

# *CITY OF FORT LAUDERDALE*

## OFFICE OF THE CITY AUDITOR

*Continuous Monitoring of Overtime –  
Public Works Department*

*Report #20/21-08*

September 9, 2021



Memorandum No: 20/21-09

Date: September 9, 2021

To: Honorable Mayor and Commissioners

From: John Herbst, CPA, CGFO, CGMA  
City Auditor

Re: Continuous Monitoring of Overtime – Public Works Department

Due to the COVID-19 pandemic and other emergencies, the risk for adverse occurrence increases in both impact and likelihood in the utilization of overtime hours. Between January 1, 2020 and March 31, 2020, a significant amount of the City’s overtime paid was recorded by the Police and Public Works departments. Accordingly, we performed a limited scope audit of overtime for these two departments. This Memo focuses on overtime within the Public Works Department (PBS); a separate Memo was previously issued for the Police Department.

**Conclusion**

*The CAO found that all overtime hours were approved and payments materially reconciled to timekeeping records. However, we identified internal control weaknesses, described in Findings 1 – 3. We consider our Findings to be internal control “significant deficiencies,” as outlined under the Methodology section, which precluded us from reaching a meaningful conclusion on the existence and appropriateness of approvals. As a result of a weak internal control environment, there is a potential for overpayment of overtime.*

*In addition, as noted in the attached Exhibit 1 there are some instances of PBS workers receiving overtime equal to approximately 50% or more of their base pay that we believe merits further review by management.*

**Background**

The Public Works Department’s overtime hours, as a percentage of the City’s overtime hours, remained the second highest among all departments with an increase in FY2020 (see table for OT actuals at FYE):

Year	City	PBS	% of City
FY2017	\$ 12,819,373	\$ 2,862,889	22%
FY2018	\$ 11,852,997	\$ 2,881,767	24%
FY2019	\$ 13,553,219	\$ 2,543,646	19%
FY2020	\$ 13,870,110	\$ 2,964,637	21%
Total	\$ 52,095,699	\$ 11,252,939	22%

PBS developed a Basic Workweek and Overtime Policy (Policy #PW 1001) that was last revised in September 2018 and details the overtime request and approval process. The policy's process aligns with, and defers as supplemental to, the City's overtime requirements in the Policy and Standards Manual (PSM 6.32.1).

PBS uses Kronos to record overtime hours and approvals, as well as, uses spreadsheets to log justifications and approvals.

### **Scope and Objectives**

The limited scope audit focused on the *most dollars earned* and the *most overtime hours incurred* by employees between January 1, 2020 and March 31, 2020. The purpose of the audit was to evaluate the existence and appropriateness of approvals (signoffs) within the timekeeping system (Kronos) and accuracy of payments in the payroll system (Cyborg).

The engagement involved obtaining an understanding of internal controls over the overtime approval and payment processes, assessing internal control design adequacy and effectiveness, and determining any substantive exceptions.

### **Methodology**

The CAO conducted its assessment of internal controls using the May 2013 updated Internal Control—Integrated Framework established by The Committee of Sponsoring Organizations of the Treadway Commission (COSO). The framework defines internal control, describes the components of internal control and underlying principles, and provides direction for all levels of management in designing and implementing internal control and assessing its effectiveness. The five components of the COSO framework are: control environment, risk assessment, control activities, information and communication, and monitoring activities.

To meet our scope and objectives, we obtained an understanding of overtime approval and payment processes within PBS by reviewing its departmental Basic Workweek and Overtime Policy (Policy #PW 1001), inquiring of City personnel (PBS, IT, Payroll, Finance), performing data analysis, and inspecting documentation. Kronos time records for the sample were reconciled to the Cyborg payroll system to determine the accuracy of pay with timekeeping, and overtime pay was independently recalculated. In addition, we reviewed section 6.32.1 of the City's PSM on Reporting of Overtime Worked to Policy #PW 1001 to ensure there were no contradictions between the policies as it relates to overtime management.

We have identified three Findings during the audit. A Finding results from a failure to comply with policies and procedures, rules, regulations, contracts, and fundamental internal control practices.

A finding is categorized as a “deficiency,” a “significant deficiency” or a “material weakness” as defined below:

- *A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis.*

- *A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.*
- *A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.*

This limited scope audit was conducted in accordance with generally accepted government auditing standards. These standards require that we plan and perform the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our objectives.

## **Findings**

1. While both the PSM and the departmental policy (PW#1001) requires pre-approvals for overtime hours, we did not find evidence of this within or outside of the Kronos time-keeping system.

**Recommendation:** The CAO recommends that the Public Works Department implement a documented pre-approval process as required by the PSM and PW #1001. We also recommend that the City updates the PSM to reflect “unforeseen” overtime.

### **Management Response:**

In Response to the findings and recommendations extracted below, Public Works will be taking the following actions:

- Add language to the internal Basic Workweek and Overtime Policy allowing for verbal approval of overtime, when necessary (e.g., field work requiring office supervisor approval), written approval would follow.
  - Inform Human Resources of the concerns with the Citywide PSM.
  - Create internal controls in the form of an internal procedure, form, and database for requesting, approving, and tracking overtime.
    - The form will at a minimum meet the requirements of form J-224 referenced in the findings.
2. We noted that the Kronos system is not capable of recording justification for overtime, as required by the PSM. However, the PSM provides an alternative to record overtime details utilizing form J-224 - “Overtime Authorization Form.” This form is not utilized by PBS. Rather, several PBS supervisors developed their own spreadsheets for overtime tracking. Reviewing the six spreadsheets provided, we found the following internal control weaknesses:
    - a. The spreadsheets were incomplete. 11 out of the sample of 23 (48%) had no approval support.
    - b. The spreadsheets only record total overtime hours, while form J-224 requires regular and overtime beginning and ending times to clearly demonstrate when overtime occurred.

- c. The spreadsheets do not require approver signatures and dates, while form J-224 requires all forms to be signed and dated by the approver.
- d. The spreadsheets record the location and task/event for the overtime, while form J-224 also requires “reason overtime was required” to be documented.

**Recommendation:** The CAO recommends that a standardized method of tracking overtime be implemented. At the minimum, documentation should mirror the requirements on form J-224. Such as details on the beginning and end of overtime hours, the reasoning for the overtime, the approving supervisor, and the date of approval.

**Management Response:**

In Response to the findings and recommendations extracted below, Public Works will be taking the following actions:

- Create internal controls in the form of an internal procedure, form, and database for requesting, approving, and tracking overtime.
    - The form will at a minimum meet the requirements of form J-224 referenced in the findings.
3. From the sample of PBS high overtime earners, 15 out of 30 (50%), Kronos approvers did not match the worker’s named supervisor per the PBS organizational chart.

**Recommendation:** The CAO recommends ensuring that Kronos approvers are in line with the PBS organizational chart.

**Management Response:**

In Response to the findings and recommendations extracted below, Public Works will be taking the following actions:

- Add language to the internal Basic Workweek and Overtime Policy to clarify who is authorized to approve overtime.
- Review organizational charts to ensure supervisors are accurate.

**Attachments:**

- Exhibit 1 – Top 30 Employees with Most Overtime Incurred (FY 2Q2020)
- Exhibit 2 – Basic Workweek and Overtime Policy (Policy #PW 1001)
- Exhibit 3 – Policy and Standards Manual 6.32.1 – Reporting of Overtime Worked
- Exhibit 4 – Management Response

cc: Chris Lagerbloom, City Manager  
Greg Chavarria, Assistant City Manager  
Tarlesha Smith, Assistant City Manager  
Talal Abi-Karam, Interim Director of Public Works  
Alain E. Boileau, City Attorney  
Jeff Modarelli, City Clerk

**Exhibit 1 - Top 30 Employees with Most Overtime Incurred (FY 2Q2020)**

Sample #	DEPARTMENT	Highest OT Dollars Earned and/or Hours Incurred (2Q2020)	Total OT for FY2020	Base Pay (as of 10/1/2020)
1	PBS	\$ 36,346.24	\$73,537.17	\$80,382.90
2	PBS	\$ 30,506.79	\$69,056.37	\$71,041.88
3	POL	\$ 25,363.37	\$54,079.79	\$97,926.40
4	PBS	\$ 21,837.14	\$57,197.34	\$61,900.80
5	PBS	\$ 21,088.78	\$53,500.26	\$62,816.00
6	POL	\$ 20,125.23	\$64,284.33	\$69,451.20
7	PBS	\$ 19,323.21	\$37,535.29	\$68,827.20
8	POL	\$ 18,758.78	\$44,874.41	\$97,926.40
9	POL	\$ 18,435.51	\$49,528.40	\$115,460.80
10	PBS	\$ 18,306.54	\$30,901.62	\$64,529.14
11	PBS	447.25	\$49,855.25	\$57,033.60
12	POL	395	\$26,947.04	\$48,734.40
13	PBS	394.5	\$31,899.26	\$52,208.00
14	PBS	337.5	\$11,893.70	\$40,556.36
15	PBS	329.25	\$18,837.79	\$45,676.80
16	PBS	328.25	\$23,534.03	\$54,038.40
17	PBS	322	\$35,104.21	\$73,465.60
18	POL	321.75	\$22,513.52	\$48,734.40
19	PBS	316.25	\$22,547.39	\$53,393.60
20	PBS	308.5	\$19,715.44	\$42,390.40
21	PBS	304	\$29,984.80	\$51,459.20
22	PBS	297.75	\$41,332.87	\$51,459.20
23	POL	293	\$53,801.28	\$77,792.00
24	PBS	293	\$16,146.83	\$69,784.00
25	PBS	284.25	\$21,862.78	\$64,313.60
26	PBS	281.25	\$38,439.85	\$62,816.00
27	PBS	276.75	\$30,123.81	\$50,689.60
28	PBS	274	\$25,912.98	\$59,675.20
29	PBS	267.75	\$18,118.14	\$47,049.60
30	PBS	263.75	\$38,003.97	\$57,990.40

## Exhibit 2 - Basic Workweek and Overtime Policy (Policy #PW 1001)



# PUBLIC WORKS DEPARTMENT BASIC WORKWEEK AND OVERTIME - POLICY

Rev: 1 | Revision Date: 9/27/2018

I.D. Number: PW 1001

Uncontrolled in hard copy unless otherwise marked

### **Purpose**

The purpose of the Basic Workweek and Overtime Policy is to define the basic workweek and provide guidelines for distributing, tracking, and declining overtime work.

### **Policy**

#### **Basic Workweek:**

1. With the exception of continuous operations and programs, sections, or work units where an alternate schedule has been deemed necessary<sup>1</sup>, the basic workweek shall consist of five (5) consecutive eight (8) hour workdays<sup>2</sup>.
2. Continuous operations is any program, section, or work unit, which operates on a seven (7) day a week, 24 hour a day basis<sup>3</sup>.
  - The normal workweek for Community Builders, who are in a continuous operation, shall consist of five (5) eight (8) hour days, which may not be consecutive<sup>4</sup>.
3. Alternate schedules, if deemed necessary for operations or desirable, may be implemented for an individual or an entire program, section, or work unit, according to the terms of current labor agreements and personnel rules, with the approval of the appropriate Assistant Public Works Director.
  - The Public Works Director must be informed of any approved alternate schedule.
  - Alternate schedules must result in full-time Community Builders working a total of 80 hours within a two week pay period.
4. There shall be no split shifts<sup>5</sup>.
5. All Public Works Community Builders (hourly and salaried) are to have an established start and end time for each day within their workweek<sup>6</sup>.
  - With the exception of shift work, the established start and end time should ensure Community Builders are working during core business hours from 9:00AM to 3:00PM; however, alternate start and end times, if deemed necessary or desirable, may be implemented for an individual or an entire program, section, or work unit, according to the terms of current labor agreements and personnel rules, with the approval of the appropriate Assistant Public Works Director.
  - It is the responsibility of each supervisor to ensure their direct reports are adhering to their individual schedule.



## PUBLIC WORKS DEPARTMENT BASIC WORKWEEK AND OVERTIME - POLICY

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6. It is the responsibility of each Community Builder to communicate any variance from their established work schedule and to seek approval from their supervisor, if they desire or require a temporary or permanent change to their scheduled work hours in advance of the change.
  - Supervisors may approve changes to scheduled work hours, at their discretion, in consideration of operational impacts.

### Overtime:

1. All authorized and approved<sup>7</sup> work performed by "Fair Labor Standards Act (FLSA) nonexempt" (hourly) Community Builders in excess of forty (40) hours in any one workweek shall be considered as overtime and shall be paid at the overtime rate of one and one-half (1-1/2) times the Community Builder's regular hourly rate of pay or shall be accrued as compensatory time at one and one-half (1-1/2) times the overtime hours worked<sup>8</sup>.
  - The choice of compensatory time off or overtime pay shall be at the Community Builder's discretion, unless that compensatory time off would interfere with operational needs or there are insufficient funds to pay overtime<sup>9</sup>.
  - It is the supervisor's responsibility to inform a Community Builder scheduled to perform overtime work if compensatory time cannot be offered or there are insufficient funds to pay overtime.
2. All overtime must be approved by the Community Builder's immediate supervisor prior to the Community Builder beginning an overtime shift.
  - If a Community Builder is unable to reach their supervisor, they must seek and obtain approval from their acting supervisor, their supervisor's delegate (delegation must be in writing), or their supervisor's supervisor.
  - Community Builder's clocking in early or clocking out late without their supervisor's permission will not be considered to have worked approved overtime and may be subject to progressive disciplinary action.
  - Community Builders should notify their supervisor as early as possible if they can reasonably anticipate that overtime may be required.
3. Overtime opportunities will be distributed equitably among Community Builders in the same job classification, within their programs, sections, or work units, as far as the nature of the work permits<sup>10</sup>.
  - If a Community Builder declines an opportunity for overtime, the time they were offered will be counted as overtime worked for equalization purposes, not for payment purposes<sup>11</sup>.
4. If a Community Builder volunteers for overtime work or is mandated to work an overtime assignment, they must report to work as if reporting for a regularly scheduled workday<sup>12</sup>.





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5. In non-emergency situations, no more than 16 hours may be worked by an individual Community Builder in a 24 hour period, without prior approval from the appropriate Assistant Public Works Director.
  - In operational emergency situations, as declared by the appropriate Assistant Public Works Director, all shift limits will be suspended.
6. All "FLSA exempt" (salaried) Community Builders are expected to work whatever reasonable hours in excess of 40-hours per week that are required to fulfill their position responsibilities without additional compensation.

\*\*\*Please note that this internal policy is meant to supplement, not supersede, any existing City Policy, Personnel Rules, or labor agreement.

<sup>1</sup> Teamsters Contract Pg. 22 Article 22 Section 1 states "If the City desires to change the normal workweek, it shall provide written notice to the union of its intent. Upon receipt of the notice, the union shall have five (5) calendar days within which to request bargaining. If bargaining is requested, the parties agree to bargain over the City's proposed change for a period of no more than thirty (30) calendar days from the date of the request. If an impasse is reached, the City may implement the change within ten (10) calendar days. However, such change shall be subject to the results of the impasse resolution procedure. If no timely request for bargaining is made by the union, the City may implement the change no earlier than thirty (30) calendar days from the date of its notice. Employees may elect to work hours, days, and workweeks pursuant to the provisions of the City's Flexible Working Arrangement initiative in accordance with its terms."

<sup>2</sup> Personnel Rules Pg. 41 Rule XI, Section 1 states "The city manager shall establish hours of work which insofar as practicable shall be uniform within occupational groups, which shall be determined in accordance with the needs of the service, and which shall take into account the reasonable needs of the public who may be required to do business with various city departments."

Teamsters Contract Pg. 22 Article 22 Section 1 states "With the exception of continuous operations and refuse collection activities, the normal workweek shall consist of five (5) consecutive eight (8) hour workdays and forty (40) hours per week which may be interrupted by an unpaid lunch period. The normal workweek shall consist of forty (40) hours; however the parties, by mutual agreement, may agree to work schedules in specific work units that may vary from the normal five (5) consecutive day, eight (8) hours per day workweek."

Federation of Public Employees Contract Pg. 17 Article 22, Section 1 states "The workweek shall be determined by the Department Director or designee in accordance with the provisions of Article 12, Management Rights of this Agreement. The standard workweek for bargaining unit employees consists of forty (40) hours."

<sup>3</sup> Teamsters Contract Pg. 22 Article 22 Section 1 states "For purposes of this Agreement, continuous operation is any division which operates on a seven (7) day a week, twenty-four (24) hour basis."  
Federation, Personnel Rules and PSM are silent on this issue.

<sup>4</sup> Teamsters Contract Pg. 22 Article 22 Section 1 states "The normal workweek for employees covered by this Agreement who are in a continuous operation shall consist of eight (8) hours per day and forty (40) hours per week."



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It is understood that in continuous operations the workweek shall not necessarily consist of five (5) consecutive workdays."

Federation, Personnel Rules and PSM are silent on this issue.

<sup>5</sup> Teamsters Contract Pg. 23 Article 22 Section 5 states "There shall be no split shifts."

A split shift is a working shift comprising of two or more separate periods of duty within a single day (e.g. First shift 8:00AM-12:00PM and second shift 4:00PM to 8:00PM.)

<sup>6</sup> The only mention of start or end times occurs in PSM 6.2.4. Attendance Policy, where it references reporting to work after a starting time and calling in prior to starting time.

<sup>7</sup> PSM 6.32.1 Reporting of Overtime Worked stated "Prior to working any overtime, employees must receive approval from their immediate supervisor. Where practicable, employees must receive written approval prior to working overtime."

<sup>8</sup> Personnel Rules Pg. 41 Rule XI, Section 1 states "Public necessity of an occasional nature may require reasonable overtime on the part of city employees. Employees who work over stipulated hours whenever necessity demands additional service of an occasional nature shall be compensated at the overtime rate or given compensatory time off in accordance with and subject to the provisions of Section 2-29.6 of the Pay Plan.

Teamsters Contract Pg. 22 Article 22 Section 2 states "All authorized and approved work performed in excess of forty (40) hours in any one workweek shall be considered as overtime and shall be paid (unless the employee is granted compensatory time off) at the overtime rate of one and one-half (1-1/2) times the employee's regular, hourly rate of pay. Compensatory time is time earned at one and one-half (1-1/2) times the overtime hours worked by an employee."

Federation of Public Employees Contract Pg. 17 Article 22, Section 1 states "All bargaining unit employees are expected to work whatever reasonable hours in excess of 40-hours per week that are required to fulfill their position responsibilities without additional compensation."

<sup>9</sup> Teamsters Contract Pg. 22 Article 22 Section 2 states "The choice of compensatory time off or overtime pay shall be at the employee's option unless that compensatory time off would interfere with the operational needs of the department involved or there are insufficient funds to pay overtime. Accrued unused compensatory time off may not exceed forty (40) hours. Once the forty (40) hours compensatory time maximum accrual has been reached, employees required to work in excess of forty (40) hours in a designated workweek shall be paid overtime at the time and one-half rate. Accrued compensatory time must be used within six (6) months of the accrual date or shall be paid at the applicable overtime rate of pay."

<sup>10</sup> Teamsters Contract Pg. 23 Article 22 Section 4 states "Employees may be required to work overtime as scheduled. Overtime will be distributed equitably among employees in their particular job classification, in their organizational units, (i.e. major shop areas, department, shift, section, etc.) as far as the nature of the work permits. Although temporary imbalances in the distribution of overtime may occur, nothing in this Section shall be construed as alleviating the continuing intent of departmental management to distribute overtime fairly and equitably over an extended period of time. Departmental management will maintain overtime records and will make such information available to a Union representative upon request."

<sup>11</sup> Teamsters Contract Pg. 23 Article 22 Section 7 states "An employee declining overtime shall be credited with the overtime worked by the employee accepting or assigned to the overtime for equalization purposes. Employees may be passed over in order to comply with equalization objectives."



# PUBLIC WORKS DEPARTMENT

## BASIC WORKWEEK AND OVERTIME - POLICY

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<sup>12</sup> Teamsters Contract Pg. 23 Article 22 Section 7 states "If an employee volunteers for overtime work or is mandated to work an overtime assignment, he/she must report to work as if reporting on a regularly scheduled workday. Failure to so report will result in appropriate disciplinary action."

**Exhibit 3 - Policy and Standards Manual 6.32.1 – Reporting of Overtime Worked**

		6	32	1	1
		CH	SEC	SUBJ	PAGE
CITY OF FORT LAUDERDALE				DATE ISSUED: 09-25-06	
<b>POLICY and STANDARDS MANUAL</b>		CHAPTER: EMPLOYEE RELATIONS AND WELFARE			6
		SECTION: REPORTING OF OVERTIME WORKED			32
SUBJECT: GENERAL POLICY AND PROCEDURES				1	
PURPOSE	To explain the procedures that employees must follow when overtime hours are worked, and to ensure that all overtime is promptly reported so that employees are paid timely for all overtime worked or credited with the proper amount of compensatory ("comp") time. The prompt recording of overtime worked is required so that departments can adequately monitor overtime expenditures on an on-going basis. Procedures for earning overtime are contained in the individual bargaining agreements. This policy is not meant to change those requirements.				
COVERAGE	This policy applies to all "nonexempt" employees of the City of Fort Lauderdale per the provisions of the Fair Labor Standards Act (FLSA). These employees are commonly referred to as hourly-paid employees - they receive either cash overtime or comp time for hours worked beyond their normal workweek (usually 40 hours).				
POLICY	<p>Prior to working any overtime, employees must receive approval from their immediate supervisor. Where practicable, employees must receive written approval prior to working overtime. It is each supervisor's responsibility to ensure that sufficient funds are available in their department budget to cover all overtime expenses, and that all overtime is justified and properly documented.</p> <p>Employees must submit the appropriate timekeeping documentation to their immediate supervisor at the end of the work day/shift during which the overtime was worked. Form J-224 (see attachment) will be used to document overtime worked unless the department uses an automated timekeeping system (Scantron, Kronos, etc.). It is each supervisor's responsibility to train their employees regarding the following: 1) the overtime pre-approval process; 2) the documentation required for overtime hours worked; and 3) the requirement that all overtime documentation must be submitted for supervisory approval in a timely manner.</p> <p>Supervisors (including acting supervisors) are required to review overtime documentation submitted by their employees and to timely approve/disapprove this documentation so that the payment of the cash overtime or crediting of comp time is included in the pay check issued for the bi-weekly pay period during which the overtime was worked. IAFF union personnel assigned to a 48-hour workweek schedule are on a 21-day work cycle (for overtime pay calculation purposes). Except in extraordinary circumstances, overtime pay for these IAFF employees should be included in the paycheck immediately following completion of the 21-day work cycle.</p>				

In the event there are any contradictions between these procedures and any provision(s) of a labor agreement, the labor agreement will control.

Please contact your department's timekeeper with any questions. For questions that cannot be resolved at the department level, contact either the Classification and Compensation Manager or Personnel Records Specialist in the Human Resources Department.



### CITY OF FORT LAUDERDALE, FLORIDA OVERTIME AUTHORIZATION FORM

CASH

"COMP" TIME

EMPLOYEE NAME: \_\_\_\_\_

EMPLOYEE #: \_\_\_\_\_

DATE OVERTIME WAS WORKED: \_\_\_\_\_

REGULAR WORK SHIFT HOURS: \_\_\_\_\_ A.M./P.M. - \_\_\_\_\_ A.M./P.M.  
(from) (circle) (to) (circle)

LUNCH PERIOD: \_\_\_\_\_ A.M./P.M. - \_\_\_\_\_ A.M./P.M.  
(from) (circle) (to) (circle)

NUMBER OF OVERTIME HOURS WORKED: \_\_\_\_\_

OVERTIME WAS WORKED: \_\_\_\_\_ A.M./P.M. - \_\_\_\_\_ A.M./P.M.  
(from) (circle) (to) (circle)

REASON OVERTIME WAS REQUIRED: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**MY SIGNATURE BELOW CONFIRMS THAT THE ABOVE IS A COMPLETE AND ACCURATE RECORD OF THE HOURS I WORKED FOR THE LISTED TIME PERIOD. I UNDERSTAND THAT WILLFULLY PROVIDING FALSE PAYROLL INFORMATION MAY SUBJECT ME TO DISCIPLINARY ACTION UP TO AND INCLUDING DISMISSAL.**

EMPLOYEE'S SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
SUPERVISOR'S NAME/JOB TITLE

FORM J-224

## Exhibit 4 – Management Response

**From:** [Jason Snifield](#)  
**To:** [Maria Panyi](#)  
**Cc:** [John Herbst](#); [Raj Verma](#); [Talal Abi-Karam](#)  
**Subject:** RE: OT Audit Management Responses  
**Date:** Wednesday, June 30, 2021 1:49:45 PM  
**Attachments:** [image001.png](#)  
[memo 20-21.04 OT monitoring V3 DRAFT.docx](#)

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Good afternoon Maria,

Thank you for reaching out and taking the time to speak with me yesterday. Public Works has reviewed the findings in the attached and concurs with the findings. Staff will be working to address them over the next few months.

In Response to the findings and recommendations extracted below, Public Works will be taking the following actions:

- Add language to the internal Basic Workweek and Overtime Policy allowing for verbal approval of overtime when necessary (e.g. field work requiring office supervisor approval), written approval would follow (Finding #1).
- Inform Human Resources of the concerns with the Citywide PSM (Finding #1).
- Create internal controls in the form of an internal procedure, form, and database for requesting, approving, and tracking overtime (Findings #1 and #2).
  - The form will at a minimum meet the requirements of form J-224 referenced in the findings.
- Add language to the internal Basic Workweek and Overtime Policy to clarify who is authorized to approve overtime (Finding #3).
- Review organizational charts to ensure supervisors are accurate (Finding #3).

### **City Auditor's Office – Findings and Recommendations:**

1. While both the PSM and the departmental policy (PW#1001) requires pre-approvals for overtime hours, we did not find evidence of this within or outside of the Kronos time-keeping system.

**Recommendation:** The CAO recommends that the Public Works Department implement a documented pre-approval process as required by the PSM and PW #1001. We also recommend that the City updates the PSM to reflect “unforeseen” overtime.

2. We noted that the Kronos system is not capable of recording justification for overtime, as required by the PSM. However, the PSM provides an alternative to record overtime details utilizing form J-224 - “Overtime Authorization Form.” This form is not utilized by PBS. Rather, several PBS supervisors developed their own spreadsheets for overtime tracking. Reviewing the six spreadsheets provided, we found the following internal control weaknesses:

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**Recommendation:** The CAO recommends that a standardized method of tracking overtime be implemented. At the minimum, documentation should mirror the requirements on form J-224. Such as details on the beginning and end of overtime hours, the reasoning for the overtime, the approving supervisor, and the date of approval.

- 3. From the sample of PBS high overtime earners, 15 out of 30 (50%), Kronos approvers did not match the worker’s named supervisor per the PBS organizational chart.

**Recommendation:** The CAO recommends ensuring that Kronos approvers are in line with the PBS organizational chart.

Kind regards,

Jason Snifeld, MPA  
Senior Assistant to the Director – Public Works  
City of Fort Lauderdale  
O: (954) 828-7882 C: (561) 418-1942

