

*A REPORT BY THE NEW YORK STATE
OFFICE OF THE STATE COMPTROLLER*

**Alan G. Hevesi
COMPTROLLER**



**OFFICE OF CHILDREN AND FAMILY
SERVICES**

**HARLEM VALLEY SECURE CENTER
SHIFT EXCHANGE PRACTICES**

2003-S-16

DIVISION OF STATE SERVICES

OSC Management Audit reports can be accessed via the OSC Web Page:

<http://www.osc.state.ny.us>

If you wish your name to be deleted from our mailing list or if your address has

changed,

contact the State Audit Bureau at (518) 474-3271

or at the

Office of the State Comptroller

110 State Street

11th Floor

Albany, NY 12236



Alan G. Hevesi
COMPTROLLER

Report 2003-S-16

Mr. John A. Johnson
Commissioner
Office of Children and Family Services
52 Washington Street
Rensselaer, NY 12144

Dear Mr. Johnson:

The following is our report on shift exchange practices at the Harlem Valley Secure Center operated by the Office of Children and Family Services.

This audit was performed 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 list major contributors to this report in Appendix A.

Office of the State Comptroller
Division of State Services

March 1, 2004

EXECUTIVE SUMMARY

OFFICE OF CHILDREN AND FAMILY SERVICES HARLEM VALLEY SECURE CENTER SHIFT EXCHANGE PRACTICES

SCOPE OF AUDIT

The Office of Children and Family Services (OCFS) operates facilities for the care and treatment of youth, adjudicated as juvenile delinquents or juvenile offenders, who are placed in its custody by family and criminal courts. OCFS operates 31 residential centers, including Harlem Valley Secure Center (Harlem Valley), located in Dutchess County. During the fiscal year that ended on March 31, 2003, capacity at this facility was reduced from 130 beds to 70 beds. Harlem Valley's 157 employees, most of them Youth Division Aides, are eligible to alter their work schedules temporarily by agreeing to work each other's shift. Such mutual shift exchanges are allowed by New York State (State) and Federal law.

Shift exchange practices within OCFS are controlled at the facility level through local labor-management agreements. Harlem Valley permits employees to make temporary changes in their work schedules for personal reasons as long as minimum coverage is maintained at all times. The agreement at Harlem Valley includes specific control features that limit the number of such exchanges, require completion within a short period, and require prior supervisory approval on a shift exchange form.

Our audit addressed the following questions about shift exchange practices at Harlem Valley for the period of April 1, 2002, through April 30, 2003:

- Did Harlem Valley record shift exchanges properly on time and attendance documents?
- Did Harlem Valley employees perform shift exchanges as recorded, and in accordance with the time and attendance policies of OCFS and the shift exchange policy of Harlem Valley?
- Did OCFS and Harlem Valley monitor shift exchanges adequately?

AUDIT OBSERVATIONS AND CONCLUSIONS

We found that, for those items tested, shift exchanges at Harlem Valley generally were recorded properly on employee time and attendance records. Although we found that most exchanges were performed as recorded, we also found that not all shift exchanges were executed according to their terms. We concluded that shift exchanges could be monitored more closely, by the facility and OCFS.

We noted that our sample of 15 employees had entered into 46 shift exchanges. Our tests revealed that in 23 instances the exchanging partner had not been indicated in the time sheet entry despite a requirement by the local agreement to do so. Further, we observed that various controls related to the exchange forms that are also specified in Harlem Valley's local agreement, were not always followed. (See pp. 5-7)

We found that 3 of the 46 sampled exchanges had not been executed according to the terms of the approved shift exchange agreements. We found that arrangements for staff coverage required by exchanges that had not been executed properly may have been either inadequate or costly. We also found although the local agreement states an employee may be subject to disciplinary action for failing to honor an exchange, it does not define clearly the appropriate disciplinary action, or the details of when, and against whom, such action should be taken. (See pp. 7-9)

OCFS and Harlem Valley management are responsible for monitoring compliance with established shift exchange policies and procedures, and for monitoring internal controls for shift exchanges to verify that they are in place and functioning as intended. However, we observed that Harlem Valley did not always monitor shift exchanges adequately and OCFS also needs to improve its monitoring of shift exchange controls and practices at its facilities. (See pp. 9-11)

COMMENTS OF OCFS OFFICIALS

OCFS officials generally concurred with the report's recommendations, and indicated steps either already taken or being considered to implement them. OCFS officials pointed out that monitoring shift exchanges is primarily a facility-level responsibility.

CONTENTS

Introduction

Background	1
Audit Scope, Objectives, and Methodology	2
Response of OCFS Officials to Audit	3

Controls Over Shift Exchanges

Time Sheet Recording and Supervisory Review	5
Shift Exchanges Not Performed as Approved	7
Monitoring Shift Exchanges	9
Recommendations	10

Appendix A

Major Contributors to this Report	12
-----------------------------------	----

Appendix B

Comments of OCFS Officials	13
----------------------------	----

INTRODUCTION

Background

The Office of Children and Family Services (OCFS) operates secure, limited-secure, and non-secure facilities for the care, custody, treatment, housing, education, rehabilitation, and guidance of youth adjudicated as juvenile delinquents or juvenile offenders who are placed in its care by family and criminal courts. OCFS operates a total of 31 residential centers, including Harlem Valley Secure Center (Harlem Valley) in Dutchess County. During the fiscal year that ended on March 31, 2003, capacity at this secure facility was reduced from 130 beds to 70 beds. Harlem Valley provides intensive programming for male youths requiring long-term care under a highly-controlled and restrictive environment. Most of its 157 employees are Youth Division Aides. For the fiscal year that ended on March 31, 2003, Harlem Valley had personal service costs of \$8.7 million, including \$1 million in overtime.

Pursuant to the regulations of the Division of the Budget (9 NYCRR 135.5) and section 134 of the New York State Civil Service Law, employees in certain circumstances, who are in the same title, are permitted to make mutual agreements to exchange shifts without overtime compensation. Under this arrangement, also known as swapping time, two employees temporarily alter their work schedules by agreeing to work each other's shift. In return for substituting for each other, both receive a shift off with no charge to their balances of leave accruals. Section 207(p)(3) of the Fair Labor Standards Act stipulates that the hours an employee works as a shift exchange shall not be counted for the purposes of overtime compensation.

According to OCFS officials, shift exchanges are allowed by facility management, under the local labor-management agreements, so that certain employees, including Youth Division Aides working at residential centers, can request permission to trade the days they work. By allowing such trades, the officials expect to reduce overtime caused by unauthorized absences, at the same time maintaining an acceptable level of services. OCFS officials told us they consider the question of penalties for not working an exchanged shift to be a facility-level issue, because the facilities make their own exchange agreements

with their bargaining units and OCFS has no centralized shift exchange policy. However, OCFS management expects employee time sheets reflecting such arrangements to be filled out according to OCFS guidelines.

Audit Scope, Objectives and Methodology

We audited shift exchange practices at Harlem Valley for the period of April 1, 2002, through April 30, 2003. The objectives of our performance audit were to determine whether Harlem Valley employees record shift exchanges properly on time and attendance records, whether they perform shift exchanges as recorded, and in accordance with time and attendance policies of OCFS and the shift exchange policy of Harlem Valley, and whether OCFS and Harlem Valley monitor the shift exchanges adequately. To accomplish these objectives, we interviewed officials at Harlem Valley and OCFS. We also reviewed written policies and procedures and the local shift exchange agreement, and examined facility logs, work schedules, and time sheets at Harlem Valley and OCFS for a sample of employees.

We conducted our audit in accordance with generally accepted government auditing standards. Such standards require that we plan and perform our audit to adequately assess those operations which are included in our audit scope. Further, these standards require that we understand Harlem Valley's internal control structure and its compliance with those laws, rules and regulations that are relevant to the operations included in our audit scope. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operating records and applying such other auditing procedures as we consider necessary in the circumstances. An audit also includes assessing the estimates, judgments, and decisions made by management. We believe that our audit provides a reasonable basis for our findings, conclusions and recommendations.

We use a risk-based approach when selecting activities to be audited. This approach focuses our audit efforts on operations that have been identified through a preliminary survey as having the greatest probability for needing improvement. Consequently, by design, finite audit resources are used to identify where and how improvements can be made. Thus, little audit effort is devoted to reviewing operations that may be

relatively efficient or effective. As a result, our audit reports are prepared on an “exception basis.” This report, therefore, highlights those areas needing improvement and does not address activities that may be functioning properly.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State, several of which are performed by the Division of State Services. These include operating the State’s accounting system; preparing the State’s financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under Generally Accepted Government Auditing Standards. In our opinion, these management functions do not affect our ability to conduct independent audits of program performance.

Response of OCFS Officials to Audit

A draft copy of this report was provided to OCFS officials for review and comment. Their comments were considered in preparing this report.

OCFS officials generally concurred with the report’s recommendations, and indicated steps either already taken or being considered to implement them. OCFS officials pointed out that monitoring shift exchanges is primarily a facility-level responsibility.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office of Children and Family Services shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons therefor.

CONTROLS OVER SHIFT EXCHANGES

The shift exchange agreement in effect for Harlem Valley employees includes specific control features that limit the number of such exchanges, require completion within a short time frame, and require prior supervisory approval on a shift exchange agreement form. Shift exchanges can be granted at Harlem Valley only when:

- the use of leave accruals would result in inadequate coverage or overtime;
- the exchange provides for an acceptable level of coverage;
- participation is voluntary; and
- the exchange does not result in the payment of overtime to any employee for taking over another employee's shift.

The shift exchange form must contain the names of both employees participating in the exchange, the time and dates of the shifts to be exchanged, and an identification of the employee who will work each shift. Each form is to be signed by both employees, both employees' supervisors, and the facility director or designee. In addition, the hours actually worked by each employee during the exchange are to be fully disclosed on each employee's time sheet. Both the facility and the OCFS Time Records Unit verify the reported shift exchange activity described on the form. While the Times Records Unit's review is solely for payroll purposes, the facility's review also assesses compliance with the shift exchange terms of the local labor agreement.

For those items tested, we found that, in general, shift exchanges at Harlem Valley were recorded properly on employee time and attendance records. Although we noted that most exchanges were performed as approved, we identified three that were not executed according to their terms, possibly resulting in either inadequate or costly coverage. We found that

it was unclear what penalties should be imposed when such deviations occur, or when and how the penalties should be assessed. We also concluded that shift exchanges were not monitored as closely as they should be by either the facility or OCFS.

We note that OCFS officials are planning to close Harlem Valley by April 2004, for budgetary reasons. Its resident population and staff will then be transferred to remaining facilities. The control weaknesses we identified at Harlem Valley related to shift exchanges are similar to those we previously identified at another OCFS facility, Goshen Residential, in Report 2002-S-17 (issued April 14, 2003). We believe OCFS should assess the extent to which similar practices and control risks exist at its other facilities. It should also make an effort to adopt our recommended control enhancements at all of its facilities, thus strengthening controls throughout the OCFS system.

At the conclusion of this audit, OCFS officials provided us with a memorandum they distributed to assist facilities in developing or modifying the policies and procedures in the local shift exchange agreements.

Time Sheet Recording and Supervisory Review

OCFS employees record their work time on time sheets that cover two consecutive biweekly payroll periods (28 days). Employees are expected to record the hours they work, including all overtime and shift exchanges, for each day. Absences are to be noted by abbreviations for the type of absence. Supervisors are to review the time sheets, return them for correction if needed, and sign the time sheets to certify that they are accurate. Employee and supervisor responsibilities for completing and reviewing time sheets are described in the OCFS Policy and Procedures Manual (Manual), but the Manual does not address such responsibilities specifically in terms of their relationship to shift exchanges.

According to Harlem Valley's local agreement, employees are required to record shift exchanges on their time sheets and attach an approved shift exchange agreement form. The employee who is not working the scheduled shift is supposed to record that the absence is due to an exchange, and indicate the name of the employee who is working the shift. The employee

working the shift is to record the hours worked and indicate the name of the employee who was scheduled to work the shift.

Employees are required to sign the security log upon entering the facility, and to record both their entry and exit times. Management prepares a weekly schedule of staffing for all planned shifts (both regular and overtime), as well as all of the planned absences (including the expected shift exchanges and the identity of the substituting employees). In addition, supervisors prepare a daily log of unit coverage and check off the names of employees actually present. All of these records exist to provide evidence of employees' presence or absence.

To determine whether shift exchanges at Harlem Valley had been recorded properly on time and attendance records, performed as recorded, and handled in compliance with Harlem Valley policy, we tested a judgmental sample of 15 of the 157 eligible employees by comparing their time sheet entries with those made in the security log and with applicable staffing schedules. We selected 7 of the 15 employees from a list of 10 that had been identified by management as frequent shift-exchangers. Of the remaining eight employees, we identified three as frequent exchange partners of the ten identified by management, and two as high overtime earners identified through the State Payroll System (PaySr). The remaining three were chosen randomly from the December 12, 2002 weekly schedule. For each employee, we judgmentally selected two time sheets, one from the ten months from April 2002 through January 2003 and one from February 2003 through April 2003. We structured our sample this way because there was a change in facility administration at the end of January 2003.

To identify shift exchange activity and determine whether shift exchanges were being recorded adequately for our sample, we compared entries on the time sheets with entries to the security log, the weekly schedule, and the shift exchange forms. We found that the sampled employees had entered into 46 shift exchanges. We found in 23 instances of 184 (46x4), the exchanging partner had not been indicated in the time sheet entry, despite a requirement by the local shift exchange agreement to do so.

We found a lack of compliance with various controls over shift exchange activity as described in the Harlem Valley local agreement. For example:

- 43 of the exchange forms had not been signed by either of the employees' supervisors;
- 4 of the exchange forms had not been signed by one of the exchanging employees; another, covering two exchanges, had not been signed by either employee;
- No approval date appeared on 14 of the exchange forms, even though they had been approved and signed by the facility director's designee;
- The approval date listed for one exchange form was two days later than the day the first shift was exchanged; and
- 22 of the exchanged shifts did not appear on the weekly schedule.

The supervisor's signature both acknowledges that the employee is eligible to participate in the exchange and attests to the supervisor's prior knowledge of an exchange. Because they do not sign the forms, Harlem Valley supervisors may only be aware of exchanges through the weekly schedules or informal e-mails. Further, if approval dates are missing, there is no evidence that the exchange was approved before the fact, as required. If employee signatures are missing, there is no evidence that the exchange was mutual, as required.

We also found that the administrator-on-duty (AOD) becomes aware of exchanges primarily through the weekly schedules. As previously stated, we found 22 exchanged shifts that did not appear on the weekly schedules. Yet, the AOD is responsible for each shift's staffing decisions, including the need for and selection of employees to work overtime. If unauthorized absences are to be summarized properly, and disciplinary action initiated when warranted, the AOD must be aware of all shift exchanges.

Shift Exchanges Not Performed as Approved

If a shift exchange takes place as approved, it should have no effect on either personal service costs or coverage, because the hours worked by the employee covering the shift are the same as those of the employee originally scheduled to work the shift. However, if either party to the agreed-upon exchange is absent, the facility will either incur additional personal service

costs through overtime or be short-staffed for the affected tour of duty.

According to the local agreement, a shift exchange can be approved only if leave was requested and denied, or would be denied, because the use of leave would result in inadequate or costly coverage. An employee may be subject to disciplinary action for failing to honor the agreement's provisions. Harlem Valley management noted that, since no specific disciplinary measures are cited for employees who fail to work an exchange, any disciplinary actions would be overturned in a grievance procedure.

Further, the agreement does not specify which exchanging party should be disciplined and when. Harlem Valley and OCFS officials provided us with different opinions about which employee should be penalized, and what methods should be employed to deal with an exchanged shift that is not worked. For example:

- A Harlem Valley official told us that, if the first half of the exchange was not worked, the swap is considered canceled and the initiating employee, if absent, has to charge accruals. If the second half of the exchange is not worked, the defaulting employee would be recorded as absent without pay.
- Another OCFS official said that the employee originally scheduled to work the shift not worked should be penalized.

To determine whether exchanges were worked as approved, we reviewed shift exchange agreements, staffing schedules, and schedule logs. Our test of the 46 identified shift exchanges, revealed that 42 had been executed according to the terms in the approved shift exchange form. An approved shift exchange form was not available for one exchange, but it had reportedly been approved verbally.

In two of the remaining three cases, the employee who agreed to work the exchange had been absent without telephoning in a timely manner to notify management that there would be an absence; as a result, the exchange shift was not covered. In both cases, the employee originally scheduled to work the shift was allowed to charge accruals. For the third exchange, the

terms of the form were modified after the fact, in an attempt to match the actual attendance of the participants.

Monitoring Shift Exchanges

OCFS and Harlem Valley management are responsible for monitoring shift exchange transactions to verify that they are recorded accurately and executed in compliance with established policies. They are also responsible for developing measures that facilitate the remediation of improper or inaccurate transactions. OCFS time sheet procedures require that erroneous entries be corrected. While both Harlem Valley's Business Office and the OCFS Time Records Unit monitor shift exchange transactions, their monitoring is confined to matching the time sheets to exchange forms. At the facility level, the clerk monitoring the exchanges does not routinely use secondary records to identify and resolve discrepancies. Time Records personnel depend on Harlem Valley staff to forward the submitted records to them.

When we examined the monitoring activity for our sample of 46 shift exchanges, we found that, although the controls in place at Harlem Valley did detect some errors, they did not detect all of them. Some of the corrective measures being used were ineffective. For example, although the majority of the time sheet entries for the 184 shift exchanges we reviewed were recorded correctly, we identified 4 time sheet entries that had been recorded on the wrong days by the working employee. Harlem Valley's Business Office had identified one error, but not the remaining three.

Ordinarily, time sheet review by the Business Office does not include a review of secondary documents such as the security logs and schedule logs that could be used to verify entries. The clerk in the Business Office reviews shift exchange activity by matching the approved shift exchange to the time sheet, and indicates a positive review by marking "ok" next to the time sheet entry for the exchange. This type of review is not always effective. For example, one employee consistently noted that he had worked a shift exchange on the day before the date he actually worked it. We identified this deviation by reviewing his security log entries. All three instances we identified had been marked "ok" on the time sheets. Further, even though the contrast between the dates the exchange was taken and the dates worked by the exchanging partners is readily apparent on

their time sheets, the Time Records Unit would not necessarily detect the error, because employees in that Unit do not always match the time sheets of the exchanging partners during their review.

Recommendations

1. Assess the extent to which the practices and control risks we identified exist at other facilities.
2. Convey our recommended control enhancements to all OCFS facilities that allow shift exchanges.
3. Provide guidance to the facilities that allow shift exchanges, including:
 - Guidelines for recording the approvals and reviews of shift exchanges on time sheets;
 - Instruction in defining shift exchange violations as well as responding to them, including the correct administrative action to be taken when approved exchanges are not worked; and
 - Responsibilities of supervisors concerning shift exchange and work adjustments.
4. Enforce shift exchange controls established at participating facilities regarding the documentation and approval of shift exchanges, including:
 - Supervisory review of the terms of the shift exchange agreement, and approval signature on the shift exchange form;
 - Signatures of both the initiating and the exchanging employees on the form, acknowledging their agreement and consent to the transaction; and
 - Documented (e.g., name and date) prior approval of the facility director or designee.

Recommendations (Cont'd)

5. Help participating facilities establish a process for notifying the AOD that a shift exchange not listed on the weekly schedule should be placed on the daily schedule.
6. Perform periodic reviews of the use of shift exchanges by OCFS facilities. Verify that they are being carried out in accordance with the local agreement and with OCFS guidelines.
7. Advise facility Business Offices to examine secondary documents such as security logs and schedule logs, as well as evidence such as time sheets and shift exchange forms, when investigating discrepancies in time and attendance records. Re-enforce the review of shift exchanges by OCFS Time Records Unit, including the matching of both participants' time sheets to verify that the exchange was worked as approved.

MAJOR CONTRIBUTORS TO THIS REPORT

William Challice

Richard Sturm

Donald Geary

John Lang

Peter Schmidt

Mark Radley

Matricia Madory



New York State
Office of
Children & Family
Services

January 6, 2004

George E. Pataki
Governor

John A. Johnson
Commissioner

Mr. William P. Challice, Audit Director
Office of the State Comptroller
Division of Management Audit
and State Financial Services
123 William Street – 21st Floor
New York, New York 10038

Subject: Draft Audit #2003-S-16
Shift Exchange Practices-Harlem Valley Secure Center

Capital View Office Park

52 Washington Street
Rensselaer, NY 12144-2796

Dear Mr. Challice:

The Office of Children and Family Services (OCFS) has reviewed the Draft Audit, Shift Exchange Practices-Harlem Valley Secure Center, issued November 18, 2003. Enclosed is OCFS' response for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Susan A. Costello".

Susan A. Costello
Deputy Commissioner
for Administration

Enclosure

cc: D. Dorpfeld
L. Dobrko



An Equal Opportunity Employer

**Office of Children and Family Services
Response to Office of the State Comptroller (OSC)
Draft Report 2003-S-16
Shift Exchange Practices – Harlem Valley Secure Center**

The Office of Children and Family Services (OCFS) has reviewed the Draft Report 2003-S-16 – Shift Exchange Practices-Harlem Valley Secure Center and offers the following:

Response to Recommendations

Recommendation 1:

Assess the extent to which the practices and control risks we identified exist at other facilities.

OCFS Response: OCFS does not have a centralized shift exchange policy. The practice of voluntary shift exchange is governed by local labor/management agreement at the facility level. Consideration for future review of shift exchange practices will be given on a risk/need basis.

Recommendation 2:

Convey our recommended control enhancements to all OCFS facilities that allow shift exchanges.

OCFS Response: The Deputy Commissioner for the Division of Rehabilitative Services (DRS) issued a memorandum containing the recommended control enhancements to all OCFS Facility Directors on July 30, 2003.

Recommendation 3:

Provide guidance to the facilities that allow shift exchanges, including:

- Guidelines for recording the approvals and reviews of shift exchanges on time sheets;
- Instruction in defining shift exchange violations as well as responding to them, including the correct administrative action to be taken when approved exchanges are not worked; and
- Responsibilities of supervisor concerning shift exchange and work adjustments.

OCFS Response: The Deputy Commissioner for the Division of Rehabilitative Services' memorandum of July 30, 2003 refers Facility Directors to the Time Records Unit for detailed information on recording shift exchanges on time sheets. The definition of shift exchange violations and appropriate follow-up action to the violation is to be outlined in the local labor/management agreement specific to the facility and is monitored by the facility management staff. Facility Coordinators will continue to provide guidance and information to the facilities, as needed.

Recommendation 4:

Enforce shift exchange controls established at participating facilities regarding the documentation and approval of shift exchanges, including:

- Supervisory review of the terms of the shift exchange agreement, and approval signature on the shift exchange form;
- Signatures of both the initiating and the exchanging employees on the form, acknowledging their agreement and consent to the transaction; and
- Documented (e.g., name and date) prior approval of the Facility Director or designee.

OCFS Response: OCFS does not have a centralized shift exchange policy and as such, Home Office cannot be responsible for the day-to-day monitoring of the shift exchanges. The facility management, under the direction of the Facility Director, is responsible for oversight and monitoring of shift exchanges. The Facility Coordinators will continue to provide information and guidance to the facilities, as needed. The Time Records Unit will continue to compare the employee's timesheets to the voluntary shift exchange forms.

Recommendation 5:

Help participating facilities establish a process for notifying the AOD that a shift exchange not listed on the weekly schedule should be placed on the daily schedule.

OCFS Response: A letter, offering technical assistance to Facility Directors and reiterating the issues outlined in the Deputy Commissioner's July memorandum, will be prepared and issued by the DRS Bureau of Management and Program Support. The Office of Human Resources will assist the Division of Rehabilitative Services in developing suggested guidelines for recording shift exchanges.

Recommendation 6:

Perform periodic reviews of the use of shift exchanges by OCFS facilities. Verify that they are being carried out in accordance with the local agreement and with OCFS guidelines.

OCFS Response: Consideration for future reviews of shift exchange practices and the related local labor/management agreements will be given on a risk/need basis. Facility Coordinators will continue to provide guidance and information to facility directors. OCFS may not verify that local shift exchange agreements are in compliance with OCFS guidelines, as the guidelines may then be interpreted as a de facto policy statement, in violation of the labor/management agreement.

Recommendation 7:

Advise facility Business Offices to examine secondary documents such as security logs and schedule logs, as well as evidence such as time sheets and shift exchange forms, when investigating discrepancies in time and attendance records. Reinforce the review of shift exchanges by OCFS Time Records Unit, including the matching of both participants' time sheets to verify that the exchange was worked as approved.

OCFS Response: The facility management is responsible for developing, implementing and monitoring all aspects of the local labor/management shift exchange agreement. It is incumbent on the Facility Director to designate responsibility for monitoring of the process, as feasible and appropriate. The Time Records Unit will continue to compare the employees' timesheets to the voluntary shift exchange forms.

General Comments:

In the Executive Summary, second sentence, change 33 to 31 facilities.

In the second paragraph of the Executive Summary, under Scope of the Audit, the word "repayment" should be replaced with the word "completion", as it more accurately describes what takes place in a shift exchange.

Throughout the draft report, there are references to monitoring and review of shift exchanges by the facility and OCFS. Since OCFS cannot have a centralized shift exchange policy, the responsibility for implementing and monitoring shift exchanges must be on the facility level. As noted previously, the Time Records Unit will continue to compare the employees' timesheets to the voluntary shift exchange forms, but beyond that, implementation and monitoring of shift exchanges must occur on a facility level. To do otherwise would be a violation of the relevant labor-management agreements.

*
Note
1

* State Comptroller's Note:

1. Certain matters addressed in the draft report were revised in the final report. Therefore, some Department comments included in Appendix B may relate to matters no longer contained in this report.