



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

**John M. Kennedy, Jr.  
Comptroller**

**An Audit of the  
Suffolk County Department of Economic Development and Planning's  
Payroll Procedures  
For the Period December 8, 2014 through June 17, 2016**

**Assignment No. 2016-15  
Date Issued: November 7, 2018**

**SUFFOLK COUNTY  
OFFICE OF THE COMPTROLLER**

**John M. Kennedy, Jr.**  
Comptroller

**Louis A. Necroto, CPA**  
Chief Deputy Comptroller

**Frank Bayer, CPA**  
Executive Director of Auditing Services

**Audit Staff:**

Joseph S. Pecorella, CPA, Chief Auditor  
Stacey Quinn, CPA, Senior Auditor  
Rowlin Boodram, Auditor

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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 Economic Development and Planning (Department) for the period December 8, 2014 through June 17, 2016.

### **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 did not comply with Chapter 1079 of the County's Records Retention and Disposal Schedule CO-2.
- Planning Division employees did not accurately report actual hours worked on their Time and Accrual Records and failed to comply with the provisions of SOP A-17, Overtime Authorizations, during the audit period.
- The Department failed to comply with provisions of the Suffolk County Association of Municipal Employees (AME) Contract.
- There were numerous instances in which we were unable to justify the accuracy of hours worked and benefit hours utilized by management employees.

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

- The Department should comply with the provisions of the County's Records Retention and Disposition Schedule CO-2 and retain all sign-in sheets for a minimum of six years.
- The Department should ensure that employees accurately report actual hours worked and leave time utilized on their Time and Accrual Records and comply with the provisions of SOP A-17, Overtime Authorizations.

- The Department should ensure that it strictly adheres to the provisions of the Suffolk County AME contract.
- The Department should develop an attendance system which would enable verification of hours worked and benefit hours utilized by management employees.

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## BACKGROUND

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The Suffolk County Department of Economic Development and Planning implements programs and projects that advance the County Executive's economic growth initiatives. Local Law 16-2012 consolidated departmental functions to form a newly created Department of Economic Development and Planning which combined various departments, divisions, and programs, including, but not limited to: the Department of Planning, Division of Real Property Acquisition and Management, Environment and Energy, Francis S. Gabreski Airport, and Economic Development and Workforce Housing. The Department is currently comprised of the following divisions and programs:

- Aviation
- Community Development
- Economic Development
- Financial & Personnel
- Landbank
- Planning
- Real Estate & Workforce Housing

Each division maintains its own daily attendance sign-in sheet on which the employee records arrival and departure times as well as any fieldwork, meetings, or accrued time used during the day. Management employees do not complete a daily attendance sign-in sheet, but keep a record of their time.

Management employees work a 37 ½ hour work week in accordance with Executive Order No. 23-2004. In accordance with the provisions contained in the Suffolk County AME Contract, Suffolk County AME employees hired after September 3, 2001 work a 37 ½ hour work week their first year and then revert to a 35 hour work week. The Department employs a small number of AME positions which require a 37 ½ hour work week; therefore, these employees work a 40 hour work week in their initial year of employment.

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## SCOPE AND METHODOLOGY

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With the exception of the external peer review requirement, we conducted our audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Such standards require that we plan and perform our audit to adequately assess those operations that are included in our audit scope. Further, these standards require that we understand the internal control structure of the Agency and the compliance requirements stated in laws and regulations that are significant to our audit objectives.

An audit includes examining, on a test basis, evidence supporting the transactions recorded in the accounting and operating records and applying such other auditing procedures, as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgments and decisions made by management. We believe that our audit provides a reasonable basis for our findings and recommendations. In order to accomplish our audit objectives, we performed the following procedures.

- Reviewed relevant Federal, State and Suffolk County Laws, Resolutions, All Department Head Memorandums, Payroll Memorandums and the Suffolk County AME contract.
- 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 report from the Comptroller's Payroll Division of all Department personnel who worked from January 1, 2015 through December 31, 2015. Using the report we randomly selected five bargaining unit 2 and two bargaining unit 21 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 fifteen employees from December 8, 2014 through June 17, 2016 in order to accomplish our audit objectives.
- Performed testing procedures as deemed necessary for all Time and Accrual Records submitted by four temporary employees during the audit period.
- Obtained a report from the Comptroller's Payroll Division of all Department personnel who were docked from December 8, 2014 through June 17, 2016. Judgmentally selected all five docked employees and performed testing procedures as deemed necessary in order to accomplish our audit objectives.
- 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.

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## AUDIT FINDINGS

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***The Department did not comply with Chapter 1079 of the County's Records Retention and Disposal Schedule CO-2.*** The Department only retains employee sign-in sheets for one year beginning each July; however, the County's Record Retention and Disposal Schedule CO-2 specifically states that the retention time is 6 years for "Employee's time cards, sheets or books." 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." Therefore, we were only able to review "Employee Sign-In Records" from June 22, 2015 through June 17, 2016 and could not ensure the accuracy of any Time and Accrual Records from December 8, 2014 through June 21, 2015.

***Planning Division employees did not accurately report actual hours worked on their Time and Accrual Records and failed to comply with the provisions of SOP A-17, Overtime Authorizations, during the audit period.*** Employees were directed by the Director of Planning to work overtime/compensatory time in an unofficial manner in order to satisfy the needs of the Division, both internally and externally for the Suffolk County Legislature. The implementation of an unofficial flexible work schedule, which was the individual Unit supervisor's responsibility to administer, resulted in employees failing to record overtime or compensatory time earned and expended on their Time and Accrual Records. In addition, the employees did not comply with the provisions of SOP A-17, Overtime Authorizations, as SCIN Form 17 was not completed for overtime hours worked.

Based on our interviews it appears that employees were accumulating and expending time on an hour-for-hour basis; however, employees below Grade 24 may have been eligible for overtime at the time and one-half rate, dependent upon the provisions of the Suffolk County AME contract for employees hired prior or subsequent to July 1, 2006. A calculation of this amount could not be performed because the Department could not provide an official record of employees and their respective overtime hours worked during the audit period.

When employee Time and Accrual Records and SCIN Form 17 are not properly completed for each occurrence of overtime, there is an increased risk that overtime hours will be incorrectly reported and that the employee will be incorrectly paid for overtime hours worked.

***The Department failed to comply with provisions of the Suffolk County AME Contract.*** Our audit testing revealed the following:

- Four employees often worked in excess of their normal workweek without receiving additional compensation as required by the Suffolk County AME

Contract. The Suffolk County AME Contract stipulates that the normal workweek shall be either 35 or 37 ½ hours and that time and one-half shall be paid for all hours worked in excess of the normal workweek. However, our audit testing revealed that 4 employees often worked in excess of their normal workweek as evidenced by the Department's daily attendance records without reporting the hours on their Time and Accrual Records and without receiving additional compensation for the hours worked.

- The Department erroneously allowed two employees to use accrued leave time before it was earned. The Suffolk County AME Contract and All Payroll Representative Memorandums specifically state that both sick and vacation accruals earned in the bi-weekly period are not available for use until the end of that pay period. However, our audit testing revealed the following:
  - The former Commissioner used 20.68 hours of accrued vacation time before it was actually earned. Management employees receive half of their vacation and sick accruals on January 1st and the remainder on July 1st. However, our audit testing revealed that the former Commissioner expended 20.68 hours of vacation time in December 2014 which was not earned until January 1, 2015.
  - There was one instance in which an AME employee was permitted to use 1.02 hours of accrued sick time before it was earned.
- One employee erroneously earned 7 hours of accrued sick time per four week Time and Accrual period when the employee should have earned 7.5 hours per period. The Suffolk County AME Contract specifically states that employees are entitled to one day of sick leave time per each four week time and accrual period. This error resulted in a shortage of 6.5 hours of accrued sick time for this employee.

***There were numerous instances in which we were unable to justify the accuracy of hours worked and benefit hours utilized by management employees.*** Management employees do not participate in the Department's sign-in attendance procedure; therefore, we were unable to verify the hours worked and leave time expended by these employees during the audit period.

When employee hours worked and benefit hours utilized are unmonitored, there is an increased opportunity for errors or fraud to occur, which may possibly result in an overpayment to employees.

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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 failed to comply with the provisions of SOP A-17, SOP A-08 and Directives from the Office of Labor Relations when reporting overtime.*** Our audit testing revealed the following:

- Four of fifteen (27%) employees tested who earned overtime during the audit period did not properly complete the overtime portion of the Time and Accrual Record when earning overtime at the time and one-half rate. A memorandum from Personnel and Labor Relations dated August 27, 1985 specifically states, “Actual hours worked are entered in the hours worked, overtime column of the Time and Accrual Form for the appropriate days”. However, employees were incorrectly reporting overtime hours earned at the time and one-half rate in the “Hours Worked, Overtime” column.
- There were numerous instances in which SCIN Form 17, “Overtime Authorization” was not properly completed in accordance with Suffolk County All Payroll/Personnel Representatives Memorandum dated August 27, 1985. The Memorandum requires that a SCIN Form 17 be completed for each occurrence of overtime, contains three signatures (employee, supervisor and Department Head or Department Head Representative), and include a detailed justification for overtime. However, our audit testing revealed numerous instances where the SCIN Form 17, “Overtime Authorization” submitted by 7 of the 15 employees tested was missing the Department Head or the Department Head Representative signature.
- There was one instance in which overtime hours worked were erroneously reported. One of fifteen (7%) employees tested incorrectly reported the amount of overtime hours worked by 1.5 hours on the Overtime Authorization slip and their Time and Accrual Record.
- One employee incorrectly received 1.5 compensatory time hours which she was not entitled to receive. Amendment 6, Attachment to SOP A-08 dated March 25, 1985 states that employees in Grade 24 and above shall be compensated on an hour for hour basis to a maximum of their scheduled workday when the employee is required to work on a Saturday, Sunday or a scheduled holiday. However, our audit testing revealed one instance in which a Grade 25 employee earned 9 (nine) hours of compensatory time on a Saturday when she was only entitled to 7.5 hours.

***The Department failed to comply with NYS Department of Labor Law and a Directive issued from the Office of Labor Relations concerning employee meal periods.*** Our audit testing revealed the following:

- Employees did not always take a meal period when working more than six (6) hours as mandated by the NYS Department of Labor Law. When performing overtime, employees are entitled to at least a 30 minute meal period in the same manner as during their regular workday. However, we noted four (4) instances in which three employees worked overtime and failed to take a meal period during a shift of six (6) hours or more. Additionally, there were numerous occurrences in which one employee worked overtime and failed to take a meal period during a shift of six (6) hours or more.
- There were several instances in which temporary employees worked more than six hours and failed to take a meal period in accordance with the provisions of the NYS Department of Labor Law which entitles an employee who works a shift of more than six hours to have at least a 30 minute meal period.
- There were several instances where employees worked through all or part of their mandated lunch break and either arrived late or left early. The New York State Department of Labor Law states, "An employee who works a shift of more than six hours, which extends over the noonday meal period, is entitled to at least thirty minutes off within that period for the meal period." A directive from the Office of Labor Relations dated May 19, 2005 further states, "... under no circumstances may someone leave early or arrive late through the use of their meal period or breaks." However, our audit testing revealed several instances in which four of the fifteen (27%) employees tested (three from Economic Development and one from Financial and Personnel) worked through all or part of their mandated lunch break and either arrived late or left early.

***The Department's management failed to enforce the provisions of the County's Sick Leave Management Program.*** The provisions of the Sick Leave Management Program state that an employee should be designated as a sick leave abuser if they have five or more occurrences of sick leave, or eight or more non-consecutive sick days, or a combination of occurrences and non-consecutive sick days that equal eight, during any rolling twelve (12) month period. Our audit testing revealed that although the Department has a designated representative responsible for monitoring sick leave usage and who maintains a schedule of sick leave usage, two employees qualified as sick leave abusers and were not issued a Sick Leave Abuser warning letter or a Sick Leave Abuser designation letter by the Department's management as required by the provisions of the Sick Leave Management Program.

***The Department did not comply with the provisions of §77-18 of the Suffolk County Code.*** The Suffolk County Code requires that the Commissioner and Deputy Commissioner of each county department file a completed time sheet on a monthly basis with the Department of Audit & Control as a precondition of receipt of compensation for such position of employment. A memorandum issued by the former County Comptroller on January 17, 2008 required that the submission be made on a quarterly basis. However, our review of the Department's submission of Time and Accrual Records for the Commissioner, Deputy Commissioner and Acting

Commissioner revealed that the documents were not submitted to the Department of Audit and Control on a quarterly basis. The Department submitted time sheets for multiple time and accrual periods after the quarterly deadline imposed by the former Comptroller.

Payroll Advisory No. 3 issued on October 17, 2016 currently requires that the time sheets be submitted within 10 days of the completion of the time and accrual period in order to be in compliance with the monthly filings of Local Law 5-1994.

***There were numerous instances in which SCIN Form 49 (11/04), “Application for Leave” was not properly completed, as follows:***

- Management employees are required to document leave time in the same manner as non-management or AME employees. However, the former Commissioner did not complete or submit an Application for Leave slip for any accrued leave time (sick, vacation, or personal) expended during the audit period. Therefore, we were unable to verify that the employee complied with the Department's time and reporting policies and procedures.
- One employee in the Planning Division submitted numerous Application for Leave slips that did not contain supervisory approval. In addition, there was one instance in which an Application for Leave Slip for one employee from Economic Development did not contain the required supervisory approval. Therefore, we could not ensure that the leave time was approved by the employee's supervisor.
- There were numerous instances in which Application for Leave slips did not contain the supervisor's date of approval.
- There were numerous instances in which two of the fifteen (13%) employees tested deviated from the shift stipulated on their Time and Accrual Record. A review of “ Employee Sign In Records” revealed that there were numerous instances in which these two employees arrived at work later than their start time by a range of fifteen (15) minutes to one (1) hour and an Application for Leave slip (SCIN # 49) was not completed. Although the employees worked the required number of hours each day after making up the time they were late, an Application for Leave slip should be completed in all instances in which an employee is not at work.

***Management employee Time and Accrual Records are being approved by subordinate employees and not by the employee's supervisor.*** Our audit interviews revealed the following:

- The Planning Director's (Grade 35) Time and Accrual Records were being approved by a Marketing Specialist (Grade 27) at the direction of the former Commissioner during the audit period.

- The Acting Commissioner's (Grade 40) Time and Accrual Records were being approved by the Deputy Commissioner (Grade 36) during the audit period.

When a subordinate employee is approving Time and Accrual Records of a higher level employee, a situation of undue influence between the two staff members may be created.

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## RECOMMENDATIONS

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- The Department should comply with the provisions of the County's Records Retention and Disposition Schedule CO-2 and retain all sign-in sheets for a minimum of six years.
- The Department should ensure that employees accurately report actual hours worked and leave time utilized on their Time and Accrual Records and comply with the provisions of SOP A-17, Overtime Authorizations.
- The Department should ensure that it strictly adheres to the provisions of the Suffolk County AME contract.
- The Department should develop and implement an attendance system which would verify hours worked and benefit hours utilized by management employees.
- The Department should adhere to the provisions of SOP A-17, SOP A-08 and Directives from the Office of Labor Relations when reporting overtime.
- The Department should require that employees working a shift of more than 6 hours take a meal period between the hours of eleven o'clock in the morning and two o'clock in the afternoon as mandated by the NYS Department of Labor Law.
- The Department's management should enforce the provisions of the County's Sick Leave Management Program and issue Sick Leave Abuser warning and designation letters as required by the Program.
- The Department should comply with the provisions of §77-18 of the Suffolk County Code and Payroll Advisory No. 3 issued by the County Comptroller and submit the required time sheets within 10 days of the completion of the time and accrual period.
- SCIN # 49 (11/04) should be completed for all leave time utilized by employees, including management employees. In addition, SCIN # 49 should be accurately completed and include the required signatures and dates associated with the approval.
- Employee Time and Accrual Records should be signed by the employee's supervisor, by the Department Head or his/her designee.

## **APPENDICES**

## APPENDIX A

### COUNTY OF SUFFOLK



#### OFFICE OF THE COUNTY EXECUTIVE

Steven Bellone  
SUFFOLK COUNTY EXECUTIVE

Theresa Ward  
Deputy County Executive and Commissioner

Department of  
Economic Development and Planning

TO: Frank Bayer, CPA, Executive Director of Auditing Services

FROM: Theresa Ward, Deputy County Executive and Commissioner

DATE: July 20, 2018

SUBJECT: Response to Audit of Departmental Payroll Procedures

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We have reviewed the draft audit of the Suffolk County Department of Economic Development & Planning's Payroll Procedures received via email on June 22, 2018 for the period December 4, 2014 through June 17, 2016. Following is the department's responses to findings identified as significant in the draft. We noted 10 findings in the draft report.

- 1) *The Department did not comply with Chapter 1079 of the County's Records Retention and Disposal Schedule CO-2.*
  - a. **Dept Response: The Department has reviewed the policy with staff to ensure employee sign-in sheets are retained for six years.**
- 2) *Planning Division employees did not accurately report actual hours worked on their Time and Accrual Records and failed to comply with the provisions of SOP A-17, Overtime Authorizations, during the audit period.*
  - a. **Dept Response: This practice was brought to the attention of the newly acting Commissioner on July 15, 2016 and was self-reported to the Comptroller's Office shortly thereafter. All employees utilizing the practice were either disciplined and/or counselled to cease the practice immediately and they complied.**
- 3) *The Department failed to comply with provisions of the Suffolk County AME Contract.*
  - a. **Dept Response: The Department disagrees with this finding. Employees may have worked over their normal work hours. However, they did so voluntarily, not at the request of management.**

- b. **Dept Response:** There was confusion with Excel template calculations for end-of-the-year accruals. One employee erroneously was approved to use vacation time 8 days before it was actually earned. One employee who was dealing with a serious medical issue was allowed erroneously to use 1.02 hours of accrued sick time before it was earned.
  - c. **Dept Response:** There was an error for an employee that earned 7 hours of sick time per accrual period instead of 7.5 hours, the correct amount due to him. While that resulted in a shortage of sick time accrued for that person of 6.5 hours, there was no loss to the County or the employee as the employee resigned from County service soon after. Controls are in place to ensure that does not occur in the future.
- 4) There were numerous instances in which we were unable to justify the accuracy of hours worked and benefit hours utilized by management employees.
- a. **Dept Response:** The Department disagrees with this finding. Management staff is in compliance with Suffolk County code and SOP's relating to their timekeeping including submitting signed timesheets on a monthly basis.
- 5) The Department failed to comply with the provisions of SOP A-17, SOP A-08 and Directives from the Office of Labor Relations when reporting overtime.
- a. **Dept Response:** The Department has reviewed the policy with staff to ensure that employees earning overtime at the time and a half rate utilize the correct "Actual hours worked OT" column in the Time and Accrual spreadsheet. However, it should be noted that 80% of the Department staff use the "electronic time and accrual system." That system does not calculate time and a half OT hours earned correctly for employees below Grade 24 and hired before 7/1/06. Therefore, those employees must enter the OT hours in the "Actual hours worked OT" column in that system or they will not receive the time and half OT correctly.
  - b. **Dept Response:** Some SCIN Form 17 "Overtime Authorization" forms were previously missing Department Head signatures. This practice was immediately changed in July 2016 and the Department Head signs ALL SCIN form 17s.
  - c. **Dept Response:** There was an employee math error in the calculation of overtime on an Overtime Authorization slip by 1.5 hours. That employee has been counseled as to the error.
  - d. **Dept Response:** The Department has counseled impacted staff on SOP A-08 from March 25, 1985, where a maximum of 7 or 7.5 hours of compensatory time can be earned for employees Grade 24 and above. Controls are in place to ensure that does not occur in the future.

- 6) The Department failed to comply with NYS Department of Labor Law and a Directive issued from the Office of Labor Relations concerning employee meal periods.
  - a. **Dept Response: Staff has been instructed that they are entitled to a meal period and that they may not switch shifts without prior authorization. SCIN 17s and timesheets reflect this.**
- 7) The Department's management failed to enforce the provisions of the County's Sick Leave Management Program.
  - a. **Dept Response: Timekeeping staff monitored sick leave usage and communicated verbally with employees. Note that the County policy changed in June 2018 and the referenced Sick Leave Management Program was eliminated.**
- 8) The Department did not comply with the provisions of §77-18 of the Suffolk County Code.
  - a. **Dept Response: This finding is misleading. According to department timekeeping staff, the department has been in compliance with this program since it was implemented in 2008. There was one time in 2016 that the department was late with its quarterly submission of the Commissioner and Deputy Commissioner timesheets to Audit & Control.**
- 9) There were numerous instances in which SCIN Form 49 (11/04), "Application for Leave" was not properly completed
  - a. **Dept Response: In reference to the finding that the former Commissioner did not submit Application for Leave slips, the Department cannot confirm this as the Audit staff took possession in July 2016 and remains in possession of the former Commissioner's original time and accrual records with no copy or receipt for the Department.**
  - b. **Dept Response: Since July 2016 all applications for leave are signed and dated by supervisors including those for the Commissioner and Deputy Commissioner.**
  - c. **Dept Response: The Department disagrees with this finding. The audit provides no reference to a policy that prohibits the Department from permitting staff to modify their arrival and departure time provided they work a full shift. Please provide that information, if there is such a policy.**

10) Management employee Time and Accrual Records are being approved by subordinate employees and not by the employee's supervisor.

- a. **Dept Response: The Department disagrees with this finding.- Employee Time and Accrual Records were being signed by the Department Head's designee as the time and accrual form allows. New staff continued that practice. However, per verbal instruction from Comptroller staff in July 2016, the Commissioner signs the Deputy Commissioner's timesheet and leave slips and the Chief Deputy County Executive signs the Commissioner's timesheet and leave slips.**

## APPENDIX B

### Comptroller Office's Comments on the Department's Response

#### Auditee: Suffolk County Department of Economic Development and Planning

The Department submitted a written response to the audit report (Appendix A, p. 13). Our assessment of the Department's response is as follows:

#### **Finding 1:**

The Department did not comply with Chapter 1079 of the County's Records Retention and Disposal Schedule CO-2.

#### Agency's Response:

The Department contends that it has reviewed the policy with staff to ensure employee sign-in sheets are retained for six years.

#### Comptroller's Response:

The Department concurs with our finding and has taken corrective action to address the noncompliance. No modification of the audit report for this finding is warranted.

#### **Finding 2:**

Planning Division employees did not accurately report actual hours worked on their Time and Accrual Records and failed to comply with the provisions of SOP A-17, Overtime Authorizations, during the audit period.

#### Agency's Response:

The Department contends in its response that all employees utilizing the practice were either disciplined and/or counseled to cease the practice immediately and they complied.

#### Comptroller's Response:

The Department concurs with our finding and has taken corrective action to address the noncompliance. No modification of the audit report for this finding is warranted.

#### **Finding 3:**

The Department failed to comply with provisions of the Suffolk County AME Contract.

Agency's Response:

The Department disagrees with the part of this finding pertaining to the four employees who often worked in excess of their normal workweek without receiving additional compensation as required by the Suffolk County AME Contract. The Department contends in its response that employees who worked over their normal work hours did so voluntarily and not at the request of management.

The Department agrees that two employees were erroneously allowed to use accrued leave time before it was earned and agrees that one employee erroneously earned 7 hours of accrued sick time per four week Time and Accrual period when the employee should have earned 7.5 hours per period. The Department asserts that controls are in place to ensure that these errors do not occur in the future.

Comptroller's Response:

The Comptroller's Office disagrees with the Department's assertion that employees can voluntarily work over their normal work hours without being compensated. Section 203 (e)(4)(A) of the Fair Labor Standards Act states, "The term "employee" does not include any individual who volunteers to perform services for a public agency which is a State, a political subdivision of a State, or an interstate governmental agency, if – (i) the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered; and (ii) such services are not the same type of services which the individual is employed to perform for such public agency." Since the employees are volunteering for the same type of service that they are employed to perform, they cannot be considered volunteers and should be compensated as employees. In addition, the Collective Bargaining Agreement specifically states, "Time and one-half shall be paid for all hours worked in excess of the named work week."

The Department concurs with our finding that two employees were erroneously allowed to use accrued leave time before it was earned and agrees that one employee erroneously earned 7 hours of accrued sick time per four week Time and Accrual period when the employee should have earned 7.5 hours per period.

No modification of the audit report for this finding is warranted.

**Finding 4:**

There were numerous instances in which we were unable to justify the accuracy of hours worked and benefit hours utilized by management employees.

Agency's Response:

The Department disagrees with this finding and contends in its response that Management staff complied with the Suffolk County Code and SOP's relating to their timekeeping.

Comptroller's Response:

The Comptroller's Office agrees that Management staff complied with the Suffolk County Code and SOP's relating to their time and attendance reporting; however, Management employees' failure to participate in the Department's attendance procedure made it impossible for the auditors to ensure the accuracy of reported hours worked and benefit hours utilized. Time and Accrual Records are completed by Management employees after each four week period, but there were no attendance records supporting the hours reported on the employee time sheets. No modification of the audit report for this finding is warranted.

**Finding 5:**

The Department failed to comply with the provisions of SOP A-17, SOP A-08 and Directives from the Office of Labor Relations when reporting overtime.

Agency's Response:

The Department concurred with the audit finding and stated that it has controls in place to ensure compliance with the provisions of SOP A-17, SOP A-08 and Directives from the Office of Labor Relations when reporting overtime in the future.

Comptroller's Response:

The Department concurs with our finding and has taken corrective action to address the noncompliance. No modification of the audit report for this finding is warranted.

**Finding 6:**

The Department failed to comply with NYS Department of Labor Law and a Directive issued from the Office of Labor Relations concerning employee meal periods.

Agency's Response:

The Department concurred with the audit finding and stated that it has instructed employees that they are entitled to a meal period and that they may not switch shifts without prior authorization.

Comptroller's Response:

The Department concurs with our finding and has taken corrective action to address the noncompliance. No modification of the audit report for this finding is warranted.

**Finding 7:**

The Department's management failed to enforce the provisions of the County's Sick Leave Management Program.

Agency's Response:

The Department stated in its response that timekeeping staff monitored sick leave usage and communicated verbally with employees. The Department also contends that the County's Sick Leave Management Program was eliminated in June 2018.

Comptroller's Response:

The Department contends that timekeeping staff monitored sick leave usage and communicated verbally with employees; however, there were still two employees who qualified as sick leave abusers and were not issued a Sick Leave Abuser warning letter or a Sick Leave Abuser designation letter by the Department's management as required by the provisions of the Sick Leave Management Program in effect during the audit period. In addition, the Department is incorrect in its contention that the County's Sick Leave Management Program was eliminated in June 2018 as the Program was modified, but not eliminated. No modification of the audit report for this finding is warranted.

**Finding 8:**

The Department did not comply with the provisions of §77-18 of the Suffolk County Code.

Agency's Response:

The Department contends in its response that it has been in compliance with the provisions of §77-18 of the Suffolk County Code since it was implemented in 2008.

Comptroller's Response:

The Comptroller's Office disagrees with the Department's contention that it has been in compliance with the provisions of §77-18 of the Suffolk County Code since it was implemented in 2008. Our audit revealed that the Department submitted time sheets for multiple time and accrual periods which surpassed the quarterly deadline imposed by the former Comptroller (Exhibit A, p. 23). No modification of the audit report for this finding is warranted.

**Finding 9:**

There were numerous instances in which SCIN Form 49 (11/04), "Application for Leave" was not properly completed.

Agency's Response:

The Department asserts in its response that they cannot confirm that the former Commissioner did not submit Application for Leave slips as Audit staff took possession of the former Commissioner's Time and Accrual Records in July 2016. The Department also stated that all Application for Leave slips are now signed and dated by supervisors, and contends in its response that staff should be allowed to modify their arrival and departure time provided they work a full shift.

Comptroller's Response:

The Department is incorrect in its contention that the Comptroller's Office took possession of the former Commissioner's Time and Accrual Records in July 2016 as the Department voluntarily gave Audit & Control the former Commissioner's Time and Accrual Records on July 19, 2016 when the employee resigned from County employment and requested a payout for accrued vacation time (Exhibit B, p. 24). Application for Leave slips were not attached to the former Commissioner's Time and Accrual Records at that time. Furthermore, nothing precluded the Department from maintaining copies of any original documents that were submitted to Audit & Control.

The Comptroller's Office is pleased that the Department took corrective action and that all Application for Leave slips are now signed and dated by supervisors. If an employee deviates from their assigned shift in the future, the employee's supervisor should indicate on the sign-in sheet that the deviation was approved. No modification of the audit report for this finding is warranted.

**Finding 10:**

Management employee Time and Accrual Records are being approved by subordinate employees and not by the employee's supervisor.

Agency's Response:

The Department disagrees with this finding, but stated that it adhered to verbal instruction from the Comptroller's staff in 2016 so that the Commissioner now signs the Deputy Commissioner's timesheet and leave slips and the Chief Deputy County Executive now signs the Commissioner's timesheet and leave slips.

Comptroller's Response:

The Comptroller's Office is pleased that the Department has taken corrective action to address this finding. No modification of the audit report for this finding is warranted.

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We extend our gratitude to the personnel at the Suffolk County Department of Economic Development and Planning for their cooperation during the audit and for taking corrective action to address the deficiencies identified in our report.

EXHIBIT A

MESSAGE FORM Suffolk County Government	SUBJECT Local Law No. 5-1994 "Requiring Honesty in Government Payrolls"
TO: [REDACTED] Audit & Control	FROM: [REDACTED], Payroll/Personnel S. C. Dept. of Economic Development & Planning

As per your request attached please find copies of timesheets for all Management (BU21) employees in the Department of Economic Development and Planning (EDP) as follows:

Timesheets Dated: 03/02/15 to 03/29/15 03/30/15 to 04/26/15 04/27/15 to 05/24/15 05/25/15 to 06/21/15 06/22/15 to 07/19/15 07/20/15 to 08/16/15	[REDACTED]	[REDACTED]
Timesheets Dated: 03/02/15 to 03/29/15 03/30/15 to 04/26/15 04/27/15 to 05/24/15 05/25/15 to 06/21/15 06/22/15 to 07/19/15 07/20/15 to 08/16/15 08/17/15 to 09/13/15 09/14/15 to 10/11/15 10/12/15 to 11/08/15 11/09/15 to 12/06/15	[REDACTED]	Moved to BU#2, effective 11/30/15
Timesheets Dated: 03/02/15 to 03/29/15 03/30/15 to 04/26/15 04/27/15 to 05/24/15 05/25/15 to 06/21/15 06/22/15 to 07/19/15 07/20/15 to 08/16/15 08/17/15 to 09/13/15	[REDACTED] - Resigned, Last Day 08/25/15 [REDACTED] - Resigned, Last Day 08/21/15	

*Time & Accrual for periods in 2015*

If you require anything further, please feel free to contact me at 853-5109.

Signature of Originator	Date April 22, 2016
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SCIN Form 69 (6/78) This replaces prior edition which may be used until supply is depleted  
Filename:(1825)  
Attachments

56-0150.5/98cg

cc: [REDACTED]

**EXHIBIT B**

<b>MESSAGE FORM</b> Suffolk County Government	<b>SUBJECT</b> Re: JOANNE M. MINIERI Audit File <input checked="" type="checkbox"/> Mgmt. <input type="checkbox"/> SCAT over \$15,000
<b>TO:</b> [REDACTED] Audit & Control	<b>FROM:</b> [REDACTED] Payroll/Personnel S. C. Dept. of Economic Development & Planning

Enclosed please find 157T and timesheets for JOANNE M. MINIERI, who has resigned eff. 07/16/16. (Last day worked 07/15/16).
Please call me at 3-5903 when the audit is completed and I will retrieve the file.
Thank you.

Signature of Originator [REDACTED]	Date July 19, 2016
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**REPLY**

<b>TO:</b>	<b>FROM:</b>
Signature of Replier	Date

Enclosures / (1849)

cc: [REDACTED] - w/Stop Direct Deposit Memo

Please note the payment schedule:

<u>Pay Period</u>	<u>Pay Day</u>	<u>Type of Check</u>	<u>Comments</u>
07/04/16-07/17/16	07/21/16	Last Regular Check	10 Days
07/18/16-07/31/16	08/04/16	Lag	48.75 hours
*	*	Vacation	19.62 hours

\*To be paid when audit is complete and hours approved.