

NEW YORK STATE OFFICE OF THE STATE COMPTROLLER

**H. Carl McCall
STATE COMPTROLLER**



***DEPARTMENT OF CORRECTIONAL
SERVICES***

***SING SING CORRECTIONAL FACILITY
SELECTED PAYROLL PRACTICES***

2001-S-40

**DIVISION OF MANAGEMENT AUDIT AND
STATE FINANCIAL SERVICES**

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Albany, NY 12236



H. Carl McCall
STATE COMPTROLLER

Report 2001-S-40

Mr. Glenn S. Goord
Commissioner
Department of Correctional Services
Building #2, State Campus
1220 Washington Avenue
Albany, NY 12226-2050

Dear Mr. Goord:

The following is our report addressing selected payroll practices of the Department of Correctional Services' Sing Sing Correctional Facility for the period January 1, 2000 through November 27, 2001.

Our 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. Major contributors to this report are listed in Appendix A.

Office of the State Comptroller
Division of Management Audit
and State Financial Services

August 8, 2002

Division of Management Audit and State Financial Services

110 STATE STREET ♦ ALBANY, NEW YORK 12236
123 WILLIAM STREET ♦ NEW YORK, NEW YORK 10038

EXECUTIVE SUMMARY

DEPARTMENT OF CORRECTIONAL SERVICES SING SING CORRECTIONAL FACILITY SELECTED PAYROLL PRACTICES

SCOPE OF AUDIT

Sing Sing Correctional Facility (Facility), which is operated by the Department of Correctional Services (Department), is both a maximum security and medium security facility for males 16 years of age or older. At the time of our audit, the Facility housed more than 2,200 inmates and employed 704 correction officers and 268 other staff. For the fiscal year ended March 31, 2001, the Facility spent \$37.6 million on personal services, including \$2.7 million on overtime. Our audit addressed the following questions about selected aspects of time and attendance management at the Facility for the period January 1, 2000 through November 27, 2001:

- Do the controls over the Facility's payroll-related activities provide reasonable assurance that employees are paid only for hours actually worked?
- Do Facility payroll practices comply with applicable laws and regulations, and with Department policies and procedures?

AUDIT OBSERVATIONS AND CONCLUSIONS

We found that the Facility's payroll practices do not comply with a number of Department requirements. In particular, in many instances, employee time cards are not properly completed and are not adequately reviewed by supervisors. Because of these and other weaknesses, the Facility's controls do not provide reasonable assurance that employees are paid only for hours actually worked.

Correction officers are required to account for their work time on a biweekly time card. The card should be stamped by a time clock to indicate when the officer begins and finishes working, and should contain a written explanation for days that are not worked (such as a regular day off or annual leave). Each day's entry on the time card should be initialed by a supervisor to confirm that the entries are

accurate and complete, and the officer should sign the card before it is submitted to the Personnel Unit for processing. We found that the information recorded on Facility time cards is often incomplete, some time cards are never submitted for processing, and the time cards that are submitted are routinely processed in an untimely manner. As a result of these control weaknesses, Facility employees are more likely to be paid for time they did not actually work. For example, when we randomly selected for review 213 time cards that had been submitted to the Personnel Unit for processing, we found that 129 (61 percent) were either incomplete or incorrectly completed, because some days on the cards contained only a time in or only a time out, some days contained entries that were unclear, some days contained no entry at all, some days were not initialed by a supervisor, and some cards were not signed by the employee. Since supervisors had completed their review of the cards in the sample, we conclude that improvements are needed in the supervisory review of time cards. Moreover, since Facility time cards are not processed until several weeks after employees are paid for the period covered by the cards, any payments that are incorrectly made for time that was not worked are not likely to be detected in a timely manner. In at least two instances, Facility employees were incorrectly paid for time they did not work. One employee who did not show up for work, was incorrectly paid \$5,720; the other employee was incorrectly paid \$1,740 while on leave without pay. (See pp. 4-9)

In addition, when we reviewed the time cards relating to 786 instances of paid overtime, we found that in 315 of these instances (40 percent), the overtime payments were not supported by the time card. In most of these instances, either a submitted time card was not on file for the employee who was paid overtime or the entry on the time card was not consistent with the overtime payment (e.g., in one instance, an employee was paid for seven hours of overtime, even though the employee's time card entry for that day indicated he was on vacation). These unsupported payments were not identified by the Facility, because a periodic reconciliation designed to identify discrepancies between time cards and overtime payments had been suspended by the Facility due to staffing problems in the Personnel Unit. (See pp. 9-12)

COMMENTS OF DEPARTMENT OFFICIALS

We provided Department and Facility officials with a draft copy of this report for their review and comment. Their response cites actions either already taken or underway to implement our recommendations.

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Major Contributors to This Report

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INTRODUCTION

Background

The Department of Correctional Services (Department) operates Sing Sing Correctional Facility (Facility), which is located in the town of Ossining, New York. The Facility, which was built in 1825, is both a maximum security and medium security facility for males 16 years of age or older. At the time of our audit, the Facility had 1,701 maximum security and 531 medium security inmates, and employed a total of 972 staff, including 704 correction officers and 268 other staff. For the fiscal year ended March 31, 2001, the Facility spent \$37.6 million on personal services, including \$2.7 million in overtime.

Personal service costs are the largest operating cost at the Department's correctional facilities. Department directives require the facilities to document the work time of correction officers and most other employees through the use of time card. The employees are to "punch" their time cards in a time clock to indicate the times they begin and finish working. To verify the completeness and accuracy of the time cards, supervisors are supposed to review and initial the cards daily. Facility administrative staff use a computerized timekeeping system established by the Department to track and control employee time and attendance data for payroll purposes.

Audit Scope, Objectives and Methodology

We audited selected aspects of time and attendance management at the Facility for the period January 1, 2000 through November 27, 2001. The objectives of our financial-related audit were to determine whether (1) the controls over the Facility's payroll-related activities provide reasonable assurance that employees are paid only for hours actually worked, and (2) Facility payroll practices comply with applicable laws and regulations, and with Department policies and procedures. To accomplish these objectives, we interviewed Facility personnel and examined Facility time cards, time and attendance records and reports, and other documentation related to the authorization and payment of payroll expenditures.

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 that are included in our audit scope. Further, these standards require that we understand the Facility'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.

Internal Control and Compliance Summary

Our consideration of the internal control structure focused on the processes used by the Facility's management team to administer payroll activities. Our evaluation of the Facility's internal control structure identified several significant weaknesses related to the oversight and review of employees' time cards and the payment of overtime. As a result of these deficiencies, there is a risk that some employees are paid for time not worked. These internal control weaknesses are described in detail in the relevant sections of this report.

Response of Department Officials to Audit

A draft copy of this report was provided to Department and Facility officials for their review and comment. Their

comments were considered in the preparation of this report, and are included as Appendix B. Their response cites actions either already taken or underway to implement our recommendations.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Department of Correctional Services shall report to the Governor, the State Comptroller and 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.

SUBMISSION AND REVIEW OF TIME CARDS

Facility managers are directly responsible for establishing and maintaining adequate control over their operations in conformance with Department expectations and relevant guidelines. A primary supervisory function is to ensure accurate and timely reporting of employee attendance. Properly performed, this practice will detect and prevent abuse, and provide reasonable assurance that employees are paid only for the time they actually work.

Correction officers are required by Department Directive 2205 to use a time clock to automatically record their hours worked each day. Specifically, the officers are required to insert (or “punch”) their time cards in a time clock when they begin and finish working. When a time card is inserted in a time clock in this manner, the time displayed on the clock is stamped on the time card. After punching in or out, the officers are expected to leave their time cards in the assigned time card rack. Correction officers are also required to identify the reason for all absences by manually noting the reason (e.g., annual leave, sick leave, regular day off [RDO]) on their time cards, and to sign their cards at the end of each biweekly payroll period to attest to the accuracy and completeness of the cards.

Supervisors are required to review time cards daily and at the end of each biweekly payroll period to ensure that they are accurate and complete. At the end of each payroll period, supervisors should submit the time cards to the timekeepers in the Personnel Unit. The timekeepers are expected to verify that the time cards agree with other available time and attendance information, such as the RDO schedule and daily absence reports already entered on the automated timekeeping system. Then, a determination of the accuracy of the paychecks issued to Facility employees should be made.

Since the information recorded on the time cards is used to verify the amount paid to employees, it is critical that this information be accurate and complete, and be processed in a timely manner. If the information is inaccurate or incomplete, or if it is processed in an untimely manner, employees are more

likely to be paid for time they did not actually work. We found that the information recorded on Facility time cards is often incomplete, some time cards are never submitted for processing, and the time cards that are submitted are routinely processed in an untimely manner. We further found that, because a periodic reconciliation to identify discrepancies between time cards and records of overtime payments had been suspended, a number of such discrepancies had not been identified and resolved. In addition, in at least two instances, Facility employees were paid for time they did not work.

Review of Submitted Time Cards

During the opening conference for our audit, the Facility Superintendent told us that, when he was appointed in May 2000, he found that improvements were needed in the Facility's time and attendance system because many of the time cards from prior payroll periods had not been submitted and there was a significant backlog in verifying that the submitted time cards agreed with other available time and attendance information. He told us that, beginning January 1, 2001, several new procedures were instituted to address the previous shortcomings in the time and attendance system, including procedures designed to ensure that a complete and accurate time card was submitted for each employee each payroll period.

Despite the efforts of the Facility's new management team, we found that unsubmitted time cards continue to be a problem and there continue to be significant delays in verifying that submitted time cards agree with other available time and attendance information. For example, on September 7, 2001, we examined the time cards on file for the payroll period ended June 27, 2001 to determine whether a time card had been submitted for each employee required to do so. We found that, more than ten weeks after the end of the payroll period, submitted time cards were not on file for 69 Facility employees.

In addition, on August 1, 2001, we met with timekeepers in the Personnel Unit and found that they were in the process of verifying time cards for the payroll period ended April 18, 2001. As a result of this delay in the verification process, Facility officials were unable to identify missing time cards or potential errors in submitted time cards until 13 weeks after the employees were paid (paychecks are issued two weeks after

the end of the payroll period; accordingly, the paycheck for the payroll period ended April 18, 2001 was issued May 2, 2001).

Facility officials told us they believe this backlog in the verification process is caused, in part, by the high staff turnover rate. However, they have not developed a specific plan for eliminating the backlog.

We note that this backlog is especially significant in light of a limitation in three of the Facility's five time clocks: since the three clocks print only the time and the day of the week (but not the date) when a time card is punched, a time card punched a week (or several weeks) late could be indistinguishable from a card punched at the proper time. For example, a card punched at 8:00 a.m. on April 5, 2001 and a card punched at 8:00 a.m. on April 12, 2001 would both show *8:00 Thursday*. Because of this limitation and because of the delay in verifying time cards, an employee who falsified a time card by punching it two weeks later could submit the time card late and be paid for time not worked. We also determined that the method used by these clocks to distinguish an a.m. time from a p.m. time (double-underlining) generally was not understood by Facility timekeepers and supervisors, further undermining the control provided by the time clocks.

As a result of the control weaknesses identified, there is an increased risk that Facility employees may be paid for time that was not worked. We identified one such instance, as follows:

- A correction officer was on leave without pay for the entire payroll period ended May 2, 2001. However, the officer was incorrectly paid \$1,740 for the period because the automated timekeeping system indicated that the officer worked his normal 80 hours (ten eight-hour shifts) during the period. We identified the error on August 15, 2001, when we compared the information on the automated timekeeping system to the officer's time card, which correctly showed that the officer did not work at all during the period. We determined that the time card had originally been submitted with no entries for the period, and had been returned to the officer's supervisor so that entries could be added. However, the corrected time card had yet to be processed as of August 15. We note that, when an employee is on leave without pay, a form should be submitted to the Personnel Unit by the

employee's supervisor notifying the Unit of the leave. Facility officials told us this form was submitted, but had been misplaced and as a result, was not posted to the automated timekeeping system.

Facility officials informed us of another overpayment they discovered. A correction officer who stopped working at Sing Sing in July 2001 had enough leave accruals to be paid through August 10, 2001. However, because of the delay in processing time cards, the officer continued to be paid through September 19, 2001, resulting in an overpayment of \$5,720. Facility officials found the error and, in October 2001, the officials initiated action to recover the overpayment.

In response to our preliminary findings, Facility officials stated that, "Every effort is being made to upgrade our controls over all time and attendance matters." The officials stated that Facility time clocks had been reprogrammed to print out the date and the time (in military format) on every punch. They also stated that a process had been reinstated in which all time cards are accounted for at the end of every payroll period, and if a time card has not been submitted for processing or is incomplete, the appropriate Deputy Superintendent is notified so that appropriate follow-up action can be taken. The officials further stated that they would begin to monitor employees who continually violated time and attendance requirements.

Incomplete or Incorrectly Completed Time Cards

According to Facility procedures, the Assistant Watch Commander for each shift is responsible for reviewing the accuracy of correction officers' time card entries, and for initialing each day's entries as evidence of this review. To determine whether this supervisory review was being performed as required, we used statistical techniques to randomly select 213 of the 886 time cards that had been submitted for processing for the payroll period ended June 27, 2001. These time cards had been submitted to the Personnel Unit for processing, but had yet to be processed by the Unit.

We found that most of the time cards either were not completed correctly or lacked evidence of the required supervisory review. In total, 129 of the 213 time cards (61 percent) contained at least one of the following types of errors, and some time cards contained more than one type of error:

- 72 time cards contained one or more days on which a time in or a time out was stamped by the time clock, but not both (while the missing time was manually noted on some cards, these handwritten notations were not initialed by a supervisor, as required by Department Directive 2205);
- 69 time cards contained one or more days that had not been initialed by a supervisor (on 6 of these cards, none of the days were initialed);
- 28 time cards contained one or more days on which no entry was made;
- 26 time cards contained one or more days on which the stamped or written entry was illegible or unclear (e.g., some time stamps were made on top of other time stamps, thereby obscuring one or both entries; and some handwritten entries for days on which a correction officer swapped work shifts with another officer consisted solely of the word “swap,” which did not make clear who worked when and did not comply with the Department requirement that the name of the other officer be recorded and the beginning and ending times of the swapped work shift be punched in at the time clock); and
- 12 time cards were not signed by the correction officer.

We therefore conclude that, generally, Facility time cards are not closely reviewed by supervisors for accuracy and completeness before they are submitted for processing. In the absence of close supervisory review, erroneous entries on time cards are less likely to be detected, and as a result, correction officers are more likely to be paid for time they did not actually work. Accordingly, while the errors detected by our review of the sampled time cards may relate to time that was actually worked and properly compensated, there is an increased risk that some of these errors may relate to time that was not actually worked and was therefore improperly compensated. For this reason, we recommend that Facility officials investigate these errors and recover any payments that were made for time that was not actually worked.

In addition, in the absence of close supervisory review, the time cards submitted to the Personnel Unit are more likely to contain

errors and omissions. Since the timekeepers in the Personnel Unit are required to take action to resolve such errors and omissions, it is likely that errors and omissions increase the processing time for a time card. We therefore conclude that the Personnel Unit's large backlog of unprocessed time cards may be caused in part by the large number of errors and omissions in the time cards submitted for processing. Accordingly, if the number of errors and omission were reduced, progress could be made in reducing the backlog.

We note that, when Personnel Unit timekeepers identify a missing or incomplete time card, they are required by Facility procedures (Policy and Procedure 100) to use a prescribed form to report the problem to the employee's Deputy Superintendent. However, we found that the timekeepers were not aware of this form. We therefore believe the timekeepers, as well as other Facility personnel, would benefit from ongoing training in Facility requirements relating to time and attendance practices.

In response to our preliminary findings, Facility officials stated that they "cannot argue with the basic findings that the submission and internal review of time cards have not been following Department policies to the full extent as required. The problems related to time card submission and the reviews has been a long standing issue for the facility that requires constant involvement by supervisors. Every effort is being made to address the general findings of the auditor, and improvements have already been seen."

Overtime

The Facility's Staffing Office prepares a daily overtime report to show the number of overtime hours worked that day by each employee. The Facility Payroll Office uses these reports to periodically generate the overtime payments made to each employee. Facility employees are required to make handwritten entries on their time card to indicate their overtime hours, and periodically the entries on the time cards are to be reconciled to a record of the overtime payments to ensure that the payments are consistent with the information on the time cards. This periodic reconciliation is to be performed by the Steward's Office.

To evaluate the adequacy of the Facility's controls over overtime payments, we obtained a record of the overtime

payments made to Facility employees for the year ended December 31, 2000, and judgmentally selected 32 of the 970 employees who received such payments. Our sample included employees who were paid high amount of overtime compensation during the period, and other employees selected at random. We compared the time cards of the 32 employees to the record of overtime payments for the period September 21 through December 27, 2000 to determine whether the payments were supported by the information on the time cards. We picked this period because the Facility had not performed a current reconciliation of overtime payments to employee time cards in order to test the effectiveness of this process.

Our sample contained a total of 786 instances of overtime. We found that, in 315 of these instances (40 percent), the overtime payments were not fully supported by the employee's time card, as follows:

- In 147 instances (accounting for 932 hours of overtime), the employee's time card was not on file. In the absence of a time card documenting the hours worked, there is little assurance that the employee actually worked the overtime hours paid for. We note that 21 of the 147 instances (accounting for 148 hours) related to just one employee, whose time card frequently was not on file.
- In 95 instances (accounting for 481 hours), the employee's time card did not indicate that the employee worked overtime on the day for which he or she was paid overtime. For example, in one instance, the record of overtime payments indicated that an employee worked seven hours of overtime on October 20, 2000. However, the employee's time card was not punched in or out on that day, and contained an entry indicating the employee was on vacation for the day. Therefore, there was no evidence that the employee worked at all that day. In another instance, the record of overtime payments indicated that an employee worked eight hours of overtime on November 17, 2000. However, the employee's time card was not punched in or out on that day, and indicates that the day was the employee's regular day off. (We provided Facility officials with a list of all 95 of these instances, and asked that they investigate the instances to determine whether all 481 overtime hours were actually worked.)

- In 51 instances (accounting for 352 hours), the time the employee began and/or finished work was written by hand, but the handwritten entry was not initialed by a supervisor, as required.
- In 22 instances (accounting for 137 hours), the time stamped by the time clock was illegible. For example, in some instances, employees did not properly adjust the time clocks to have their entries recorded on the correct position on the time card, and as a result, the entries were overwritten and illegible. In other instances, there was not enough ink in the time clocks to provide a clear and legible printed entry on the time cards.

These 315 instances account for a total of 1,902 hours. In the absence of properly documented time cards, there is inadequate assurance that all 1,902 hours were actually worked. As was indicated previously in this report, such deficiencies in documentation could be prevented if action was taken to ensure that a time card was submitted for each employee each payroll period, and if time cards were reviewed more closely by supervisors to ensure they were accurate and complete before they were submitted for processing.

In addition, such deficiencies in documentation should be detected by the Facility's periodic reconciliation of overtime payments to employee time cards. However, Facility officials told us this reconciliation had been suspended due to the high turnover and other staffing problems in the Personnel Unit, and had not been performed since June 2000. As a result, a reconciliation had not been performed for the overtime payments included in our sample. We believe the results of our review confirm that the overtime reconciliation is a critical part of the Facility's internal control structure, and cannot be suspended without significantly increasing the risk that payments may be made for time that was not worked.

The inadequately supported overtime hours identified by our review may actually have been worked. However, there is an increased risk that some of these overtime hours were not worked and were therefore improperly compensated. For this reason, we recommend that Facility officials investigate these overtime hours and recover any overtime payments made for hours not worked.

Recommendations

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.
2. Develop a specific plan for eliminating the delay in verifying that submitted time cards agree with other available time and attendance information.
3. Recover the overpayments made to the two correction officers.
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.
5. Closely monitor employee adherence to established timekeeping procedures.
6. Develop a plan for improving the supervisory review of time cards.
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.
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.
9. Provide ongoing comprehensive training on timekeeping procedures to all employees.

MILITARY LEAVE AND WORKERS' COMPENSATION LEAVE

According to Department Directive 2212, an employee who receives leave with pay for serving in the National Guard or Reserves during regular work hours is required to provide the supervisor with verification of the military service (a military pay stub known as a Leave and Earnings Statement, or LES) within one week after the LES is received. However, at the start of our audit field work, Facility officials acknowledged that, in the past, they had not complied with Directive 2212, because they did not require employees who went on military leave to submit an LES. They stated that they would comply with Directive 2212 in the future, and would also require all staff who were granted military leave during 2000 and 2001 to submit an LES in support of that leave.

Accordingly, in July 2001, Facility officials sent letters to all employees who had taken military leave since January 1, 2000, directing them to submit an LES, and in response to our preliminary findings, the officials told us that an LES had been obtained for all military leave taken between January 1, 2000 and March 31, 2001. They also stated that, since the completion of our field work, Facility timekeepers had begun to track employees who had yet to submit an LES for their military leave of absence. We commend Facility officials for their progress in strengthening control over military leave.

Correction officers who are injured on the job may be entitled to workers' compensation benefits. These benefits include paid leave at 100 percent of their salary for up to six months. If an officer is still unable to return to work because of the injury after six months of workers' compensation leave, the officer may be entitled to a further three months of leave at half-pay after the officer's accrued leave has been exhausted.

We reviewed selected aspects of the Facility's controls over workers' compensation leave and found that an employee was granted four days of workers' compensation leave at full pay beyond the maximum allowable 182.5 days. In response to our preliminary findings, Facility officials told us that corrective

action was taken by charging the four extra days to the employee's accrual balance. The officials also told us that the error was caused by the inexperience of staff in the Personnel Unit, which has a high turnover rate. The officials stated that new employees in the Unit are receiving training daily.

Recommendation

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

MAJOR CONTRIBUTORS TO THIS REPORT

William Challice

Stanley Evans

John Lang

John Ames

Madeline Johnston

Dana Newhouse



STATE OF NEW YORK
DEPARTMENT OF CORRECTIONAL SERVICES
THE HARRIMAN STATE CAMPUS
1220 WASHINGTON AVENUE
ALBANY, N.Y. 12226-2050

GLENN S. GOORD
COMMISSIONER

July 19, 2002

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

**Re: Draft Audit of Sing Sing Correctional
Facility, Report 01-S-40**

Dear Mr. Challice:

In accordance with Section 170 of the Executive Law and in response to your correspondence of May 29, 2002, attached is the Department's reply to the Draft Audit of Sing Sing Correctional Facility Selected Payroll Practices, Report 01-S-40.

We have complied with the provisions of the Budget Policy and Reporting Manual, Item B-410 by forwarding two copies of this response to the Division of the Budget on July 19, 2002.

God Bless America,


Glenn S. Goord
Commissioner

Attachment



STATE OF NEW YORK
DEPARTMENT OF CORRECTIONAL SERVICES
SING SING CORRECTIONAL FACILITY
OSSINING, NEW YORK 10562-5442
914-941-0108

GLENN S. GOORD
COMMISSIONER

BRIAN FISCHER
SUPERINTENDENT

June 20, 2002

Mr. William P. Challice
Audit Director
Office of the State Comptroller
Division of Management Audit & State
Financial Services
125 William Street
21st Floor
New York, N. Y. 10038

RE: Selected Payroll Practices
Audit #2002-S-40

Dear Mr. Challice:

This is to acknowledge receipt of the Sing Sing Correctional Facility selected Payroll Practices Audit, 2001-S-40, dated May 29, 2002.

The audit covered the period January 1, 2000 through November 27, 2001 and covered a number of selected areas; submission and review of time cards, overtime, military leave, and workers' compensation leave.

Previous responses to four (4) draft audit findings and recommendations were submitted on November 29, 2001, January 2, 2002, January 25, 2002, and April 1, 2002.

The facility has reviewed the final reports and the ten (10) specific recommendations made. In response to those recommendations, please consider the following stated courses of action.

OSC 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.

Facility Response

Time cards are being checked upon their biweekly submission. Time cards that are missing, or found to be incomplete or containing noted errors, are listed on posted memos and returned to area supervisors for completion, respectively.

OSC Recommendation #2

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

Facility Response

Timekeeping posts activities as they come in (sick leave, lwop, p/s). When time cards are submitted, they are compared to the data already entered. Discrepancies are then brought to a supervisor's attention for review and a final decision. Time cards are the officially used document for determination.

OSC Recommendation #3

Recover the overpayments made to the two correction officers.

Facility Response

In each case identified facility action was taken. Overpayments were verified and collected in the first instance. In the second case, the former employee failed to respond to the Superintendent's letter. The case was forwarded to Counsel's Office in Central Office. Presently, this case has been referred to the New York State Attorney General's Civil Recoveries Bureau for institution of collection action.

OSC 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.

Facility Response

Recommended action was completed after issue was raised during the preliminary audit phase.

OSC Recommendation #5

Closely monitor employee adherence to established timekeeping procedures.

Facility Response

Time and attendance monitoring is being coordinated through the Facility's Time and Attendance Control Unit. A Security Supervisor (Lieutenant) has established the required tracking system to carefully review all aspects of the system. When appropriate, requests for disciplinary action related to time and attendance has been initiated.

OSC Recommendation #6

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

Facility Response

Department Directive #2202, Attendance Control Program, was updated on 11/2/01. Copies were provided to all supervisors. Adherence to the directive is stressed at Department Heads Meetings (civilian) and Security Supervisors Meetings, both held monthly. When staff raise a question about time and attendance, they are referred to Directive #2202. Lastly, the facility has incorporated into our annual training curriculum, a time and attendance component. As part of each staff person's annual training program, they will be receiving the new time and attendance module.

In addition, Facility Policy and Procedure #100 is being revised and will be used as a facility guideline, along with Directive #2202.

OSC 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.

Facility Response

The draft audit reports identified incidents of questionable payments. Facility staff have reviewed each case and are initiating transactions found to be necessary. It is expected that all unsupported payments will be recovered by the end of the summer.

OSC 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.

Facility Response

Biweekly reports generated by Timekeeping and Payroll are compared by a neutral employee for discrepancies. Problem issues are referred to the DSA. The DSA will have Timekeeping verify employee's time card and correct errors based on what the time card verifies.

OSC Recommendations #9

Provide ongoing comprehensive training on timekeeping procedures to all employees.

Facility Response

As noted in Response #6, steps are being taken to train staff in time and attendance matters, and to insure that DOCS Directive #2202 is adhered to.

OSC Recommendation #10

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

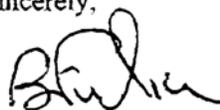
Facility Response

All discrepancies related to Military Leave noted in the audit were reviewed and where necessary, corrected. All overpayments have been collected. Current cases of Military Leave are being closely monitored to prevent overpayment issues.

LES or alternative documentation if the LES cannot be obtained are required to verify attendance.

If there are any questions, please feel free to contact my office.

Sincerely,



Brian Fischer
Superintendent

BSF:blr

Copy: S. Bernardi, Deputy Commissioner
OSC File