

# OFFICE OF THE SUFFOLK COUNTY COMPTROLLER



## **Suffolk County Soil and Water Conservation District**

### **A Performance Audit of Payroll Procedures**

**Period Covered:  
January 1, 2016 through July 16, 2017**

**Report 2017-23**

**Date Issued: July 29, 2020**

**John M. Kennedy, Jr.**

**SUFFOLK COUNTY  
OFFICE OF THE COMPTROLLER**

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## **EXECUTIVE SUMMARY**

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### **Audit Scope:**

The Suffolk County Comptroller's Office has reviewed the payroll procedures of the Suffolk County Soil and Water Conservation District (District) for the period January 1, 2016 through July 16, 2017.

### **Audit Objectives:**

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

### **Summary of Significant Findings:**

- The District failed to comply with numerous provisions of the Suffolk County Association of Municipal Employees Contract (AME Contract). As a result, significant overpayments were made to the District Manager and one additional employee.
- We were unable to ensure the accuracy of employee hours worked and benefit hours utilized.

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

- The District should ensure that it strictly adheres to the provisions of the AME Contract. Overpayments made to the District Manager in the amount of \$5,442 (overpayments of \$2,347 and \$3,095, both identified on page 5), and one additional employee in the amount of \$3,333 (\$3,527 less an underpayment of \$194, both identified on page 6) should be repaid to the County.
- The District should implement a daily attendance system which would properly document hours worked and accrued leave hours utilized. The completed attendance records should then be compared to the employee's Time and Accrual Records to ensure that all hours worked and accrued leave hours utilized have been accurately recorded on the employee's Time and Accrual Record.

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## **BACKGROUND**

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The Soil and Water Conservation District plans, designs, and implements conservation practices in order to conserve the natural resources of Suffolk County. Conservation practices control and prevent soil erosion, sedimentation, flooding and non-point source pollution, assist in the irrigation and drainage of agricultural lands, preserve wildlife, and protect public lands.

In May 1964 Suffolk County Legislators declared the County, a Soil and Water Conservation District. As such, Resolution 245-1964 established the Soil and Water Conservation District in accordance with the provisions of the Soil and Water Conservation Districts Law of New York, Chapter 727, Laws of 1940. Currently, there are a total of 58 Soil and Water Conservation Districts in New York State.

The District is a political subdivision, separate and distinct from the County; however, the County operates as the District's fiscal agent, including paying expenses and disbursing compensation to employees, which increases the benefits available to District employees.

A Board of Directors, whose members are appointed by the County Legislature, governs the District. The type of member and the length of term are dictated in the Soil and Water Conservation District Law. District Directors determine activities of the District and are responsible for its operational management.

In general, District personnel consist of three Soil District Technicians, one Principal Account Clerk, and the District Manager position. District personnel are members of the Suffolk County Association of Municipal Employees, Bargaining Unit 2; therefore, in accordance with the provisions contained in the AME Contract, employees hired after September 3, 2001 are required to work a 37 ½ hour work week their first year of employment and then revert to a 35 hour work week.

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## METHODOLOGY AND STANDARDS

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We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Further, these standards require that we understand the internal control structure of the District and the compliance requirements stated in laws and regulations that are significant to our audit objectives.

In order to accomplish our audit objectives, we performed the following procedures:

- Reviewed relevant Suffolk County Laws, Resolutions, SOPs, All Department Head Memorandums, Payroll Memorandums, Comptroller's Payroll Advisories, and the Suffolk County AME contract.
- Conducted interviews of District personnel as deemed necessary to obtain an understanding of the procedures used to record and process employee Time and Accrual Records.
- Obtained a report from the Comptroller's Payroll Division of all District personnel who worked from January 1, 2016 through July 16, 2017. All District employees were selected for testing due to the small number of employees employed by the District during the audit period.
- Performed testing procedures as deemed necessary for all Time and Accrual Records submitted by District employees from January 1, 2016 through July 16, 2017 in order to accomplish our audit objectives.
- Utilizing the report from the Comptroller's Payroll Division of all District personnel employed during the period from January 1, 2016 through July 16, 2017, we judgmentally selected the two employees docked during the audit period and performed testing procedures as deemed necessary in order to accomplish our audit objectives.
- Interviewed the District's designated representative who is responsible for monitoring employee sick leave usage in order to determine if the District is complying with the provisions of the Sick Leave Management Program.
- Expanded testing for one employee beginning from the employee's date of hire in 2012. Procedures were performed as deemed necessary to ensure that AME Contract provisions for employees hired on or after July 1, 2006 were correctly applied to the employee's overtime compensation.

Unless otherwise indicated in this report, samples for testing were selected based on professional judgment, as it was not the intent to project the results onto the entire population. Where applicable, information is presented concerning the value and/or relevant population size and the sample selected for examination.

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## AUDIT FINDINGS

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*The District failed to comply with numerous provisions of the AME Contract.* The Suffolk County Executive's Office (Office) did not provide effective oversight in the enforcement of the requirements of the AME contract. Furthermore, the District failed to periodically review the AME Contract to ensure compliance with all provisions. Our audit testing revealed the following:

- During the initial year of employment the District Manager failed to work the required 37.5 hour work week. In accordance with the AME Contract, Section 8.1 Work Week/Work Day, all employees hired after September 3, 2001, will work either a 37.5 hour or a 40 hour work week, which will be 2.5 hours more during the first year of employment. Consequently, the District Manager worked 65 hours less than was required during the initial year of employment, which represents an overpayment of \$2,347 in salary.

Although the hiring of the District Manager by the District's Board of Directors (Board) stipulated a 35 hour work week, the Board does not have the authority to override provisions contained in the AME Contract. Exceptions to the AME Contract may occur only upon written agreement between the Office of Labor Relations and the Suffolk County Association of Municipal Employees.

In addition, our evaluation of the District Manager's vacation and sick leave accruals revealed that the District Manager's accumulated vacation and sick leave accruals were overstated by 2 hours and 1.5 hours, respectively. This included a calculation error of vacation leave time upon the District Manager's anniversary representing an overstatement of 2 hours.

- Employee overtime failed to be compensated in accordance with the AME Contract, Section 6.1 Overtime, as follows:
  - Contract provisions pertaining to overtime compensation were incorrectly applied for employees hired on or after July 1, 2006. These employees are entitled to overtime at straight time, for all hours worked after actually working 35 or 37.5 hours, as applicable, during the work week, and at time and one-half after actually working 40 hours during the work week. Our audit testing revealed that overtime was frequently compensated at the time and one-half rate, resulting in the following significant overpayments made to employees:
    - The District Manager erroneously earned and utilized 86.25 hours of compensatory time beginning from the employee's hiring in 2016, which represents an overpayment of \$3,095 in salary. The overpayment was mainly attributed to the improper calculation of overtime and the District Manager's failure to work the required 37.5 hour work week as identified above.
    - Our expanded testing determined that one employee, erroneously earned and utilized 143.78 hours of compensatory time beginning from the employee's hiring

in 2012 through the end of the audit period, which represents an overpayment of \$3,527 in salary.

In addition to the significant overpayments, there were three instances in which two employees, hired subsequent to July 1, 2006, worked overtime and earned a portion of compensatory time at the straight-time rate, instead of overtime at the time and one-half rate. As a result, compensatory time earned for these employees was understated by 8.5 hours, which represents \$226 in salary for these employees. The salary of \$226 is comprised of 7 hours (\$194) for one employee and 1.5 hours (\$32) for a former employee.

- Contract provisions pertaining to overtime compensation were incorrectly applied for employees hired prior to July 1, 2006. There were nine instances in which two employees hired prior to July 1, 2006, worked overtime and received compensatory time at the straight-time rate instead of the time and one-half rate. As a result, in total, compensatory time earned for these two employees was understated by eight hours, which represents \$272 in salary. The salary of \$272 is comprised of 6.5 hours for one employee (\$223) and 1.5 hours for the other employee (\$49).

In addition, on two of the Time and Accrual Record's (SCIN Form 157) the employee used the "Other" column to indicate they were utilizing compensatory time instead of using the column designated for compensatory time and as a result, the employee did not complete the calculation of accumulated compensatory time located in the Accrued Leave Hours Section of the Time and Accrual Record.

- One former employee worked in excess of their normal work week without receiving additional compensation as required by the AME Contract. The employee did not earn overtime for an additional 10.5 hours worked. As a result, the employee's overtime earned was understated by 15.75 hours (or 10.5 hours at the time and one-half rate), which represents an underpayment of \$341 in salary.

Furthermore, the employee's Time and Accrual Record was incorrectly completed and the employee's supervisor failed to identify and correct the oversight. Although, the employee's overtime hours were presented on the Time and Accrual Record, the hours were not totaled and transferred to the bottom portion of the Time and Accrual Record in the appropriate overtime or compensatory time columns, therefore the employee was not compensated for the overtime.

- The District does not have a properly executed Memorandum of Agreement on file with Labor Relations establishing the flexible work schedule placed into operation in 1997 (December 29, 1997). The District operates an unofficial flexible work schedule during each biweekly pay period, referred to as a compressed schedule by the District; however, there is not an agreement in place between the County and the Suffolk County Association of Municipal Employees as required by the AME Contract, Section 8.2 Flexible Work Schedule.

- The employee's use of compensatory time may have been administered in a restrictive manner. Our interviews of District personnel and analysis of employee Time and Accrual Records revealed numerous instances in which it appears, employees may have been instructed to utilize compensatory time either during the same pay period in which the compensatory time was earned or in the subsequent pay period. In accordance with the AME Contract, Section 6.8 Compensatory Time, employees should be given an opportunity to utilize the compensatory time at a mutually agreed upon time during the year. However, if the compensatory time is not expended in the year in which it was earned, by the end of the last full pay period in November, the employee should be monetarily compensated for the time in December. Any compensatory time earned after the last full pay period in November may be carried over to the following year.
- Personal leave time was not always utilized and recorded in compliance with contract provisions. There was one instance in which personal leave time was used in conjunction with vacation leave time. In accordance with the AME Contract, Section 8.6A, (Section 8.6 Leave with Pay - Personal and Administrative Leave, Part A. Personal Leave as of Right) personal leave time may not be used for periods immediately before or at the end of scheduled vacation leave.

In addition, one employee failed to convert accumulated personal leave time to sick leave time upon their anniversary date. Consequently, the employee's accumulated personal leave time of 19.25 hours, which had not been converted, was incorrectly utilized subsequent to the employee's anniversary date. In accordance with the AME Contract, unused personal leave shall be converted to sick leave at the end of an employee's year.

Furthermore, this employee's accrual of personal leave time was not recorded timely on the employee's anniversary. In accordance with the AME Contract, four days of personal leave shall be accrued on the 1st day of employment and on each anniversary date thereafter. The employee failed to accrue twenty-eight (28) hours of personal leave time on their anniversary date; however, the accrual was recorded four pay periods after the employee's anniversary date.

***We were unable to ensure the accuracy of employee hours worked and benefit hours utilized.***

The District did not maintain any record of daily attendance until approximately June 2016 when they began using a shared Outlook Calendar to record attendance on an exception basis; therefore, an entry is made only when an employee is not present at work. However, the District's shared Outlook Calendar was deemed unreliable due to numerous discrepancies between the Time and Accrual Records and the Outlook Calendar.

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

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

***The District failed to comply with the provisions of §77-18 of the Suffolk County Code.*** The Suffolk County Code requires that the Head or Commissioner of an Agency or 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, Payroll Advisory No. 3 issued on October 17, 2016 re-established the monthly submission deadline by requiring 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 Local Law 5-1994. Our review of the District's submission of Time and Accrual Records for the District Manager revealed that fourteen of the sixteen (88%) documents were not submitted to the Department of Audit and Control within the required timeframe(s). The District submitted Time and Accrual Records for multiple Time and Accrual periods which surpassed the quarterly or monthly deadline in effect.

***The District did not always comply with the provisions of Suffolk County Standard Operating Procedure A-17, "Overtime Authorization" as follows:***

- The Overtime Authorization form (SCIN Form 17) did not contain the required prior approval. In accordance with SOP A-17, approval by the employee's immediate supervisor is required; however, during the audit period, numerous Overtime Authorization forms representing overtime worked by the District Manager and one additional employee did not contain supervisory approval.
- The District did not always complete Overtime Authorization forms as required. In accordance with SOP A-17, all County agencies must use SCIN Form 17 and the employee must receive prior approval of overtime from their supervisor. There were numerous instances in which an Overtime Authorization form was not completed.
- In addition, Overtime Authorization forms were improperly completed as follows:
  - There were three instances for one employee, in which the "Date Authorized" on the Overtime Authorization form was not in agreement to the date recorded of "Overtime Hours Worked" on the employee's Time and Accrual Record.
  - There were numerous instances in which one employee's Overtime Authorization forms did not state the time period in the "Time Authorized" section.

***One employee was not docked properly by the District.*** One employee was docked during the audit period due to a disciplinary suspension. The suspension documentation stipulated that the employee was to be suspended for eight working days, representing 56 hours and the loss of two accrued days. Our audit testing revealed the following inconsistencies associated with the docking:

- Our examination of the employee's Time and Accrual Records revealed that the loss of two accrued days was not executed by the District.

- The employee's accruals for vacation and sick leave time were not properly adjusted to correspond to the percentage of time worked by the employee during the four-week Time and Accrual period. The employee incorrectly earned an additional 2.75 hours of sick leave time; however the employee's vacation leave accrual during the same period was understated by 1.5 hours. Since the employee's Time and Accrual Record indicated that the employee worked 85 of the required 140 hours or 60.71%, the employee's accrual of vacation and sick leave time should have been adjusted to reflect 60.71% of the total vacation and sick leave accrual.

***Employee Time and Accrual Records did not accurately reflect hours worked and benefit hours utilized during the audit period as follows:***

- There were two instances in which one employee's leave time utilized on the Leave Slip was not in agreement to the leave time recorded on the employee's Time and Accrual Record. One Leave Slip representing 5.5 hours of sick leave time was not in agreement to the employee's Time and Accrual Record which itemized 4.5 hours of sick leave time utilized; a difference of one hour. On another occasion, one Leave Slip representing 31 hours of vacation leave time was not in agreement to the employee's Time and Accrual Record which itemized 28 hours of vacation leave time utilized; a difference of three hours.
- There was one instance in which an employee's Leave Slip indicated that the employee utilized personal leave time; however, the employee's Time and Accrual Record indicated that the employee utilized compensatory time.
- There was one instance in which an employee's hours worked exceeded the normal work week by 2.5 hours; however only 1.5 hours of compensatory time was recorded and earned by the employee; therefore, the employee's overtime hours worked were understated by one hour.
- On one occurrence, an employee's holiday was recorded as seven hours instead of 7.5 hours; therefore, the employee worked an additional half hour more than necessary during one pay period. As a result, in accordance with the AME Contract, overtime should have been paid or compensatory time earned for all hours worked in excess of the employee's normal work week.
- There were two instances in which the date on the Leave slip for two employees did not correspond to the date on the Time and Accrual Record.
- On one occasion, the employee failed to include the date that they were utilizing leave time on the Leave Slip.

***There were several instances in which the District did not properly record or calculate an employee's accrued leave hours as follows:***

- The amount of accrued vacation leave time was incorrectly recorded as thirteen hours of vacation leave time earned on one Time & Accrual Record; however, the employee should have earned fourteen hours of vacation leave time. As a result, the employee's vacation leave time was understated by one hour.
- There was one instance in which the balance of compensatory time was not carried forward correctly from the prior period Time and Accrual Record. As a result of this error, the employee expended seven hours of compensatory leave time which was not actually earned.

***The Accrued Leave Hours Section of the Time and Accrual Records were improperly completed as follows:***

- There was one instance in which the District Manager failed to complete the compensatory time section of the Time and Accrual Record. As a result of this lapse, compensatory time was understated by nine hours. This error was included in our determination of the overpayment of the District Manager's overtime compensation identified on page 5.
- One employee's accrual of vacation and sick leave time required adjustment prior to their termination as follows:

The employee's accrual of vacation leave time was calculated incorrectly on the employee's anniversary date. In accordance with the AME Contract, the employee should have earned a total of 16 hours of vacation leave time, which included 5.75 hours for each of the two pay periods and in addition, a 4.5 hour bonus of vacation leave time; however, the Time and Accrual Record indicated 17.7 hours earned. As a result, vacation leave time was overstated by 1.7 hours.

In addition, the employee's accrual of vacation and sick leave time upon the employee's termination, was not properly adjusted to correspond to the percentage of time worked by the employee during the employee's last four-week Time and Accrual period. Since the employee's Time and Accrual Record indicated that the employee worked 46 of the required 140 hours, or 32.86%, the employee's accrual of vacation and sick leave time should have been adjusted to reflect 32.86% of the total vacation and sick leave accrual. As a result, the employee's vacation and sick leave time was overstated by 8 and 4.7 hours, respectively.

However, upon separation, the employee's disbursement of accumulated vacation leave was reduced to account for the overstatements above; therefore, no recoupment is necessary pertaining to the employee's accumulated vacation leave. In addition, any unused accumulated sick leave is only paid by the County upon retirement or upon the employee's death; therefore, no recoupment is necessary pertaining to the employee's accumulated sick leave.

***The Time and Accrual Records were improperly completed due to prior period carry-forward errors.*** There was one instance in which an employee's vacation accrual balance was manually

revised; however the correct ending vacation accrual balance failed to be calculated and carried forward to the subsequent Time and Accrual Record. As a result, the employee's ending vacation accrual balance was understated by 6.5 hours, which represents \$223 in salary.

***The Time and Accrual Records contained errors in fundamental information.*** There were two instances in which one employee's seniority date was recorded incorrectly on the employee's Time and Accrual Record. Although, the date was incorrect by only one day, the seniority date has an impact on the calculation of overtime, longevity, and many other payroll related items; therefore this date must be entered correctly on all Time and Accrual Records.

***The District Manager's Time and Accrual Records and SCIN Form 49, "Application for Leave" (Leave Slips) did not contain proper supervisory approval as follows:***

- There were five occurrences in which the District Manager's (Grade 23) Time and Accrual Records were approved by a subordinate employee with the title of Principal Account Clerk (Grade 17), instead of the employee's supervisor. 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.
- Four Time and Accrual Records from the District Manager did not contain any supervisory approval.
- There were numerous instances in which the District Manager's Leave Slips did not contain any supervisory approval or were approved by a subordinate employee.

***The District failed to comply with the requirements contained in Payroll Advisory Number 1.*** In accordance with the advisory, issued May 18, 2016, all Leave Slips utilizing sick leave time must be initialed by the employee's supervisor, next to the employee's name. The Leave Slip should not be signed by the employee's supervisor and the "Approved" box should be left blank.

There were numerous instances in which Leave Slips contained a signature on the Supervisor's Signature line, indicating supervisory approval for the use of sick leave time. In addition, there were numerous instances in which the Leave Slips were marked approved by their supervisor for the use of sick leave time.

***Employees were not always required to submit Leave Slips for the use of vacation, personal, sick and compensatory time.*** Our audit testing revealed five of nine employees tested (56%) did not always submit Leave Slips for the use of vacation, personal, sick, and compensatory time.

***Employee Leave Slips were improperly completed as follows:***

- Numerous Leave Slips were not approved timely by the employee's supervisor. There were numerous instances in which the Leave Slips were approved by the employee's supervisor weeks or months after the accrued leave time was utilized.

- There were a total of seven instances in which Leave Slips contained the supervisor's signature; however, the supervisor failed to record the date on the Leave Slip that coincided with their approval.
- There were two instances where the employee signed the Leave Slip, but failed to record the date that coincided with their signature.

*Compensatory time was utilized before it was actually earned.* There were three instances in which one employee utilized compensatory time before it was earned, resulting in an increased risk that employees will receive payment for leave time they have not earned.

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## RECOMMENDATIONS

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- The District should ensure that it strictly adheres to the provisions of the AME Contract, which includes obtaining a properly executed Memorandum of Agreement between the County and the Suffolk County Association of Municipal Employees to formally establish its flexible work schedule. In addition, the District should ensure that any overpayments have been repaid to the County and any adjustments are made to the employee's accrued leave time as follows:
  - Overpayments made to the District Manager in the amount of \$5,442 (overpayments of \$2,347 and \$3,095, both identified on page 5), and one additional employee in the amount of \$3,333 (\$3,527 less an underpayment of \$194, both identified on page 6) should be repaid to the County.
  - A total of eight hours of compensatory leave time, representing \$272 in salary, should be added to the compensatory leave balances of two employees. The understatement of \$272 is comprised of 6.5 hours for one employee (\$223) and 1.5 hours to the other employee (\$49).
  - A total of 6.5 hours of vacation leave time, representing \$223 in salary, should be added to the vacation leave balance of one employee.
- The District should implement a daily attendance system which would properly document hours worked and accrued leave hours utilized. The completed attendance records should then be compared to the employee's Time and Accrual Records to ensure that all hours worked and accrued leave hours utilized have been accurately recorded on the employee's Time and Accrual Record.
- The District 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 and Accrual Records within 10 days of the completion of the Time and Accrual period.
- The District should comply with the provisions of SOP A-17, Overtime Authorizations.
- The District should ensure that employees are properly docked when they are unable to satisfy the assigned workweek, which may include a disciplinary suspension. Furthermore, the District should ensure that accrued vacation and sick leave hours are reduced to correspond to the percentage of time worked by an employee during the four-week Time and Accrual period.
- The District should ensure that employee Time and Accrual Records accurately reflect the employee's seniority date, actual hours worked and leave time utilized. Furthermore, the Accrued Leave Hours Section of the Time and Accrual Record should be completed accurately and in its entirety; so that an accurate ending balance can be carried forward to

the subsequent Time and Accrual Record. After confirming the accuracy of the information recorded on the Time and Accrual Record, the Time and Accrual Record should be signed by the employee's supervisor and by the District/Department Head or his/her designee.

- Leave Slips should be completed for all leave time utilized by employees in accordance with any related Payroll Advisory issued by the Comptroller's Office. In addition, Leave Slips should be accurately completed and include all relevant information and required signatures.
- The District should ensure that any compensatory time utilized by employees has been appropriately earned in advance.

## **APPENDICES**

## APPENDIX A

Suffolk County SWCD  
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Corey Humphrey, CPESC  
District Manager  
(631) 852-3285  
Rob Carpenter  
Chairman



October 11, 2019

Mr. Frank Bayer, CPA  
Executive Director of Auditing Services  
Office of the Suffolk County Comptroller  
H. Lee Dennison Bldg.  
Hauppauge, N.Y. 11788

Dear Mr. Bayer:

Please find below responses to the findings and recommendations contained in the draft audit report of the Suffolk County Soil and Water Conservation District's payroll procedures for the period January 1, 2016 through July 16, 2017. It has been nearly two years since your office conducted this analysis and therefore given the draft report's delayed release and lack of specifics it has been quite difficult to respond to the findings and recommendations contained within. The District has however endeavored to provide information and responses to the best of its ability. As noted below, the Suffolk County Soil and Water Conservation District has already taken significant steps to improve the administration of all payroll procedures prior to the receipt of your draft report.

Your draft report noted that the methodology and standards utilized to develop the report were in accordance with general accepted government auditing standards,

"We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Further, these standards require that we understand the internal control structure of the District and the compliance requirements stated in laws and regulations that are significant to our audit objectives."

I have identified several instances in the audit process where your methodology standards were inconsistent and/or lacked the appropriate level of detail necessary to identify accurate findings and provide recommendations. Your audit of the District did not adhere to the standards outlined in the draft report, specifically failing to find "sufficient" and "appropriate evidence" to provide a reasonable basis for your findings and conclusions. It is the belief of this District that your office does not fully understand the internal control structures in place.

Office Hours: Monday through Thursday 7:30 a.m. to 4:00 p.m. Friday 7:30 a.m. through 3:00 p.m.

I first want to express my disappointment that your audit staff did not seek an interview with the Suffolk County Soil and Water Conservation District's Board of Directors during the audit review process. As noted in your draft report

“A Board of Directors, whose members are appointed by the County Legislature, governs the District. The type of member and the length of term is dictated in the Soil and Water Conservation District Law. District Directors determine activities of the District and are responsible for its operational management.”

Had your audit staff fulfilled their due diligence, they would have interviewed the District's Board of Directors. If they had met your standard, the draft report may not have included a number of the misleading, incorrect and incomplete conclusions. Additionally, the draft report references the role of the County Executive's Office, the Office of Labor Relations and the Association of Municipal Employees, yet no effort was taken to obtain explanatory information from these offices.

Unbeknownst to me, the draft report also overlooked or ignored the Department of Audit and Control's own records and responsibilities with respect to the payroll of the District. During the audit period, your Department was consulted with and approved payroll claim expenses to the County; to which there was not objections. This demonstrates a failure of your Department's responsibilities with respect to the District's payroll procedures.

Finally, I want to remind you of the District's commitment to transparency and our alacrity to provide all the information requested of Karen Maila, Stacey Quinn, William Trentini, Eileen Berrios-Pryor and yourself in a timely manner. It is with this consideration we have provided the following written response to the draft audit report of the Suffolk County Soil and Water Conservation District.

***The District failed to comply with numerous provisions of the AME Contract. The Suffolk County Executive's Office (Office) did not provide effective oversight in the enforcement of the requirements of the AME contract. Furthermore, the District failed to periodically review the AME Contract to ensure compliance with all provisions. Our audit testing revealed the following:***

- During the initial year of employment the District Manager failed to work the required 37.5 hour work week. In accordance with the AME Contract, Section 8.1 Work Week/Work Day, all employees hired after September 3, 2001, will work either a 37.5 hour or a 40 hour work week, which will be 2.5 hours more during the first year of employment. Consequently, the District Manager worked 65 hours less than was required during the initial year of employment, which represents an overpayment of \$2,347 in salary.

Although the hiring of the District Manager by the District's Board of Directors (Board) stipulated a 35 hour work week, the Board does not have the authority to override provisions contained in the AME Contract. Exceptions to the AME Contract may occur only upon written agreement between the Office of Labor Relations and the Suffolk County Association of Municipal Employees. In addition, our evaluation of the District Manager's vacation and sick leave accruals revealed that the District Manager's accumulated vacation and sick leave accruals were overstated by 2 hours and 1.5 hours, respectively. This included a calculation error of vacation leave time upon the District Manager's anniversary representing an overstatement of 2 hours. (Page 5)

The District Manager was hired by the appointing authority (Suffolk County Soil and Water Conservation District Board of Directors) in April of 2016. The terms of the DM employment were discussed at great lengths at the incumbents first and second interview as well as prior to accepting the offer for the DM position. The stipulations of the offer was confirmed in a June 2016 letter from the Board of Directors to the Director of Civil Service (attached). The letter confirms that the appointing authority offered the DM position to the current employee at a Grade of 23, step 5, with a 35 hour work week. The incumbent to the DM position accepted these terms and had no prior knowledge that the offer was not in accordance with the AME Contract, Section 8.1 Work Week/Work Day. In addition, the incumbent did not have the ability to cross reference the offer letter with AME Contract, Section 8.1 Work Week/Work Day provisions as the document was not made available until after the offer was accepted and the position was filled. As such, it is the responsibility of the Appointing Authority to accurately make employment offers to perspective employees. The incumbent had not been aware of the discrepancy and therefore is not responsible for the mistake for the appointing authority. I also believe that your reference to the County Executive's oversight is erroneous as a matter of law as it's the Board of Directors who provides oversight pursuant to state law.

**• Employee overtime failed to be compensated in accordance with the AME Contract, Section 6.1 Overtime, as follows:**

**•• Contract provisions pertaining to overtime compensation were incorrectly applied for employees hired on or after July 1, 2006. These employees are entitled to overtime at straight time, for all hours worked after actually working 35 or 37.5 hours, as applicable, during the work week, and at time and one-half after actually working 40 hours during the work week. Our audit testing revealed that overtime was frequently compensated at the time and one-half rate, resulting in the following significant overpayments made to employees:**

**•• The District Manager erroneously earned and utilized 86.25 hours of compensatory time beginning from the employee's hiring in 2016, which represents an overpayment of \$3,095 in salary. The overpayment was mainly attributed to the improper calculation of overtime and the District Manager's failure to work the required 37.5 hour work week as identified above. (Page 5)**

The District disagrees with the above statement. Salaries/compensatory time were not earned erroneously. The compensatory time in question was approved under the direction and approval of the interim District Manager, who interpreted the AME Contract, Section 8.1 Work Week/Work Day and instructed the incumbent on how to accurately account for time and accruals. To the best of our knowledge the District Manager did not violate the contract, but rather followed the direction of the appointing authority; the Suffolk County Soil and Water Conservation District's Board of Directors who provides oversight of the District pursuant to State Law. As a matter of precaution aimed to prevent the potential of additional violations, the District has followed Audit and Control's interpretation of the AME Contract, Section 6.1 and Section 8.1 regarding overtime and Work Week/Work Day respectively since January 2017.

**•• Our expanded testing determined that one employee, erroneously earned and utilized 143.78 hours of compensatory time beginning from the employee's hiring in 2012 through the end of the audit period, which represents an overpayment of \$3,527 in salary. (Page 6)**

The District disagrees with the above statement. Salaries/compensatory time were not earned and utilized erroneously. In the absence of a more detailed draft audit report including information

that supports this statement, the District cannot review and address this specific aspect of the finding, but only speculate on this finding.

We speculate that the compensatory time in question was under the direction and approval of the employee's immediate supervisor Paul TeNyenhuis, District Manager, who retired in December 2015 and Elizabeth Condon, Interim District Manager (January 2016 – April 2016), who interpreted the AME Contract, Section 6.1 and Section 8.1 Overtime and Work Week/Work Day and instructed all of the employees on how to accurately account for time and accruals. Both Mr. TeNyenhuis and Ms. Condon had been following past practices of the office that were established for decades without. The current District Manager (Corey Humphrey) agrees with the report that past administrators may have misinterpreted the contract and consequently instructed the employee to report their time and accruals in violation of the AME Contract. Since Mr. Humphrey's employment to the position, this practice has since been rectified and all District employees follow the current AME Contract as it is interpreted by your draft report.

**In addition to the significant overpayments, there were three instances in which two employees, hired subsequent to July 1, 2006, worked overtime and earned a portion of compensatory time at the straight-time rate, instead of overtime at the time and one-half rate. As a result, compensatory time earned for these employees was understated by 8.5 hours, which represents \$226 in salary for these employees. The salary of \$226 is comprised of 7 hours (\$194) for one employee and 1.5 hours (\$32) for a former employee. (Page 6)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the finding.

**\*\* Contract provisions pertaining to overtime compensation were incorrectly applied for employees hired prior to July 1, 2006. There were nine instances in which two employees hired prior to July 1, 2006, worked overtime and received compensatory time at the straight-time rate instead of the time and one-half rate. As a result, in total, compensatory time earned for these two employees was understated by eight hours, which represents \$272 in salary. The salary of \$272 is comprised of 6.5 hours for one employee (\$223) and 1.5 hours for the other employee (\$49). In addition, on two of the Time and Accrual Record's (SCIN Form 157) the employee used the "Other" column to indicate they were utilizing compensatory time instead of using the column designated for compensatory time and as a result, the employee did not complete the calculation of accumulated compensatory time located in the Accrued Leave Hours Section of the Time and Accrual Record. (Page 6)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the finding.

**\*\* One former employee worked in excess of their normal work week without receiving additional compensation as required by the AME Contract. The employee did not earn overtime for an additional 10.5 hours worked. As a result, the employee's overtime earned was understated by 15.75 hours (or 10.5 hours at the time and one-half rate), which represents an underpayment of \$341 in salary.**

Furthermore, the employee's Time and Accrual Record was incorrectly completed and the employee's supervisor failed to identify and correct the oversight. Although, the employee's overtime hours were presented on the Time and Accrual Record, the hours were not totaled and

transferred to the bottom portion of the Time and Accrual Record in the appropriate overtime or compensatory time columns, therefore the employee was not compensated for the overtime. (Page 6)

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the finding.

• **The District does not have a properly executed Memorandum of Agreement on file with Labor Relations establishing the flexible work schedule placed into operation in 1997 (December 29, 1997). The District operates an unofficial flexible work schedule during each biweekly pay period, referred to as a compressed schedule by the District; however, there is not an agreement in place between the County and the Suffolk County Association of Municipal Employees as required by the AME Contract, Section 8.2 Flexible Work Schedule. (Page 6)**

The District does not operate on an unofficial flexible work schedule as stated in the draft report. The District's compressed schedule was instituted by the District's overarching management body, the Board of Directors. As stated in your draft report, "District Directors determine activities of the District and are responsible for its operational management." It is the responsibility of the Board of Directors to institute schedules that are in accordance with the AME Contract. In addition, the matter of the scheduling has been discussed at great lengths with the Board of Directors, AME President and the Director of Labor Relations, who all agreed that this schedule was appropriate to meet the needs of the constituents that the District serves. Both representatives from the AME and the Office of Labor Relations have instructed the District to continue to follow this scheduled until otherwise directed.

It is disturbing to learn that the District has been operating this schedule since its adoption by Board of Director on November 5<sup>th</sup>, 1997 without formal approval. The District has utilized this schedule and submitted time and accrual records to the Department of Audit and Control for 20 years without any indication of wrong doing.

• **The employee's use of compensatory time may have been administered in a restrictive manner. Our interviews of District personnel and analysis of employee Time and Accrual Records revealed numerous instances in which it appears, employees may have been instructed to utilize compensatory time either during the same pay period in which the compensatory time was earned or in the subsequent pay period. In accordance with the AME Contract, Section 6.8 Compensatory Time, employees should be given an opportunity to utilize the compensatory time at a mutually agreed upon time during the year. However, if the compensatory time is not expended in the year in which it was earned, by the end of the last full pay period in November, the employee should be monetarily compensated for the time in December. Any compensatory time earned after the last full pay period in November may be carried over to the following year. (Page 7)**

The District disagrees with the above unsubstantiated finding. In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. District employees are not instructed to use compensatory time in a matter that is in violation of the AME Contract, Section 6.8 Compensatory Time. As an internal control, all compensatory time must be pre-approved by the District Manager before being accrued. No compensatory time or shift change is permitted without the approval of the District Manager. Prior to employees accruing compensatory time, the amount of compensatory time as well as a mutually agreed upon time to use the accrual is established.

• **Personal leave time was not always utilized and recorded in compliance with contract provisions. There was one instance in which personal leave time was used in conjunction with vacation leave time. In accordance with the AME Contract, Section 8.6A, (Section 8.6 Leave with Pay - Personal and Administrative Leave, Part A. Personal Leave as of Right) personal leave time may not be used for periods immediately before or at the end of scheduled vacation leave. (Page 7)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

**In addition, one employee failed to convert accumulated personal leave time to sick leave time upon their anniversary date. Consequently, the employee's accumulated personal leave time of 19.25 hours, which had not been converted, was incorrectly utilized subsequent to the employee's anniversary date. In accordance with the AME Contract, unused personal leave shall be converted to sick leave at the end of an employee's year. (Page 7)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

**Furthermore, this employee's accrual of personal leave time was not recorded timely on the employee's anniversary. In accordance with the AME Contract, four days of personal leave shall be accrued on the 1st day of employment and on each anniversary date thereafter. The employee failed to accrue twenty-eight (28) hours of personal leave time on their anniversary date; however, the accrual was recorded four pay periods after the employee's anniversary date. (Page 7)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. Based upon the vague statement from the report, it seems that the accrual record was corrected as soon as the oversight was noticed. If accurate, this internal control should be praised for catching the possible oversight.

*We were unable to ensure the accuracy of employee hours worked and benefit hours utilized. The District did not maintain any record of daily attendance until approximately June 2016 when they began using a shared Outlook Calendar to record attendance on an exception basis; therefore, an entry is made only when an employee is not present at work. However, the District's shared Outlook Calendar was deemed unreliable due to numerous discrepancies between the Time and Accrual Records and the Outlook Calendar. When employee hours worked and benefit hours utilized are unmonitored, there is an increased opportunity for errors or fraud to occur, which could result in an overpayment to employees. (Page 7)*

We take exception to your report's statement regarding employee hours are not monitored. The District is a small operation with only six employees. The District Manager is tasked with confirming that the employees comply with their schedules. This includes tardiness and absences. The District works very hard to ensure that staff are working as reported on their Time and Accrual submissions. In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. If the report is unable to ensure the accuracy of the hours worked, then it must be assumed that all employees have been working their regular schedule unless noted otherwise on their Time and Accrual submission that each employee attests to and is approved by the Head of the Department.

The Shared Calendar utilized by the District was instituted by the current District Manager within the first weeks of his employment. The DM quickly noticed that there was a lack of internal control with respect to the matter that created an opportunity for errors of fraud to occur. The District utilized the tools available to establish this internal control to better manage variations in staff schedules.

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

*The District failed to comply with 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 month period. Our audit testing revealed that the District Manager qualified for designation as a sick leave abuser during a rolling twelve month period; however, a Sick Leave Abuser warning letter or a Sick Leave Abuser designation letter was not issued to this employee as required by the provisions of the Sick Leave Management Program. (Page 8)

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. It should be noted that if the auditors completed their due diligence and interviewed the County Executive's staff, Director of Labor Relations, AME President and the District's Board of Directors as per the Methodologies and Standards outlined in the draft report on page 3, they would have been made aware that the DM may have used accruals for the care of his Mother's failing health. All accruals utilized during this period was pre-approved by the above mentioned individuals, therefore the designation as a "Sick Leave Abuser" is not necessary or appropriate. This is speculation and a more detailed draft report including information that supports this statement must be provided. I am appalled that the auditors again failed to meet their own standards before making this claim.

*The District failed to comply with the provisions of §77-18 of the Suffolk County Code.* The Suffolk County Code requires that the Head or Commissioner of an Agency or 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, Payroll Advisory No. 3 issued on October 17, 2016 re-established the monthly submission deadline by requiring 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 Local Law 5-1994. Our review of the District's submission of Time and Accrual Records for the District Manager revealed that fourteen of the sixteen (88%) documents were not submitted to the Department of Audit and Control within the required timeframe(s). The District submitted Time and Accrual Records for multiple Time and Accrual periods which surpassed the quarterly or monthly deadline in effect. *The District did not always comply with the provisions of Suffolk County Standard Operating Procedure A-17, "Overtime Authorization" as follows: (Page 8)*

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. The original memorandum from 2008 was not provided to the DM, nor was it available for review

during the DM's employment. Only the Payroll Advisory No. 3 issued on October 17, 2016 that re-established the monthly submission deadline by requiring 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 Local Law 5-1994 was received. During the audit period, only 10 monthly submissions were due not the sixteen as described above. The procedure for the Soil and Water Conservation District is as follows; the DM completes a monthly time and accrual form (with accompanying leave/compensatory time slips) and submits the packet to the Principal Account Clerk, who is tasked with sending the packet to the County Executive's office for review and approval. Once approval is given and the packet is returned, the Principal Account Clerk submits the approved packet to Audit and Control. The District acknowledges the failure to meet this procedure, but is working to rectify the internal processes.

- **The Overtime Authorization form (SCIN Form 17) did not contain the required prior approval. In accordance with SOP A-17, approval by the employee's immediate supervisor is required; however, during the audit period, numerous Overtime Authorization forms representing overtime worked by the District Manager and one additional employee did not contain supervisory approval. (Page 8)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **The District did not always complete Overtime Authorization forms as required. In accordance with SOP A-17, all County agencies must use SCIN Form 17 and the employee must receive prior approval of overtime from their supervisor. There were numerous instances in which an Overtime Authorization form was not completed. (Page 8)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **In addition, Overtime Authorization forms were improperly completed as follows:**

- **There were three instances for one employee, in which the "Date Authorized" on the Overtime Authorization form was not in agreement to the date recorded of "Overtime Hours Worked" on the employee's Time and Accrual Record. (Page 8)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **There were numerous instances in which one employee's Overtime Authorization forms did not state the time period in the "Time Authorized" section. (Page 9)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the finding, but only speculate on this finding.

We speculate that the discrepancies described in your finding were approved by previous District Managers Paul TeNyenhuis and Elizabeth Condon prior to the employment of the current District Manager. The current District Manager ensures that all Time and Accrual and Overtime Authorization forms are completed in full before approval as per County Policy. We have enlisted this procedure to ensure proper internal control of employees' time and accruals.

***One employee was not docked properly by the District. One employee was docked during the audit period due to a disciplinary suspension. The suspension documentation stipulated that the employee was to be suspended for eight working days, representing 56 hours and the loss of two accrued days. Our audit testing revealed the following inconsistencies associated with the docking:***

- ***Our examination of the employee's Time and Accrual Records revealed that the loss of two accrued days was not executed by the District. (Page 9)***

Suspension stipulations and docking was done in accordance and under the guidance of the Office of Labor Relations. This finding is the result of a possible miscalculation of docked accruals. Further investigation is warranted to correct any miscalculation/oversight. This will be rectified.

- ***The employee's accruals for vacation and sick leave time were not properly adjusted to correspond to the percentage of time worked by the employee during the four-week Time and Accrual period. The employee incorrectly earned an additional 2.75 hours of sick leave time; however the employee's vacation leave accrual during the same period was understated by 1.5 hours. Since the employee's Time and Accrual Record indicated that the employee worked 85 of the required 140 hours or 60.71%, the employee's accrual of vacation and sick leave time should have been adjusted to reflect 60.71% of the total vacation and sick leave accrual. (Page 9)***

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. Possible miscalculation. Further investigation is warranted to correct any miscalculation.

***Employee Time and Accrual Records did not accurately reflect hours worked and benefit hours utilized during the audit period as follows:***

- ***There were two instances in which one employee's leave time utilized on the Leave Slip was not in agreement to the leave time recorded on the employee's Time and Accrual Record. One Leave Slip representing 5.5 hours of sick leave time was not in agreement to the employee's Time and Accrual Record which itemized 4.5 hours of sick leave time utilized; a difference of one hour. On another occasion, one Leave Slip representing 31 hours of vacation leave time was not in agreement to the employee's Time and Accrual Record which itemized 28 hours of vacation leave time utilized; a difference of three hours. (Page 9)***

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. Possible miscalculation. Further investigation is warranted to correct any miscalculation.

- ***There was one instance in which an employee's Leave Slip indicated that the employee utilized personal leave time; however, the employee's Time and Accrual Record indicated that the employee utilized compensatory time. (Page 9)***

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- ***There was one instance in which an employee's hours worked exceeded the normal work week by 2.5 hours; however only 1.5 hours of compensatory time was recorded and earned by the employee; therefore, the employee's overtime hours worked were understated by one hour. (Page 9)***

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. Possible miscalculation. Further investigation is warranted to correct any miscalculation.

- **On one occurrence, an employee's holiday was recorded as seven hours instead of 7.5 hours; therefore, the employee worked an additional half hour more than necessary during one pay period. As a result, in accordance with the AME Contract, overtime should have been paid or compensatory time earned for all hours worked in excess of the employee's normal work week. (Page 9)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **There were two instances in which the date on the Leave slip for two employees did not correspond to the date on the Time and Accrual Record. (Page 10)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **On one occasion, the employee failed to include the date that they were utilizing leave time on the Leave Slip. (Page 10)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

*There were several instances in which the District did not properly record or calculate an employee's accrued leave hours as follows:*

- **The amount of accrued vacation leave time was incorrectly recorded as thirteen hours of vacation leave time earned on one Time & Accrual Record; however, the employee should have earned fourteen hours of vacation leave time. As a result, the employee's vacation leave time was understated by one hour. (Page 10)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **There was one instance in which the balance of compensatory time was not carried forward correctly from the prior period Time and Accrual Record. As a result of this error, the employee expended seven hours of compensatory leave time which was not actually earned. (Page 10)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

*The Accrued Leave Hours Section of the Time and Accrual Records were improperly completed as follows:*

- **There was one instance in which the District Manager failed to complete the compensatory time section of the Time and Accrual Record. As a result of this lapse, compensatory time was understated by nine hours. This error was included in our determination of the overpayment of the District Manager's overtime compensation identified on page 5. (Page 10)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- One employee's accrual of vacation and sick leave time required adjustment prior to their termination as follows:

The employee's accrual of vacation leave time was calculated incorrectly on the employee's anniversary date. In accordance with the AME Contract, the employee should have earned a total of 16 hours of vacation leave time, which included 5.75 hours for each of the two pay periods and in addition, a 4.5 hour bonus of vacation leave time; however, the Time and Accrual Record indicated 17.7 hours earned. As a result, vacation leave time was overstated by 1.7 hours. In addition, the employee's accrual of vacation and sick leave time upon the employee's termination, was not properly adjusted to correspond to the percentage of time worked by the employee during the employee's last four-week Time and Accrual period. Since the employee's Time and Accrual Record indicated that the employee worked 46 of the required 140 hours, or 32.86%, the employee's accrual of vacation and sick leave time should have been adjusted to reflect 32.86% of the total vacation and sick leave accrual. As a result, the employee's vacation and sick leave time was overstated by 8 and 4.7 hours, respectively.

However, upon separation, the employee's disbursement of accumulated vacation leave was reduced to account for the overstatements above; therefore, no recoupment is necessary pertaining to the employee's accumulated vacation leave. In addition, any unused accumulated sick leave is only paid by the County upon retirement or upon the employee's death; therefore, no recoupment is necessary pertaining to the employee's accumulated sick leave. (Page 10)

Likely a miscalculation upon the employee's final Time and Accrual submission. In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

*The Time and Accrual Records were improperly completed due to prior period carry-forward errors. There was one instance in which an employee's vacation accrual balance was manually revised; however the correct ending vacation accrual balance failed to be calculated and carried forward to the subsequent Time and Accrual Record. As a result, the employee's ending vacation accrual balance was understated by 6.5 hours, which represents \$223 in salary. (Page 11)*

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

*The Time and Accrual Records contained errors in fundamental information. There were two instances in which one employee's seniority date was recorded incorrectly on the employee's Time and Accrual Record. Although, the date was incorrect by only one day, the seniority date has an impact on the calculation of overtime, longevity, and many other payroll related items; therefore this date must be entered correctly on all Time and Accrual Records. (Page 11)*

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

*The District Manager's Time and Accrual Records and SCIN Form 49, "Application for Leave" (Leave Slips) did not contain proper supervisory approval as follows:*

- There were five occurrences in which the District Manager's (Grade 23) Time and Accrual Records were approved by a subordinate employee with the title of Principal Account Clerk (Grade 17), instead of the employee's supervisor. 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. (Page 11)

The District agrees with the report's statement that states "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." In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. However, it had been a long standing practice for the Soil and Water Conservation District (prior to the current District Manager's employment), that previous District Managers did not seek approval on their Time and Accrual submissions. The current SCIN Form 49 has two areas for endorsement; "Employee Signature" and "Department Head Signature." It was assumed that due to the District Manager being the Department Head, no additional approval was required. Upon learning that Department Heads are to seek approval from the County Executive (or his designee), all Time and Accrual records of the District Manager have been submitted to the County executive's office for review and approval.

**• Four Time and Accrual Records from the District Manager did not contain any supervisory approval. (Page 11)**

The District agrees with the report's statement that states "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." In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. However, it had been a long standing practice for the Soil and Water Conservation District (prior to the current District Manager's employment), that previous District Managers did not seek approval on their Time and Accrual submissions. The current SCIN Form 49 has two areas for endorsement; "Employee Signature" and "Department Head Signature." It was assumed that due to the District Manager being the Department Head, no additional approval was required. Upon learning that Department Heads are to seek approval from the County Executive (or his designee), all Time and Accrual records of the District Manager have been submitted to the County executive's office for review and approval.

**• There were numerous instances in which the District Manager's Leave Slips did not contain any supervisory approval or were approved by a subordinate employee. (Page 11)**

The District agrees with the report's statement that states "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." In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. However, it had been a long standing practice for the Soil and Water Conservation District (prior to the current District Manager's employment), that previous District Managers did not seek approval on their Time and Accrual submissions. The current SCIN Form 49 has two areas for endorsement; "Employee Signature" and "Department Head Signature." It was assumed that due to the District Manager being the Department Head, no additional approval was required. Upon learning that Department Heads are to seek approval from the County Executive (or his designee), all Time and Accrual records of the District Manager have been submitted to the County executive's office for review and approval.

***The District failed to comply with the requirements contained in Payroll Advisory Number 1. In accordance with the advisory, issued May 18, 2016, all Leave Slips utilizing sick leave time must be initialed by the employee's supervisor, next to the employee's name. The Leave Slip should not be signed by the employee's supervisor and the "Approved" box should be left blank.***

**There were numerous instances in which Leave Slips contained a signature on the Supervisor's Signature line, indicating supervisory approval for the use of sick leave time. In addition, there were numerous instances in which the Leave Slips were marked approved by their supervisor for the use of sick leave time. (Page 11)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. Currently the Soil and Water Conservation District follows this Payroll Advisory and has since corrected this typographical oversight.

***Employees were not always required to submit Leave Slips for the use of vacation, personal, sick and compensatory time. Our audit testing revealed five of nine employees tested (56%) did not always submit Leave Slips for the use of vacation, personal, sick, and compensatory time. (Page 12)***

The District disagrees with this finding. In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

***Employee Leave Slips were improperly completed as follows:***

- **Numerous Leave Slips were not approved timely by the employee's supervisor. There were numerous instances in which the Leave Slips were approved by the employee's supervisor weeks or months after the accrued leave time was utilized. (Page 12)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **There were a total of seven instances in which Leave Slips contained the supervisor's signature; however, the supervisor failed to record the date on the Leave Slip that coincided with their approval. (Page 12)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

- **There were two instances where the employee signed the Leave Slip, but failed to record the date that coincided with their signature. (Page 12)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

***Compensatory time was utilized before it was actually earned. There were three instances in which one employee utilized compensatory time before it was earned, resulting in an increased risk that employees will receive payment for leave time they have not earned. (Page 12)***

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement.

#### **RECOMMENDATIONS**

- **The District should ensure that it strictly adheres to the provisions of the AME Contract, which includes obtaining a properly executed Memorandum of Agreement between the County and the**

**Suffolk County Association of Municipal Employees to formally establish its flexible work schedule. In addition, the District should ensure that any overpayments have been repaid to the County and any adjustments are made to the employee's accrued leave time as follows: (Page 13)**

Contrary to the implication of this recommendation, the Suffolk County Soil and Water Conservation District ensures that it adheres to the provisions of the AME Contract. It is noted that obtaining a properly executed Memorandum of Agreement between the County and the Suffolk County Association of Municipal Employees to formally establish its compressed work schedule is recommended. The District's Board of Directors will also be made aware of the overpayment and the recommended repayment to the County as well as adjustments to the employee's accrued leave.

**•• Overpayments made to the District Manager in the amount of \$5,442 (overpayments of \$2,347 and \$3,095, both identified on page 5), and one additional employee in the amount of \$3,333 (\$3,527 less an underpayment of \$194, both identified on page 6) should be repaid to the County. (Page 13)**

The current District Manager was hired by the appointing authority (Suffolk County Soil and Water Conservation District Board of Directors) in April of 2016. The terms of the current DM employment were discussed at great lengths at the incumbents first and second interview as well as prior to accepting the offer for the DM position. The stipulations of the offer was confirmed in a June 2016 letter from the Board of Directors to the Director of Civil Service (attached). The letter confirms that the appointing authority offered the DM position to the current employee at a Grade of 23, step 5, with a 35 hour work week. The incumbent to the DM position accepted these terms and had no prior knowledge that the offer was not in accordance with the AME Contract, Section 8.1 Work Week/Work Day. In addition, the incumbent did not have the ability to cross reference the offer letter with AME Contract, Section 8.1 Work Week/Work Day provisions as the document was not made available until after the offer was accepted and the position was filled. As such, it is the responsibility of the Appointing Authority to accurately make employment offers to perspective employees. The incumbent had not been aware of the discrepancy and therefore is not responsible for the mistake of the appointing authority. The District's Board of Directors will be made aware of the overpayment and the recommendations of this draft report.

**•• A total of eight hours of compensatory leave time, representing \$272 in salary, should be added to the compensatory leave balances of two employees. The understatement of \$272 is comprised of 6.5 hours for one employee (\$223) and 1.5 hours to the other employee (\$49). (Page 13)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. The District's Board of Directors will be made aware of the claim and the recommendation of this draft report.

**•• A total of 6.5 hours of vacation leave time, representing \$223 in salary, should be added to the vacation leave balance of one employee. (Page 13)**

In the absence of a more detailed draft audit report including information that supports this statement, the District cannot review and address this specific aspect of the statement. The District's Board of Directors will be made aware of the claim and the recommendation of this draft report.

- **The District should implement a daily attendance system which would properly document hours worked and accrued leave hours utilized. The completed attendance records should then be compared to the employee's Time and Accrual Records to ensure that all hours worked and accrued leave hours utilized have been accurately recorded on the employee's Time and Accrual Record. (Page 13)**

In the absence of a more detailed draft audit report including information that supports this recommendation, the District cannot address this specific aspect of the statement. The District's Board of Directors will be made aware of the recommendation.

- **The Sick Leave Management Program was replaced in May 2018; therefore, employees should be evaluated based on the terms of Medical Monitoring. The District should develop procedures to effectively monitor sick leave usage; therefore employees will be placed on Medical Monitoring, if necessary. (Page 13)**

Contrary to the implication of this recommendation that is outside of the scope of this audit, the Suffolk County Soil and Water Conservation District ensures that it adheres to the provisions of the AME Contract including the Sick Leave Management Program that was instituted in May 2018. The District has assigned the Principal Account Clerk the duty of reviewing and tracking all sick leave so that we may effectively monitor the sick leave usage and medical monitoring if deemed necessary. In the event that an employee is approaching the threshold of the medical monitoring designation, the employee's supervisor will follow the County's Sick Leave Management Program guidelines. The District's Board of Directors will be made aware of this recommendation of this draft report.

- **The District 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 and Accrual Records within 10 days of the completion of the Time and Accrual period. (Page 13)**

Contrary to the implication of this recommendation, the Suffolk County Soil and Water Conservation District ensures that it adheres to the provisions of §77-18 of the Suffolk County Code and Payroll Advisory No. 3 issued by the County Comptroller. The District currently utilizes inter-office mail system to submit the required Time and Accrual Records within 10 days of the completion of the Time and Accrual period. The District's Board of Directors will be made aware of this recommendation of this draft report.

- **The District should comply with the provisions of SOP A-17, Overtime Authorizations. (Page 13)**

The District complies with the provisions of SOP A-17, Overtime Authorization. The District's Board of Directors will be made aware of this recommendation of this draft report.

- **The District should ensure that employees are properly docked when they are unable to satisfy the assigned workweek, which may include a disciplinary suspension. Furthermore, the District should ensure that accrued vacation and sick leave hours are reduced to correspond to the percentage of time worked by an employee during the four-week Time and Accrual period. (Page 13)**

The District ensures that it will heed this recommendation of the draft report and investigate the claim. If deemed necessary upon review, a revision of accrued vacation and sick leave hours that corresponds to the percentage of time worked by an employee during the four-week Time and

Accrual period will be completed. The District's Board of Directors will be made aware of this recommendation of this draft report.

- **The District should ensure that employee Time and Accrual Records accurately reflect the employee's seniority date, actual hours worked and leave time utilized. Furthermore, the Accrued Leave Hours Section of the Time and Accrual Record should be completed accurately and in its entirety; so that an accurate ending balance can be carried forward to the subsequent Time and Accrual Record. After confirming the accuracy of the information recorded on the Time and Accrual Record, the Time and Accrual Record should be signed by the employee's supervisor and by the District/Department Head or his/her designee. (Page 14)**

The District ensures that it will heed this recommendation of the draft report and investigate the claim. If deemed necessary upon further review, a revision of the Time and Accrual Records will be made to reflect the employee's seniority date, actual hours worked and leave time utilized. Additionally, an internal review will be conducted to ensure the accuracy of the Accrued Leave Hours Section of the Time and Accrual Record, ending balances are accurately carried forward to subsequent Time and Accrual Records. After confirming the accuracy of the information recorded on the Time and Accrual Record, the Time and Accrual Record will be signed by the supervisor and by the District/Department Head or his/her designee. The District's Board of Directors will be made aware of this recommendation.

- **Leave Slips should be completed for all leave time utilized by employees in accordance with any related Payroll Advisory issued by the Comptroller's Office. In addition, Leave Slips should be accurately completed and include all relevant information and required signatures. (Page 14)**

The District ensures that it will heed this recommendation of the draft report. The District's Board of Directors will be made aware of this recommendation.

- **The District should ensure that any compensatory time utilized by employees has been appropriately earned in advance. (Page 14)**

The District ensures that it will heed this recommendation of the draft report. The District's Board of Directors will be made aware of this recommendation.

All recommendations provided in this draft report are currently being investigated and internal controls rectified if deemed necessary. The Suffolk County Soil and Water Conservation District will be working with the Board of Directors to develop additional procedures to ensure that the substantiated findings are rectified and the payroll procedures follow the Suffolk County Standard Operating Procedure, Suffolk County Code, Memorandums, Payroll Advisories and any other payroll related advisories issued by the County Comptroller.

We look forward to working on improving our payroll processes and internal controls so that we may better serve the residents of Suffolk County.

Sincerely,

Corey Humphrey C.P.E.S.C.  
District Manager  
Suffolk County Soil and Water Conservation District.

Suffolk County SWCD  
421 Griffing Avenue  
Suite 110  
Riverhead, NY 11901  
www.SuffolkSWCD.org



Corey Humphrey  
District Manager  
(516) 867-3285  
Rob Carpenter  
Chairman



June 29<sup>th</sup>, 2016

Alan Schneider  
Personnel Director  
Bldg. 158, William J. Lindsay County Complex  
PO Box 6100  
Hauppauge, NY 11786-0099

Director: Schneider.

This letter acts as a certification that Corey Humphrey has been hired as the District Manager of the Suffolk County Soil and Water Conservation District. The SCSWCD Board of Directors approved the hiring of Mr. Humphrey full time (35 hours per week), at Grade Z3 Step 6. Mr. Humphrey started at this position on April 25<sup>th</sup>, 2016. Please contact me directly if you have any questions or concerns.

Rob Carpenter – Chairman of the Board

Legislator Al Krupski - Treasurer

Office Hours: Monday through Thursday 9:30 a.m. to 4:00 p.m. Friday 7:30 a.m. through 8:00 p.m.

## APPENDIX B

**Comptroller Office's Comments on the District's Response****Auditee: Suffolk County Soil and Water Conservation District**

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Prior to responding to each finding in the report, the District's written response identified several instances in which they believe the Comptroller's Office did not adhere to generally accepted government auditing standards. It should be noted that in 2018 the Audit Division passed a peer review conducted by members of the Association of Local Government Auditors (ALGA). The peer review team provided a Pass rating and opined that the Audit Division's "internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with Government Auditing Standards for audit engagements during the review period of December 1, 2015 through November 30, 2018." Our assessment of the instances cited in the District's response is as follows:

*Your audit of the District did not adhere to the standards outlined in the draft report, specifically failing to find "sufficient" and "appropriate evidence" to provide a reasonable basis for your findings and conclusions.* An exit conference was held on September 11, 2018 where Audit Division staff discussed the findings with the District. This meeting serves to provide the District with the opportunity to begin preparing their response to the audit report and the opportunity to request work papers that support our findings. The District did not request any information or documentation that supports the findings in the report; therefore, the District is not qualified to determine if the audit was performed in accordance with generally accepted government auditing standards. If the District had performed their due diligence and requested copies of the audit documentation, the District would have been aware that all findings in the report are supported by sufficient and appropriate evidence and provide a reasonable basis for our conclusions. Instead the District tries to deflect blame for their failure to comply with applicable contracts, Standard Operating Procedures (SOPs), and Directives of the Office of Labor Relations and chose to make misstatements without any knowledge of the actual work performed by the audit.

*Had your audit staff fulfilled their due diligence, they would have interviewed the District's Board of Directors.* The objective of our audit was to determine if the District's time and accrual records were properly processed in accordance with applicable contracts, Standard Operating Procedures (SOPs), Directives of the Office of Labor Relations; to determine if the District's time and accrual records accurately reflect employee hours worked and benefit hours accrued and utilized during the audit period; and to review the District's current payroll procedures in order to determine if the District has adequate procedures in place to record, process and properly claim payroll expenses to the County. Based on our objective, it was not necessary to interview the District's Board of Directors because all employees of the District are members of the Suffolk County Association of Municipal Employees, Bargaining Unit 2 and must comply with all provisions of the AME contract. In addition, the employees are on the County's payroll and must comply with all SOPs, Directives of the Office of Labor Relations and Payroll Advisories issued by the Comptroller's Office. The District's Board of Directors does not have the authority to override provisions of the AME contract, SOPs, Directives of the Office of Labor Relations and Payroll Advisories and they are not authorized to approve Time and Accrual

Records, Overtime Authorization Forms and Leave Slips. Therefore, in accordance with generally accepted government auditing standards, it was not necessary to interview any Board Members.

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An exit conference was held on September 11, 2018 where Audit Division staff discussed the findings with the District. This meeting serves to provide the District with the opportunity to begin preparing their response to the audit report and the opportunity to request work papers that support our findings. The District submitted a written response to the audit report (Appendix A, p. 16). Our assessment of the District's response is as follows:

In response to our finding that the District failed to comply with numerous provisions of the AME Contract, the District responded to each issue of non-compliance as a separate finding as follows:

- *During the initial year of employment the District Manager failed to work the required 37.5 hour work week* - The District confirms that the Board of Directors issued a letter to the Director of Civil Service as certification that the Board of Directors approved the hiring of the District Manager full time (35 hours per week). In addition, the response states the incumbent to the District Manager position had no prior knowledge that the offer was not in accordance with the AME Contract, Section 8.1 Work Week/Work Day and is not responsible for the mistake of the appointing authority. The District also believes our reference to the County Executive's oversight is erroneous as a matter of law as it's the Board of Directors who provides oversight pursuant to State Law. The Comptroller's Office agrees with the District that the Board of Directors derive their powers from State Law; however, State Law does not give the Board of Directors the authority to override provisions contained in the AME Contract. Furthermore, we disagree that our reference to the County Executive's oversight is erroneous because the County Executive's Office of Labor Relations (Labor Relations) has the responsibility of enforcing the terms and conditions of employment for all unionized employees.
- *Employee overtime failed to be compensated in accordance with the AME Contract, Section 6.1 Overtime.*
  - *The District Manager erroneously earned and utilized 86.25 hours of compensatory time beginning from the employee's hiring in 2016, which represents an overpayment of \$3,095 in salary. The overpayment was mainly attributed to the improper calculation of overtime and the District Manager's failure to work the 37.5 hour work week as identified above* - The District disagrees that salaries/compensatory time were earned erroneously. In its response the District states the District Manager did not violate the contract, but rather followed the direction of the District's Board of Directors who provides oversight of the District pursuant to State Law. The District has followed Audit and Control's interpretation of the AME Contract, Section 6.1 and Section 8.1 regarding overtime and Work Week/Work Day, respectively, since January 2017. The Comptroller's Office is pleased that the District is following Labor Relations

interpretation of the AME Contract since January 2017; however, as stated above, the District's Board does not have the authority to override provisions contained in the AME Contract.

- *All other instances in which overtime was not compensated in accordance with the AME Contract* - The District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, an exit conference was held on September 11, 2018, in which the Audit Division staff discussed the findings with the District and advised the District to begin preparing its response. The District had ample time to request documentation or work papers to formulate their response; however, they did not request any information or documentation that supports the findings in the report.
- *The District does not have a properly executed Memorandum of Agreement on file with Labor Relations establishing the flexible work schedule placed into operation in 1997* – In its response, the District stated it is the responsibility of the Board of Directors to institute schedules that are in accordance with the AME Contract. In addition, the matter of scheduling has been discussed at great lengths with the Board of Directors, AME President and the Director of Labor Relations who all agreed the schedule was appropriate and instructed the District to continue to follow it until otherwise directed. In November 2017, the Comptroller's Office requested documentation that would confirm Labor Relations and the AME President instructed the District to continue to follow the flexible work schedule; however, the District was unable to provide any documentation.
- *The employee's use of compensatory time may have been administered in a restrictive manner* - The District disagreed with the finding and stated in its response that in the absence of a more detailed draft audit report including information that supports the statement, the District cannot review and address this specific aspect of the statement. As stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.
- *Personal leave time was not always utilized and recorded in compliance with contract provisions* – For each instance of non-compliance the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As stated previously, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our finding that we were unable to ensure the accuracy of employee hours worked and benefit hours utilized, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review

and address the specific aspects of the finding. As stated previously, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our finding that the District failed to comply with the provisions of the County's Sick Leave Management Program, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. However, the District Manager may have used accruals for the care of a family member and all accruals used during that period were pre-approved by the County Executive's staff, Director of Labor Relations, AME President and the District's Board of Directors. The Comptroller's Office received confirmation that the County Executive's staff was aware that the District Manager was utilizing family sick leave. Although the final report has been modified, the finding was discussed at the exit conference held on September 11, 2018; however, the District did not take any action that would have precluded our reporting of the finding in the draft audit report.

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In response to our finding that the District failed to comply with the provisions of §77-18 of the Suffolk County Code, the District stated in its response that it acknowledges the failure to meet this procedure, but is working to rectify the internal processes. The Comptroller's Office is pleased that the District is taking corrective action regarding this finding. No modification of the audit report for this finding and related recommendation is warranted.

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In response to our finding that the District did not always comply with the provisions of Suffolk County Standard Operating Procedure A-17, Overtime Authorization, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our finding that one employee was not docked properly by the District, the District responded to each inconsistency associated with the docking as a separate finding as follows:

- *Our examination of the employee's Time and Accrual Records revealed the loss of two accrued days was not executed* - The District stated in its response that the finding is the

result of a possible miscalculation of docked accruals and further investigation is warranted to correct any miscalculation and the District stated it will be rectified. The Comptroller's Office is pleased the District will investigate and rectify this inconsistency.

- *The employee's accruals for vacation and sick leave time were not properly adjusted to correspond to the percentage of time worked by the employee during the four-week Time and Accrual period* - The District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. It is a possible miscalculation and further investigation is warranted to correct any miscalculation. The Comptroller's Office is pleased the District will investigate and correct any miscalculation.

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

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In response to our finding that employee Time and Accrual Records did not accurately reflect hours worked and benefit hours utilized during the audit period, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, an exit conference was held on September 11, 2018 in which the Audit Division staff discussed the findings with the District and advised the District to begin preparing its response. The District had ample time to request documentation or work papers to formulate their response; however, they did not request any information or documentation that supports the findings in the report.

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

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In response to our finding that there were several instances in which the District did not properly record or calculate an employee's accrued leave hours, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our findings that the Accrued Leave Hours Section of the Time and Accrual Records were improperly completed, Time and Accrual Records were improperly completed due to prior period carry-forward errors and Time and Accrual Records contained errors in fundamental information, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review

and address the specific aspects of the finding. As previously stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

No modification of the audit report for these finding and the related recommendation is warranted.

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In response to our finding that the District Manager's Time and Accrual Records and SCIN Form 49, "Application for Leave" (Leave Slips) did not contain proper supervisory approval, the District stated in its response that upon learning that Department Heads are to seek approval from the County Executive (or his designee), all Time and Accrual records of the District Manager have been submitted to the County Executive's office for review and approval. The Comptroller's Office is pleased that the District has taken corrective action regarding this finding. No modification of the audit report for this finding and related recommendation is warranted.

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In response to our finding that the District failed to comply with the requirements contained in Payroll Advisory Number 1, the District stated in its response that currently the District follows this Payroll Advisory and has since corrected this typographical oversight. The Comptroller's Office is pleased the District has taken corrective action regarding this finding. No modification of the audit report for this finding and related recommendation is warranted.

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In response to our finding that employees were not always required to submit Leave Slips for the use of vacation, personal, sick and compensatory time, the District disagreed with the finding and stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our finding that employee Leave Slips were improperly completed, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, the District had ample time to request information or documentation supporting the findings in the report; however, we did not receive any such request.

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

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In response to our finding that compensatory time was utilized before it was actually earned, the District stated in its response that in the absence of a more detailed draft audit report including information that supports the statements, the District cannot review and address the specific aspects of the finding. As previously stated above, an exit conference was held on September 11, 2018 in which the Audit Division staff discussed the findings with the District and advised the District to begin preparing its response. The District had ample time to request documentation or work papers to formulate their response; however, they did not request any information or documentation that supports the findings in the report.

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

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