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November 18, 2003

Mr. Glenn S. Goord  
Commissioner  
NYS Department of Correctional Services  
State Campus, Building 2  
Albany, NY 12226

Re: Report 2003-F-33

Dear Mr. Goord:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution; and Article II, Section 8 of the State Finance Law, we have reviewed the actions taken by officials of the Department of Correctional Services (Department) as of September 4, 2003, to implement the recommendations contained in our audit report, *Sing Sing Correctional Facility: Selected Payroll Practices* (Report 2001-S-40). Our report, which was issued on August 8, 2002, examined controls over selected payroll practices at the Sing Sing Correctional Facility to determine whether Sing Sing officials had complied with applicable laws and regulations, and Department policies and procedures.

### **Background**

The Department's Sing Sing Correctional Facility (Facility) is located in the town of Ossining, New York. It is both a maximum security and medium security facility for males 16 years of age or older. As of September 2003, the Facility housed 1,700 maximum security inmates and 50 medium security inmates; and employed 680 security staff assigned to the supervision of inmates, as well as 300 staff assigned to support and program services. For the fiscal year that ended on March 31, 2003, the Facility spent \$41.8 million on personal services, including \$5.3 million in overtime.

### **Summary Conclusions**

In our prior audit, we identified a number of internal control weaknesses. In particular, employee time cards had not been completed properly and had not been reviewed adequately by supervisors; some time cards had never been submitted for processing; and the time cards that were submitted had been processed routinely in an untimely manner. We concluded that, because of these and other weaknesses, Facility employees were more likely to be paid for time they did not actually work.

In our follow-up review, we found that Facility officials have made some progress in correcting some of the problems we identified. However, additional improvements are needed.

### **Summary of Status of Prior Audit Recommendations**

Of the ten prior audit recommendations, four recommendations have been implemented, one recommendation has been partially implemented, four recommendations have not been implemented, and one recommendation is not applicable.

### **Follow-up Observations**

#### **Recommendation 1**

*At the end of each payroll period, promptly identify and follow up on any time cards that have not been submitted to the Personnel Unit.*

Status - Not Implemented

Agency Action - According to Department procedures, the Facility Watch Commander picks up the time cards from the card racks at the end of each payroll period, reviews them for completeness and accuracy, and sends them to the timekeepers in the Personnel Unit. Facility Policy 153 requires the Watch Commander to notify employees whose cards are missing and to send the names of these employees to the timekeepers. Both Department Directive 2205 and Facility Policy 153 prohibit the holding of time cards because an employee is on leave, vacation, etc. When cards are missing, the timekeepers are to contact the supervisors and request that the cards be submitted.

Despite policy and directives, we found that identifying and following up on late time cards continues to be a problem. As of September 3, 2003, the timekeepers' records indicated that the timekeepers had not yet received 30 of the 325 time cards that should have been submitted by selected corrections officers for the June 25, 2003, payroll period. When we asked the Watch Commander on duty about the 30 cards recorded as missing, we learned that many represented staff who had been transferred to other facilities, or had retired or left Department service. These former employees' names should not have been in the timekeeping system. Although the Watch Commander did not have any of the cards that were missing for the June 25<sup>th</sup> payroll, more than 50 time cards remained in the Watch Commander's Office from prior periods, many dating back to the May 14, 2003, payroll. Some of these cards were for security staff on long-term leave or vacation, and were being held because they did not have the employees' signatures.

#### **Recommendation 2**

*Develop a specific plan for eliminating the delay in verifying that submitted time cards agree with other available time and attendance information.*

Status - Not Implemented

Agency Action - Besides the timekeepers' delay in completing the time card review for the June 25, 2003, payroll period for the Facility's correction officers, they were one payroll period behind in verifying the civilian employees' time records. Although this is an improvement over the 13-week lag that occurred at the time of our prior audit, the Facility still has not developed a specific plan for eliminating the delays.

According to Facility officials, timekeepers could be caught up by November or December 2003 if they had proper staffing levels. However, the Facility has not taken specific actions to address the problems that delay the transmittal of time cards. For example, a plan to have the Time and Attendance Lieutenant track down missing or improperly completed time cards, a function that is currently performed by timekeeping staff, has been on hold until the Lieutenant has resolved other timekeeping problems. As a result, timekeepers are still tracking missing cards or trying to resolve other issues with time cards, taking a significant amount of time away from their posting duties.

### **Recommendation 3**

*Recover the overpayments made to the two correction officers.*

Status - Partially Implemented

Agency Action - We determined during our audit that, due to the backlog in verifying that the submitted time cards agreed with other available time and attendance information, one officer had been paid \$1,740 incorrectly and another was overpaid \$5,720. During our follow-up review, we saw evidence that the Facility had recovered the \$1,740 overpayment and is pursuing the second.

### **Recommendation 4**

*Program all Facility time clocks to print out the date and the time (in military format) when they are punched, and promptly add ink to clocks when their imprints begin to fade.*

Status - Implemented

Agency Action - The Facility has reprogrammed its time clocks. We reviewed a sample of time cards from the civilian time clock located in the Administration Unit, from two clocks located in the line-up room, and from one clock located in the garage. All the time cards printed clearly and included the time (a.m. or p.m.), day of the week, and the date.

### **Recommendation 5**

*Closely monitor employee adherence to established timekeeping procedures.*

Status - Not Implemented

Agency Action - Although the Facility has provided its civilian and security staff with training in time and attendance procedures, and both the security and civilian supervisors hold regular

meetings where they discuss time and attendance matters, problems in adhering to time and attendance procedures continue to exist. For example, in addition to the 30 missing corrections officers' time cards for the June 25, 2003, payroll, the timekeepers' reconciliation list contained 45 cards that had been returned to the supervisors because they were incomplete. We also observed several cards from the May 14, 2003, payroll that was still at the Watch Commander's Office.

### **Recommendation 6**

*Develop a plan for improving the supervisory review of time cards.*

Status - Not Implemented

Agency Action - According to Facility officials, all supervisors have received copies of Department Directive 2202, which provides guidance on time and attendance controls. Facility officials also use monthly civilian and security supervisors' meetings to stress adherence to this Directive, as well as Directive 2205 and Facility Policy 153, which also address timekeeping. In addition, the Facility provided all staff with instruction in time and attendance matters as part of its annual training program that took place during April 2002 and March 2003. Despite these activities, the Facility still has not developed a plan for improving supervisory review of time cards. As a result, time and attendance problems continue.

### **Recommendation 7**

*Investigate the errors and inadequately supported payments identified in our review of time cards, and recover any payments that were made for time that was not actually worked.*

Status - Implemented

Agency Action - Facility officials reported to us that they had investigated each error reported in our prior audit, and had made the proper adjustments (e.g., pay deduction, timecard correction, etc.). We reviewed a testimonial stating that the investigations had been performed, as well as a copy of one of the memos that was sent to an affected staff member at the time of the Facility's review.

### **Recommendation 8**

*Regularly reconcile overtime payments to employee time cards to ensure that the payments are consistent with the time cards, and promptly resolve any discrepancies that are identified by the reconciliation.*

Status - Implemented

Agency Action - The reconciliation process that was suspended at the time of our audit has been re-instituted. A clerk in the Payroll Office compares biweekly reports generated by the timekeepers from the time cards with daily overtime reports that were generated

independently by the Facility's Staffing Office. Any discrepancies or other issues are referred to the Deputy Superintendent for Administration.

**Recommendation 9**

*Provide ongoing comprehensive training on timekeeping procedures to all employees.*

Status - Implemented

Agency Action - Since June 2002, the Facility has provided ongoing training to both civilian and security personnel. The training included Department Directives 2202 and 2205, and Facility Policy 153.

**Recommendation 10**

*Recover any payments for military leave that are not supported by an LES.*

Status - Not Applicable

Agency Action - Upon subsequent review, the Facility located documentation that confirmed the four days of military leave that we questioned in our audit.

Major contributors to this report were John Buyce, Joel Biederman, and Don Wilson.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We also thank the management and staff of the Department and the Facility for the courtesies and cooperation extended to our auditor during this review.

Very truly yours,

Frank J. Houston  
Audit Director

cc. Brian Fischer, Superintendent  
Leo Bisceglia, Director of Internal Control  
Deirdre A. Taylor, Division of the Budget