

Table of Contents

**THANKSGIVING SHUTDOWN
STRATEGIC ASSESSMENT**

March 4, 2019

	Page Number
BACKGROUND	2
OBJECTIVE, SCOPE AND METHODOLOGY	2
ASSESSMENT FINDINGS	3
RECOMMENDATIONS	3
MANAGEMENT RESPONSE	4

BACKGROUND

Orange County Public Schools closes most schools and work locations during school breaks in order to conserve resources. Only a few schools and buildings remain open. These are termed “Alternate Work Locations”. These locations are used to accommodate 12-month employees who will be working during these periods. Since there is no requirement to take leave during these times, employees of closed work locations are able to go to the open work locations to perform their work. Shutdown procedures do not apply to 10-month employees as they occur during periods when those employees are not scheduled to work. Central Office core services, as determined by the Executive Cabinet, remain open.

Typically the District’s shutdown periods each year are: Thanksgiving, Winter Break, Spring Break, and the week of July 4. The length of the shutdowns range from 2-3 days to a week.

The shutdown procedures are outlined in a memo distributed by the Chief of Staff before each of these breaks. The shutdown procedures require that:

- Information be collected (on Work Location Assignment Sheets) regarding all persons who will be working during the break, the alternate work location to which they will be assigned and the specific days and hours they intend to work;
- Each Alternate Work Location is to ensure that an administrator is on site during the break;
- Time records, which include the times employees begin and end their day, should be kept on each employee who is working; and
- Accurate time and attendance records must be kept just as is done during all other workdays.

We previously assessed shutdown activity in 2015 and 2017. Each time we noted inconsistencies in documentation and record-keeping among the various learning communities. We also noted insufficient documentation and, in some cases, incorrect pay to employees.

In response to these previous findings, the Chief of Staff revised the instructions in the shutdown procedures packet and the Payroll Department has emphasized the procedures that are required in its communications to payroll preparers.

OBJECTIVE

Our objective was to review the process for conducting the shutdown and recording time and attendance at the Alternative Work Locations.

SCOPE AND METHODOLOGY

This engagement is a strategic assessment of the holiday shutdown process. It was performed as a part of the Strategic Assessment program. This program is designed to periodically review areas of potential risk or concern with short, focused analyses of key data.

This assessment covered activities associated with the Thanksgiving shutdown that occurred from November 19 – 23, 2018.

We reviewed the “Thanksgiving Break Work Location Assignment Sheet”, “Employee Sign-In” sheets, and SAP time and attendance records.

ASSESSMENT FINDINGS

The "Thanksgiving Closing" memo packet from the Chief of Staff, dated November 02, 2018, makes the following points:

- Alternate worksites are responsible for providing supervisory personnel and ensuring attendance records are accurately documented.
- The Alternate Work Location Administrator is to sign and date the time sheet.
- Actual start time and end time must be entered and total hours worked each day.
- Employee signature is required to certify hours worked.
- Documentation must be returned to the appropriate learning community/work location immediately upon returning from break to verify any attendance adjustments that need to be made.

Despite these instructions, we once again noted inconsistencies in documentation and record-keeping among the various learning communities. However, one learning community in particular seemed to have been diligent in verifying that time records matched SAP absences.

- Thirteen of the 35 tested employee records did not have absence days recorded in SAP when the employee's actual days worked per the Time Verification Record were less than what was scheduled on the Work Location Assignment Sheet; conversely, one employee record showed an underreporting of hours worked in SAP which resulted in an underpayment to that employee.
- Four of the 13 time records indicating leave was not recorded were for Payroll Coordinators who did not appropriately report the hours they worked in SAP.
- Seven of the 35 tested employee records showed no evidence of the alternate work location supervisor's verification of time worked.
- Five of the 35 tested time records did not list a Payroll person or School Contact number.
- Six of the 35 tested time records did not list the Employee's badge number.

RECOMMENDATIONS

We recommend that:

- 1) Each Learning Community be diligent in ensuring that shutdown procedures are followed.
- 2) The payroll person from the employee's regularly assigned school be listed on the sign-in sheet to facilitate any adjustments to payroll from what was planned.
- 3) The Alternate Work Location Supervisor must sign the Sign-in sheet to document his/her verification of actual time worked.
- 4) The Work Location Sign-In sheet must be sent to each employee's regularly assigned work location Payroll Specialist after the shutdown period for update to Payroll records.
- 5) Payroll records be adjusted to accurately reflect the actual hours worked.
- 6) A designated representative should review Payroll Coordinators' time records to ensure that they are accurately recording and posting time to SAP.

- 7) Records should be checked after the shutdown to determine compliance with procedural instructions. This process would include a comparison of the time worked to the time posted in SAP.

We wish to thank the staffs of each division and the Learning Communities for their cooperation and assistance during the assessment.

Jan Skjersaa, CPA, Internal Auditor
Jarai Ings, Internal Auditor

Department / School Name	Chief of Staff's Office / Chief Finance Officer's Office
Administrator / Department Head	Bridget Williams
Cabinet Official / Area Superintendent	Bridget Williams

Exception Noted (Finding / recommendation)	Management Response (Corrective Action)	Responsible Person (Name & Title)	Expected Outcome & Completion Date What is the evidence of the corrective action?
What is? What should be?	What needs to be done?	Who needs to do it?	When will the action be completed? (MM/YYYY)
Each Learning Community be diligent in ensuring that shutdown procedures are followed.	The learning communities, as well as all OCPS managers, received the shutdown packet with the following information: - Directions on inputting leave - Where the designated work sites per learning community are located - Explicit directions on what needs to be done, such as filling out the work location time sheet and getting prior approval for leave	Bridget Williams Chief of Staff	05/2019
The payroll person from the employee's regularly assigned school be listed on the sign-in sheet to facilitate any adjustments to payroll from what was planned.	The assignment sheet will be adjusted to include the name of the payroll preparer as well as the Area/Associate Superintendent to ensure greater oversight of the process.	Bridget Williams Chief of Staff	05/2019
The Alternate Work Location Supervisor <u>must</u> sign the sign-in sheet to document his/her verification of actual time worked.	The Chief of Staff's Office will create and disperse a sign-in sheet for each designated work location that will include a signature line for the alternate work location supervisor.	Bridget Williams Chief of Staff	05/2019

<p>The Work Location Sign-in Sheet <u>must</u> be sent to each employee’s regularly assigned work location Payroll Specialist after the shutdown period for update to payroll records.</p>	<p>The Chief of Staff’s Office will create a sign-in sheet for each designated work location that will include directions that will detail how the work location supervisors will fill out and return the time sheet to the original work location payroll specialist.</p>	<p>Bridget Williams Chief of Staff</p>	<p>05/2019</p>
<p>Payroll records be adjusted to accurately reflect the actual hours worked.</p>	<p>All payroll records that were identified have been corrected by the work location supervisor and payroll specialist.</p>	<p>Bridget Williams Chief of Staff</p>	<p>05/2019</p>
<p>A designated representative should review Payroll Coordinators’ time records to ensure that they are accurately posting time to SAP.</p>	<p>The Chief of Staff’s Office will create a document that will be added to the district’s “shutdown packet” and will require the signature of the school site payroll preparer, alternate work location supervisor and the Area/Associate Superintendent. This will assist with ensuring that time sheets are accurately posting time to SAP.</p>	<p>Bridget Williams Chief of Staff</p>	<p>05/2019</p>
<p>Records should be checked after the shutdown to determine compliance with procedural instructions. This process would include a comparison of the time worked to the time posted in SAP.</p>	<p>Mandatory payroll training is being held May 21 and May 22 for all payroll preparers. Included in this training will be specific instructions for payroll preparers to run the ZP100 report to reconcile time entries as documented on the Alternative Location Log back to time entries as recorded in SAP. Any discrepancies would need to be investigated and resolved prior to the next payroll cut-off date.</p>	<p>Bridget Williams Chief of Staff Lindsay Bowlin Payroll Director</p>	<p>05/2019</p>