010 through June 30, 2011 in order to accomplish our audit objectives.
- Obtained a crystal report from the Comptroller's Payroll Division of all approved employee furloughs during the audit period. Judgmentally selected five employees and randomly selected an additional nine employees who were furloughed. Performed testing procedures as deemed necessary in order to accomplish our audit objectives.
- Interviewed Departmental personnel who are 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.
- Interviewed appropriate County personnel in order to obtain an understanding of procedures followed when processing a Workers' Compensation case.
- Judgmentally selected five employees who had a Workers' Compensation case during the period. Performed testing procedures as deemed necessary to ensure

that the Department submitted the required documentation to the Suffolk County Office of Insurance & Risk Management, and that the injured employee's time and accrual sheets for the period of injury were properly completed.

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## AUDIT FINDINGS

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*The Department could not provide any 2010 Daily Attendance Logs for two of the twenty-three (9%) employees tested, and could not provide any attendance logs for another employee from January 1, 2010 through March 31, 2011.* A note was attached to the paperwork associated with the latter employee stating, "Clerk destroyed all attendance logs prior to March 2011."

*There were several instances in which employee time and accrual records did not accurately reflect employee hours worked and benefit hours utilized during the audit period.* Our audit testing revealed the following:

- There was one instance in which a different amount of accrued leave hours were recorded on an employee's time sheet, daily attendance sheet and the employee's application for leave slip.
- There was one instance in which the daily attendance sheet indicates that an employee used accrued sick leave; however, no accruals were recorded on the employee's time and accrual record for that day.
- There was one instance in which an employee prepared an application for leave slip for two hours of accrued vacation time; however, the accrued hours were not recorded on the daily attendance sheet or on employee's time and accrual record.

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

*The Department is not complying with the provisions of the County's Sick Leave Management Program (Program) as the Department Representative is not monitoring sick leave usage and identifying those employees who should be designated or relieved as Sick Leave Abusers and Chronic Sick Leave Abusers.* The Program states that it is the responsibility of the Department Representative to monitor the sick leave usage and identify those employees who should be designated or relieved as Sick Leave Abusers and Chronic Sick Leave Abusers pursuant to the applicable Program. While each of the Departmental Unit's designees utilize a "Sick Leave Usage Log – Form A" and a "Sick Leave Tracking Worksheet" to monitor sick leave usage, the Department Representative relies on the Unit supervisors to report any problems and cannot be certain that there are not any unreported abusers because she does not receive the "Sick Leave Usage Log – Form A" and "Sick Leave Tracking Worksheet" from the Unit supervisors. The Department did not report any sick leave abusers or issue any warning letters during the audit period. Furthermore, there was one instance in which the Department failed to record seven hours of family sick leave used by one employee on its' Sick Leave Usage Log.

*The Department could not provide any Applications for Leave (leave slips) for the one retired employee tested.* Suffolk County Laws, Chapter 1079, Records Retention and the Department's Time and Accrual Manual for Timekeepers and Supervisors both state that employee's requests for time off should be retained for six years. However, the Department could not provide any leave slips for the one employee tested who had retired.

*Employees in the Department's Information Technology Division are not complying with Departmental policy as they each prepare their own Time and Accrual records.* The Department's Time and Accrual Manual for Timekeepers and Supervisors specifically states, "**THIS DEPARTMENT DOES NOT ALLOW ANY EMPLOYEE TO DO THEIR OWN TIMESHEET.**"

*Employees do not always submit SCIN Form 49 (11/04) "Application for Leave" for the use of vacation and sick time.* The Department does not require employees to submit an "Application for Leave" slip if the employee has a pre-approved vacation or if the employee calls in sick for an entire shift.

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## RECOMMENDATIONS

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- The Department should ensure that daily attendance logs are prepared. These attendance logs should be retained for a period of six years in accordance with Suffolk County Laws, Chapter 1079, Records Retention, and used to verify the accuracy and propriety of employee time & accrual sheets.
- The Department should ensure that employee time and accrual records accurately reflect employee hours worked and benefit hours utilized.
- The Department should require each Unit supervisor to submit the “Sick Leave Usage Log – Form A” and “Sick Leave Tracking Worksheet” to the Department Representative on a bi-weekly basis. The Department Representative should randomly test Unit compliance with the Program to ensure that the Department has no Sick Leave Abusers or Chronic Sick Leave Abusers as defined by the Program. In addition, the Department should ensure that all sick leave accruals used by employees are properly recorded on its' Sick Leave Usage Log.
- The Department should retain all Applications for Leave for six years as required by the Department’s Time and Accrual Manual for Timekeepers and Supervisors.
- Employees in the Department’s Information Technology Division should comply with Departmental policy as outlined in the Department's Time and Accrual Manual for Timekeepers and Supervisors and designate a timekeeper to prepare the time and accrual records for all Division employees.
- All employees should submit application for leave slips for the use of vacation, personal, compensatory and sick time. These slips should then be compared to the employee’s time and accrual record 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 SOCIAL SERVICES**

**JOHN F. O'NEILL**  
**COMMISSIONER**

July 11, 2014

Frank Bayer, Executive Director of Auditing Services  
Office of the County Comptroller  
H. Lee Dennison Building  
100 Veterans Memorial Highway  
Hauppauge, NY 11788

Dear Mr. Bayer,

Enclosed is a response to an audit of the Suffolk County Department of Social Services' Payroll Procedures for the period January 1, 2010 through June 30, 2011.

I would like to thank you for the opportunity to submit said response. Should you have any questions please feel free to call me at 854-9945.

Sincerely,

John F. O'Neill  
Commissioner

JO/mb  
Attachments

cc: Traci Barnes, Assistant Commissioner  
Theresa Pace, Director of Information Technology  
Marie N. Buday, Asst. Intergovernmental Relations Coordinator

**P.O. BOX 18100**  
**HAUPPAUGE, NY 11788-8900**

[www.suffolkcountyny.gov/departments/socialservices](http://www.suffolkcountyny.gov/departments/socialservices)

#### AUDIT FINDINGS AND DEPARTMENT RESPONSE

*The Department could not provide any 2010 Daily Attendance Logs for two of the twenty-three (9%) employees tested, and could not provide any attendance logs for another employee from January 1, 2010 through March 31, 2011.* A note was attached to the paperwork associated with the latter employee stating, "Clerk destroyed all attendance logs prior to March 2011."

*There were several instances in which employee time and accrual records did not accurately reflect employee hours worked and benefit hours utilized during the audit period.* Our audit testing revealed the following:

- There was one instance in which a different amount of accrued leave hours were recorded on an employee's time sheet, daily attendance sheet and the employee's application for leave slip.
- There was one instance in which the daily attendance sheet indicates that an employee used accrued sick leave; however, no accruals were recorded on the employee's time and accrual record for that day.
- There was one instance in which an employee prepared an application for leave slip for two hours of accrued vacation time; however, the accrued hours were not recorded on the daily attendance sheet or on employee's time and accrual record.

**As a result of these findings, the Department has revised the Time and Accrual Manual. The manual previously stated "Every Timekeeper or Supervisor should track attendance on a Daily Attendance Log." It now includes detailed instructions: "Daily Attendance Logs are required to be maintained by Timekeepers and/or Supervisors, ensuring all hours and accruals are recorded appropriately. Hours recorded on the Daily Attendance Log should then be transferred to the Time and Accrual Record. At the completion of the timesheet, Daily Attendance Log and the Time and Accrual Record should be compared for accuracy before finalizing timesheet and submitting to Payroll. Daily Attendance Logs should not to be destroyed."**

**Furthermore, the Department would support an effort to automate the timekeeping function to further mitigate risks inherent in a paper based business process and increase worker productivity.**

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

*The Department is not complying with the provisions of the County's Sick Leave Management Program (Program) as the Department Representative is not monitoring sick leave usage and identifying those employees who should be designated or relieved as Sick Leave Abusers and Chronic Sick Leave Abusers.* The Program states that it is the responsibility of the Department Representative to monitor the sick leave usage and identify

those employees who should be designated or relieved as Sick Leave Abusers and Chronic Sick Leave Abusers pursuant to the applicable Program. While each of the Departmental Unit's designees utilize a "Sick Leave Usage Log – Form A" and a "Sick Leave Tracking Worksheet" to monitor sick leave usage, the Department Representative relies on the Unit supervisors to report any problems and cannot be certain that there are not any unreported abusers because she does not receive the "Sick Leave Usage Log – Form A" and "Sick Leave Tracking Worksheet" from the Unit supervisors. The Department did not report any sick leave abusers or issue any warning letters during the audit period. Furthermore, there was one instance in which the Department failed to record seven hours of family sick leave used by one employee on its' Sick Leave Usage Log.

**The Department has followed the County's Sick Leave Management Policy since inception. In the past the Department has identified abusers pursuant to the Policy and where appropriate, took disciplinary action. During the Audit period there were no sick leave abusers reported. To ensure greater compliance with the policy, Personnel will require each Division to assign a Sick Leave Management representative who will be responsible for maintaining the sick leave usage log and report abusers to Payroll. Payroll will periodically check to verify the sick leave usage logs are being maintained.**

*The Department could not provide any Applications for Leave (leave slips) for the one retired employee tested.* Suffolk County Laws, Chapter 1079, Records Retention and the Department's Time and Accrual Manual for Timekeepers and Supervisors both state that employee's requests for time off should be retained for six years. However, the Department could not provide any leave slips for the one employee tested who had retired.

**Early in the Audit, 2010-2011, this was brought to the Department's attention and at that time the practice was modified to comply with the record retention rules. The current practice is to maintain the last 6 years of Applications for Leave in the employee's personnel file.**

*Employees in the Department's Information Technology Division are not complying with Departmental policy as they each prepare their own Time and Accrual records.* The Department's Time and Accrual Manual for Timekeepers and Supervisors specifically states, **"THIS DEPARTMENT DOES NOT ALLOW ANY EMPLOYEE TO DO THEIR OWN TIMESHEET."**

**Effective immediately, the Department's IT division will be required to follow Department procedures. In addition, the Department's Time & Accrual policy for recording time will be distributed to the IT division staff (see attached) and personnel responsible for maintaining the timesheet will be retrained in Departmental procedures.**

*Employees do not always submit SCIN Form 49 (11/04) "Application for Leave" for the use of vacation and sick time.* The Department does not require employees to submit an

“Application for Leave” slip if the employee has a pre-approved vacation or if the employee calls in sick for an entire shift.

**The Department does require an “Application for Leave” slip when an employee is requesting supervisors’ approval for time off.**

**When vacation time is requested and approved using the Employee Annual Vacation Request form, the Department does not require the employee to complete an “Application for Leave” slip when leave is taken.**

**In instances where an employee calls in sick, the past practice did not require the employee to complete a leave slip. Based on the recommendations from Audit & Control, the Department will implement the submission of leave slips for the use of ALL sick time.**

<b>Budget Codes:</b>	
<b>APPROP. NO.</b>	<b>DIVISION</b>
01-6005	Administration
01-6006	IT-Admin Services
01-6008	Housing (Part of Client Benefits)
01-6010	Family & Children Services/APS
01-6015	Client Benefits
01-6016	Personnel and Supportive Services
01-6073	CSEB
01-6115	AFY (Part of Family & Children's Services)
36-6204	Medicaid Services

<b>FUNCTION CODE</b>	<b>DESCRIPTION</b>
F-1	Intake/Case Maintenance
F-2	Family/Children Services
F-2A	Family/Children Services – Administrative
F-3	Employment Programs
F-4	M.A. Elig/Payments/Authorization
F-5	M.A. Policy Planning/Administration
F-6	Training
F-7	Food Stamps
F-8	Child Support Activities
F-10	Fraud & Abuse
F-11	HEAP (CBA)
F-16	Welfare Management System
F-17	Other Reimbursable Programs
F-20	Administrative Overhead

**PAYROLL REPRESENTATIVES**

Supervisor of Payroll:	Danielle	854-9868	
Sick Leave Issues:	Debra	854-9865	
Linda	854-9864	A-DO (F/T)	A-G (Temps)
Rochelle	854-9872	DR-LES (F/T)	H-P (Temps)
Jill	854-9671	LET-RA (F/T)	All dockings for F/T
Fran	854-9862	RE-Z (F/T)	Q-Z (Temps)

**NOTE: THIS DEPARTMENT DOES NOT ALLOW ANY EMPLOYEE TO DO THEIR OWN TIMESHEET.**

**Every timekeeper or supervisor should track attendance on a Daily Attendance Log – SEE ATTACHMENT H**

COUNTY OF SUFFOLK



STEVEN BELLONE  
SUFFOLK COUNTY EXECUTIVE

DEPARTMENT OF SOCIAL SERVICES

JOHN F. O'NEILL  
COMMISSIONER

**MEMORANDUM**

*To:* All Personnel – IT Division  
*From:* T. M. Pace, Director of Information Management   
*Date:* July 1, 2014  
*Subject:* Time & Accrual Procedures

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In the Department's *Time and Accrual Manual for Timekeepers and Supervisors*, it specifically states, "This Department does not allow any employee to do their own timesheet."

In compliance with this directive, the attached IT Division Policy & Procedure outlines the new timesheet process for all employees in the Information Technology Division.

The appointed Timekeeper for the IT Division is **Victoria Schlosser**.  
The Timekeeper's timesheet will be prepared by the covering Timekeeper, **Nicole Fischer**.

This is effective July 1, 2014.

Your cooperation and prompt adherence to this policy is expected.

Thank you.

TMP/vs  
Attachment

Suffolk County Department of Social Services  
IT Division  
Policy & Procedure

**SUBJECT: Time & Accrual Process**

**POLICY:** In the Department's *Time and Accrual Manual for Timekeepers and Supervisors*, it specifically states, "This Department does not allow any employee to do their own timesheet."

In compliance with this directive, this Policy & Procedure outlines the process for all employees in the Information Technology Division.

**PROCEDURE:**

1. The timekeeper will track daily attendance for all IT Division Personnel. This information will be entered on the Time & Accruals spreadsheet for each staff member.
2. IT Supervisors will note attendance related information for employees in their respective unit on the IT Shared Calendar.
3. The completed Time & Accrual will be forwarded to the respective employee who will review for accuracy, sign it and forward to their supervisor for signature.
4. Changes are to be communicated to the Timekeeper so that submission of the monthly timesheets to Personnel is timely.
5. The supervisor will confirm attendance recorded on the printed timesheet against the IT Shared Calendar and co-sign the printed timesheet.
6. The Timekeeper's timesheet will be prepared by the covering Timekeeper.
7. In the event that the timekeeper is out for an extended period of time, an alternate timekeeper will be appointed to prepare the Division's timesheets records.

**APPENDIX B**

**Exit Conference Report**

**Auditee: Suffolk County Department of Social Services**

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The Department did not request an exit conference, but did submit a written response to the audit report (Appendix A, p. 9). 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.