

MUNICIPAL AUDITING REPORT CITY OF ROANOKE



Department of Social Services Time Abuse Allegations

January 10, 2019

Report Number: 19-303
Audit Plan Number: 630-01

*Municipal Auditing Department
Chartered 1974*

www.roanokeva.gov/auditing

Phone 540.853.5235

TABLE OF CONTENTS

Summary of Complaint.....	1
Investigation Objectives & Scope.....	1
Background.....	2
Objective 1 – Subject #1 Investigation	4
Objective 2 – Subject #2 Investigation	7
Summary of Management Action Plans.....	10
Management Comments	11
Acknowledgments	12

SUMMARY OF COMPLAINT

An anonymous report concerning work attendance and reporting of paid leave in the Division of Human/Social Services (“DSS”) was filed with the City’s hotline service. The allegations as reported through the hotline were as follows:

- An exempt employee (subject # 1) is rarely in the office and does not enter either paid leave or “Out of Office” notices in the City’s NLA system in most cases. This creates uncertainty among coworkers about the subject’s availability and compliance with the City’s paid leave policies.
- Subject #2, also an exempt employee, is allowed to work from home frequently and is never available to coworkers who need direction or consultation. No schedules are posted and coworkers cannot plan for when subject #2 may be available to them.

INVESTIGATION OBJECTIVES & SCOPE

Investigation Objectives:

1. Did subject #1 maintain her work schedule and utilize paid leave in accordance with City policies and management’s expectations?

YES – Analysis of work activity through available data combined with testimony of management and coworkers provided no evidence that subject #1 has violated the City’s paid leave policies.

2. Did subject #2 maintain her work schedule and utilize paid leave in accordance with City policies and management’s expectations?

YES– Analysis of work activity through available data combined with testimony of management and coworkers provided no evidence that subject #2 has violated the City’s paid leave policies.

Investigation Scope:

We reviewed the available records covering May 1, 2018 through November 15, 2018, for the two employees named in the allegations.

Based on the City’s exception based time and attendance system, the number of productive hours worked by an individual employee cannot be conclusively determined. Employees are not required to document the number of hours worked each day.

BACKGROUND

Division of Human/Social Services Overview

The City of Roanoke's Division of Human/Social Services administers a number of significant programs to assist the poor and other vulnerable populations, such as children and the elderly. DSS budgets for approximately 225 full-time equivalents. The majority of DSS employees work in the benefits and services areas of the department. The volume of clients and the timing of calls for services can cause employees to work unusual hours. Meetings with clients and other agencies, as well as travel for training, impacts the availability of some DSS employees during regular office hours.

Exception Based Payroll

The City uses an exception based system for processing payroll. Employees are assumed to have worked their regularly scheduled hours unless a notice of leave or adjustment (NLA) is entered and approved. Both salaried employees (exempt employees) and hourly employees (nonexempt employees) accrue paid leave hours in the same manner. Both are expected to enter requests for paid leave through the NLA system so regularly scheduled hours not worked are deducted from their paid leave banks. Hourly employees must report any hours worked in excess of their regular schedule so overtime is paid. Salaried employees are typically not paid for hours in excess of their regular schedule and do not enter an NLA to document excess hours.

Time and Attendance Policies

Administrative Procedures and Personnel Operating Procedures form the basis of City Policy related to work schedules and paid leave.

- *Administrative Procedure 2.11* requires employees to complete NLA forms for sick, vacation, paid leave, extended illness, etc. Department managers are responsible for reviewing the totals and approving data online.
- *Personnel Operating Procedure #9* outlines a variety of prohibited practices for employees, notably in section IV:
 - o Failing to notify the appropriate supervisor in a timely fashion when expecting not to report.
 - o Being absent without permission.
 - o Deliberately falsifying any records or deliberately giving false information for City records.
- *Personnel Operating Procedure #19* provides an overview of the City's paid leave program, outlining the following specific requirements:
 - o NLA form is required for all absences including paid leave, extended illness/disability leave, and funeral leave.

- Paid leave for personal or family illness require notice to the respective department head prior to the start of each work day.
- Paid leave for reasons other than personal or family illness must be scheduled in advance.

DSS has allowed employees to work from home as circumstances warranted, but does not allow regularly scheduled work from home. The nature of the work also requires many DSS employees to work outside of the office to perform their job requirements routinely. Any arrangements to work from home or other remote locations must be approved by the employee's supervisor. Schedules that vary from traditional Monday thru Friday, 8:00 to 5:00 office hours, are also considered on a case-by-case basis. Salaried employees are afforded some flexibility in how they work their 40 hours each week in recognition of sometimes difficult and unpredictable demands on their time.

End of Background

Objective 1: Determine if subject #1 maintained her work schedule and utilized paid leave in accordance with City policies and management's expectations.

Based on interviews with DSS management and a review of DSS policies, we determined that:

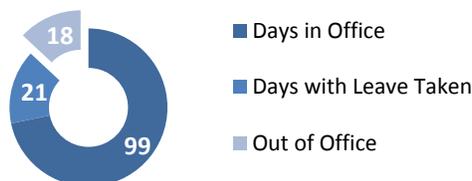
- Exempt DSS employees are not required to maintain a record of hours worked.
- DSS employees in general are not required to use the "Out of Office" feature in the NLA system, and no other formal protocols are in place for communicating schedules and availability with the general population of DSS workers.
- Management may allow exempt employees to work fewer hours than scheduled on a given day if the employee provides assurance that he or she will complete at least 40 hours of work for the week.

Given this absence of formal records documenting hours worked by employees, we relied on other sources of data and testimony to evaluate the concerns reported through the hotline.

There were multiple sources of data that we reviewed, primarily covering the period between May 1, 2018 and November 15, 2018.

- Employee Badge Swipe History: Shows when an employee used their work badge to access secure areas in the DSS office.
- NLA History: Shows the type of leave taken, the date and number of hours. *City Administrative Procedure 2.11* requires all City employees to complete NLA forms when using paid leave, working overtime, and for other exceptions to their regular schedule.
- Sent Email History: A typical work activity, this data provides an indication of the dates and times an employee is engaged in work, as well as communications with coworkers about the employee's availability and location while out of the office.
- VPN Logs: Access to city systems and records from a location outside of the office is possible through the city's virtual private network. The dates and times an employee utilizes VPN are logged by the system.
- Work Calendar: Employee work calendars connected to their employee email account provides historical data on scheduled meetings and events.

Of the 199 days between May 1, 2018 and November 15, 2018, there were 138 possible work days. Our analysis, based upon badge swipe and NLA data, showed subject #1 reported to the DSS office building 72% of the time:



We reviewed the 18 days for which there was no record of the subject being in the office or submitting leave in greater detail. Our analysis showed the subject sent an average of 14 emails daily during the 18 days reviewed. We investigated nine (9) of these days based on low volumes of email and minimal use of VPN:

Date	Day of Week	# of Emails Sent	# of Hours on VPN
5/4/2018	Friday	7	-
5/18/2018	Friday	8	-
5/25/2018	Friday	2	-
5/30/2018	Wednesday	9	-
6/13/2018	Wednesday	7	-
8/10/2018	Friday	7	0.15
8/27/2018	Monday	2	-
9/26/2018	Wednesday	4	-
10/11/2018	Thursday	8	0.10

Email history on each day showed that subject #1 had notified those coworkers with whom she works closest about her plans to be out of the office:

- 5 of 9 days [56%] emails indicated employee #1 absences were due to conferences or other work related events.
- 3 of 9 days [33%] did not have a reason for the absence stated in the email; availability by phone and email was noted.
- 1 of 9 day's [11%] emails indicated plans to come into the office late on Friday changed to not coming in at all. Time was to be made up based on attending a work related event Friday evening and another event on Saturday.

We conducted interviews with management and a random selection of coworkers to ascertain their views on the subject's attendance and work performance. They indicated that subject #1 was satisfactorily performing assigned responsibilities and was appropriately communicating

schedule changes and availability to them. The testimony provided no evidence of subject #1 underreporting paid leave usage.

We also interviewed subject #1 regarding the allegations. She testified that the demands of the job do not always align well with an 8:00 to 5:00 workday. The job entails travel to meetings and events locally as well as out of town. She stated that she informs affected coworkers in advance of her absences and that she lets coworkers know of her availability by phone and email. She confirmed that she will ask to change her work hours at times to accommodate personal appointments, with assurances to management that she will meet the minimum 40 working hours each week. She explicitly denied violating any of the City's paid leave policies.

Based on the data available combined with the testimony of management and coworkers, we determined there is no evidence to substantiate subject #1 has violated the City's paid leave policies. There are opportunities for strengthening controls to ensure salaried employees work the required minimum of 80 hours each bi-weekly pay period. Opportunities include developing a standard document on which employees record time worked each day and better utilization of the NLA system's "out of office" function to inform coworkers about availability.

End of Objective 1

Objective 2: Determine if subject #2 maintained their work schedule and utilized paid leave in accordance with City policies and management’s expectations

Consistent with the policies and the available data we outlined under objective 1 above, we evaluated similar allegations involving subject #2. Of 138 possible work days, our analysis indicated that subject #2 reported to the DSS office building 58% of the time:



We reviewed the 43 days for which there was no record of the subject being in the office or taking leave in greater detail. Our analysis showed the subject sent an average of 20 emails daily during the 43 days reviewed. We investigated 17 of these days based on low volumes of email and minimal use of VPN:

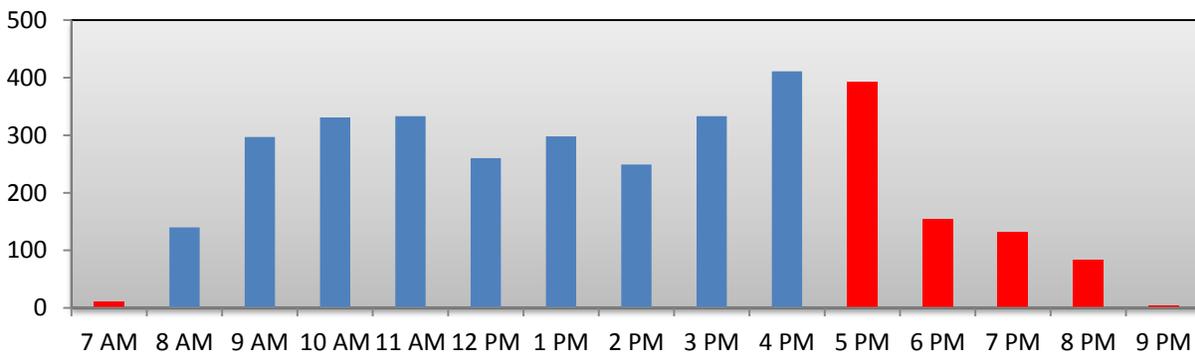
Date	Day of Week	# of Emails Sent	# of Hours on VPN
5/1/2018	Tuesday	7	0.35
5/2/2018	Wednesday	7	0.43
5/18/2018	Friday	-	-
6/1/2018	Friday	12	-
6/28/2018	Thursday	7	0.75
8/10/2018	Friday	13	-
8/17/2018	Friday	-	-
9/6/2018	Thursday	8	6.38
9/10/2018	Monday	11	0.30
9/24/2018	Monday	-	-
9/25/2018	Tuesday	-	-
10/3/2018	Wednesday	12	0.75
10/5/2018	Friday	13	2.12
10/12/2018	Friday	6	0.57
10/19/2018	Friday	14	1.02
11/2/2018	Friday	11	0.53
11/15/2018	Thursday	10	7.12

Due to the nature of her work subject #2 is frequently out of the office for the reasons noted below:

- Local Conferences & Events: Four (4) days to attend local conferences were confirmed based on a meeting agenda or supervisor’s testimony.
- Out of Town Conferences & Events: Six (6) days for out of town conferences and events were confirmed based on meeting minutes, conference agendas, emails, and supervisor testimony.
- Standing Weekly Meetings: Two (2) days were attributed to standing weekly meetings held outside the DSS office building. Significant VPN activity was logged on these dates.
- Flex Fridays: Subject #2 was approved to work a flexible 80 hour schedule that enables her to take every other Friday off, so long as it does not conflict with meeting her responsibilities. This accounted for three (3) days in our analysis.
- Other Meetings: Based on a review of calendar entries, subject #2 attended a variety of meetings outside the DSS building on the remaining two (2) days in our analysis.

Subject #2 and her manager stated that she often works beyond the normal business hours of 8:00 to 5:00 due to the nature of the work. Based on email history, we were able to confirm that a substantial proportion of her emails were sent outside of normal business hours as shown in the chart below:

Email Volume - Time of Day



Based on interviews with the subject’s supervisor and coworkers, they have no doubts about her work ethic, productivity, or compliance with paid leave policies. She keeps them informed of her availability and location through phone calls and text messages.

Testimony provided by subject #2 was consistent with the data we analyzed and testimony we gathered from her supervisor and coworkers. She explicitly denied violating any of the City's paid leave policies.

Based upon the data available and the testimony of management and coworkers, we determined there is no evidence to substantiate subject #2 has violated the City paid leave policies.

End of Objective 2

SUMMARY OF MANAGEMENT ACTION PLANS

Management Action Plan – Undocumented Flex Time

Objective: To provide a standardized mechanism to monitor and track time for exempt employees and ensure they are meeting the minimal 40 hour work week requirement.

Action Plan: The department will utilize the “out of office” function of the NLA system to document deviations from exempt employees’ normal in-office schedules.

When an exempt employee is away from his / her office during regular office hours, for outside meetings, travel, or due to flexing time, the employee will enter an “Out of Office” entry in the NLA system along with an explanation or justification in the comments section. This will provide email notification to the employee’s Direct Supervisor and post an entry on the department’s NLA calendar so that anyone may see the employee’s availability. The Director, Manager, or Supervisor who has an exempt direct report will be responsible for monitoring time worked by their direct reports and ensuring compliance with city policies.

Assigned To	Target Date
Steven Martin, Director	04/10/2019

MANAGEMENT COMMENTS

The investigation from an anonymous hotline call did not result in a finding of time abuse. The department concurs with the observation regarding lack of standardization for monitoring and tracking time. In order to avoid creating additional time consuming administrative tasks, we will utilize the existing NLA system for the out of office functionality to meet the need of standardizing time monitoring and tracking for exempt employees. We will test out the procedure to be sure that the NLA system will support this functionality for documenting time. We anticipate the need for minimal training to implement the plan.

ACKNOWLEDGEMENTS

We would like to thank staff from the Department of Social Services and Department of Technology for their assistance in investigating these matters.



**Brian J. Pendleton, CPA
Senior Auditor**



**Drew Harmon, CPA, CIA
Municipal Auditor**