

**INVESTIGATION REPORT**  
**OF**  
**FIRE SHIFT TRADES**  
**ALBUQUERQUE FIRE DEPARTMENT**  
**REPORT NO. 10-208**



**City of Albuquerque**  
**Office of Internal Audit**

**Albuquerque Fire Department - Investigation**  
**Fire Shift Trades**  
**Report No. 10-208**  
**Executive Summary**

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**Background:** The Office of Internal Audit (OIA) conducted an investigation concerning shift trades by Albuquerque Fire Department (AFD) employees. The investigation was predicated upon a request made by the AFD Chief prompted by a concern from an investigative reporter.

AFD provided OIA a report from the AFD Telestaff scheduling system (Telestaff) showing trade time history of the AFD Driver. According to the report, the AFD Driver had a Trade Time Off (TTO) hours balance of 4,233 hours. An employee has TTO when they trade a shift with another employee and take time off. This employee will owe a shift to the employee who works the shift for him/her. The employee who works the shift will have a Trade Time Work (TTW) hours balance, and will be owed a shift by the employee whose shift they worked. The Albuquerque Area Fire Fighters Collective Bargaining Agreements effective July 1, 2006 through June 30, 2008 and July 1, 2008 through June 30, 2011, require shifts to be repaid within 180 days.

OIA met with the AFD Chief on June 7, 2010 to discuss the AFD shift exchanges. OIA met with the Human Resources Department (HRD) Director, a Legal Department (Legal) Assistant City of Albuquerque (City) Attorney, the AFD Chief, and an AFD Deputy Chief on June 8, 2010 to discuss the AFD Driver's TTO balance. The documentation provided by AFD and the information provided in the discussions with City personnel provided sufficient information to initiate an investigation.

**Objective:** Are TTO and TTW hours balances reasonable?

Employees might not have been eligible to receive City benefits and PERA service credit.

**Recommendation:** HRD and Legal should determine if (1) AFD employees that did not work the hours they were paid for should have received City benefits and PERA service credit and (2) the City was required to pay its portion of PERA.

**Objective:** Are AFD employees paying back shifts worked for them within 180 days?

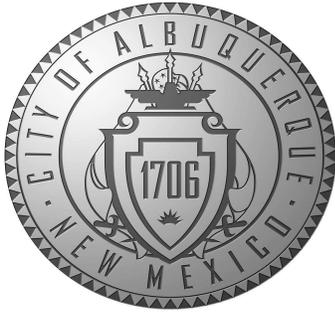
Shift trades made during the time period June 2005 through December 2010 have not been repaid.

**Recommendation:** AFD should:

- Develop a report that lists shift exchange activity by person.
- Require immediate supervisors to closely monitor shift exchanges.
- Limit the number of shift exchanges allowed per person per year.
- Implement shift trade policies and procedures.

If AFD is unable to monitor and manage the trade shift process, the practice should be discontinued.

**Management responses are included in the report.**



*City of Albuquerque*  
*Office of Internal Audit*  
P.O. BOX 1293 ALBUQUERQUE, NEW MEXICO 87103

April 27, 2011

Accountability in Government Oversight Committee  
City of Albuquerque  
Albuquerque, New Mexico

Investigation: Fire Shift Trades  
Albuquerque Fire Department  
10-208

**FINAL**

INTRODUCTION

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AFD provided OIA a report from the AFD Telestaff scheduling system (Telestaff) showing trade time history of the AFD Driver. According to the report, the AFD Driver had a Trade Time Off (TTO) hours balance of 4,233 hours. An employee has TTO when they trade a shift with another employee and take time off. This employee will owe a shift to the employee who works the shift for him/her. The employee who works the shift will have a Trade Time Work (TTW) hours balance, and will be owed a shift by the employee whose shift they worked.

OIA met with the AFD Chief on June 7, 2010 to discuss the AFD shift exchanges. OIA met with the Human Resources Department (HRD) Director, a Legal Department (Legal) Assistant City of Albuquerque (City) Attorney, the AFD Chief, and an AFD Deputy Chief on June 8, 2010 to discuss the AFD Driver's TTO balance. The documentation provided by AFD and the information provided in the discussions with City personnel provided sufficient information to initiate an investigation.

### SOURCES OF INFORMATION

As part of our investigation, OIA analyzed the following:

- City Personnel Rules and Regulations
- TeleStaff records and reports
- Collective Bargaining Agreements
- Empath Payroll system reports
- People Soft system payroll reports
- State of New Mexico Administrative Code

### BACKGROUND AND EVENTS

Section 20 C. – Shift Exchange, of the Albuquerque Area Fire Fighters Collective Bargaining Agreement for the period July 1, 2006 through June 30, 2008 and Section 15.1.5 – Shift Exchange, of the Bargaining Agreement for the period July 1, 2008 through June 30, 2011, permits AFD employees covered by this agreement to trade shifts. The trades must be hour for hour and be repaid within one hundred eighty (180) days of the first shift affected by the trade, because it was an agreement between AFD employees.

When an employee trades a shift to take time off, they will still get paid as if they worked the shift. The employee who works the traded shift does not get paid, and must wait until the other employee works a shift for him/her in order to be made whole. AFD management does not get involved with the shift trades.

As of June 2010:

- 719 AFD employees traded shifts
- Total TTO hours exceeded total TTW hours by 32,137, valued at \$589,033

As of December 2010:

- 726 AFD employees traded shifts
- Total TTO hours exceeded total TTW hours by 40,662, valued at \$735,599

This increase is illustrated in the table below:

Description	June 2010	December 2010	Increase	%
AFD employees trading shifts	719	726	7	1%
TTO hours exceeding TTW hours	32,137	40,662	8,525	27%
Monetary value of excess TTO hours (1)	\$589,033	\$735,599	\$146,566	25%

(1) – Calculated by multiplying the hourly pay rates of each employee by his/her excess TTO hours balance.

These hours have not been made up by the employees who took the time off, and are owed to the employees who worked them.

The following AFD employees had TTO and TTW hour balances exceeding 180 days (1) for the time period ending December 2010:

Individual	Status (2)	Hours (3)	Dollars (4)
Firefighter	Employed	3,909.00	\$60,980.40
Driver	Employed	3,345.25	\$56,300.56
Firefighter	Employed	1,704.00	\$26,582.40
N/A	Terminated	1,629.00	\$28,116.54
N/A	Retired	1,582.50	\$25,320.00
N/A	Retired	1,496.00	\$34,437.92
Firefighter	Employed	1,456.00	\$22,713.60
Driver	Employed	(2,130.00)	(\$35,847.90)

(1) – Each of these employees works/worked a 56 hour work week. 56 hours multiplied by 26 weeks equals 1,456 hours, or 180 days.

(2) - Status of City employment as of December 2010.

(3) – TTO/ (TTW) hours balance for the time period ending December 2010.

(4) – Dollars owed by/ (to). Hours balance was multiplied by the AFD employee's current/ final hourly rate.

## OBJECTIVE

The objectives of the investigation were to determine:

- Are TTO and TTW hours balances reasonable?
- Are AFD employees paying back shifts worked for them within 180 days?

## SCOPE

The scope of the investigation was limited to shift trades by AFD employees during the time period June 2005 through December 2010.

## METHODOLOGY

The methodology used during our investigation consisted of reviewing TTO and TTW hours of all AFD employees who traded shifts.

## FINDINGS

OIA makes recommendations regarding areas noted during the investigation that we believe could improve the City's effectiveness, efficiency and compliance with administrative policies and applicable rules and regulations. This recommendation could prevent future fraud and provide controls that would detect fraud.

### 1. AFD SHOULD MONITOR SHIFT EXCHANGES AND IMPLEMENT SHIFT TRADE POLICIES AND PROCEDURES.

OIA reviewed TTO and TTW hour balances for AFD employees for the time period ending December 2010. Of the 726 employees that had activity during the time period June 2005 through December 2010, 436 (60%) had a positive TTO balance. OIA identified the following employees with TTO or TTW balances exceeding 180 days:

<b>Individual</b>	<b>Status</b>	<b>Balance (1)</b>	<b>Shifts (2)</b>
Firefighter	Employed	3,909.00	325.75
Driver	Employed	3,345.25	278.77
Firefighter	Employed	1,704.00	142.00
N/A	Terminated (3)	1,629.00	135.75
N/A	Retired (3)	1,582.50	131.88
N/A	Retired (3)	1,496.00	124.67
Firefighter	Employed	1,456.00	121.33
Driver	Employed	(2,130.00)	(177.50)

(1) – TTO/ (TTW) hours balance for the time period ending December 2010.

(2) - This is the average number of shifts traded during the time period June 2005 - December 2010. Per the AFD Fiscal Manager, each day of the 56-hour work week has 2 Shifts - Shift 1 begins at 8 am - 6 pm - 10 hours; Shift 2 begins at 6 pm - 8 am - 14 hours. An average shift would be 12 hours (10 + 14 divided by 2). The number of shifts was calculated by dividing the hours increase by 12 hours/shift.

(3) – AFD employee terminated employment from the City with a TTO balance. It is unlikely that the employees who worked the shifts will be repaid.

Section 20 C – Shift Exchange, of the Collective Bargaining Agreement between the City and the Albuquerque Area Fire Fighters Union effective July 1, 2006 through June 30, 2008, and Section 20 15.1.5 – Shift Exchange, for the Agreement effective July 1, 2008 through June 30, 2011, states:

*The shift shall be repaid within one hundred eighty (180) days of the first shift affected by the trade.*

The AFD Chief stated that shift trades have not been monitored, and that the department does not have shift trade policies and procedures other than those in the collective bargaining agreement.

Section 20 H – Shift Exchange, of the Collective Bargaining Agreement between the City and the Albuquerque Area Fire Fighters Union effective July 1, 2006 through June 30, 2008, and Section 15.1.10 – Shift Exchange, for the agreement July 1, 2008 through June 30, 2011, states:

*The parties agree that the Fire Chief and his/her designee may adopt rules and regulations implementing the provisions of this Section. The City will meet and confer, at the Unions request, to discuss concerns regarding adoption of rules and regulations.*

If shift trades are not monitored, employees might continue to have other employees work their shifts. These employees could retire or leave City employment without repaying the shifts worked.

#### RECOMMENDATION

AFD should:

- Develop a report that lists shift exchange activity by person.
- Require immediate supervisors to closely monitor shift exchanges.
- Limit the number of shift exchanges allowed per person per year.
- Implement shift trade policies and procedures.

If AFD is unable to monitor and manage the trade shift process, the practice should be discontinued.

#### RESPONSE FROM AFD

- *“AFD is currently upgrading its staffing management software program, Telestaff, which will allow improved tracking and monitoring of staffing, to include the practice of exchanging shifts by AFD members.*

*“A comprehensive shift exchange report will be produced by AFD’s Field Operations Center and reviewed by the Deputy Chief of Human Resources on a quarterly basis.*

- *“AFD will implement supervisory controls that are inclusive of a shift exchange approval process that will require the immediate supervisor (company officer) and assigned battalion commander to review shift exchange activity of the members requesting the shift trade for policy and procedure compliance prior to approval.*
- *“AFD will determine a shift exchanges limited by identifying the maximum number of hours that members are allowed to trade per calendar year.*
- *“AFD will develop, implement and enforce shift exchange policies and procedures, after meeting and conferring with union officials as required by current collective bargaining agreement.*

*“AFD will implement disciplinary action for members that are non-compliant with shift exchange policies and procedures.*

*“AFD will provide additional training to AFD uniform members on the new shift exchange policy and procedures.*

- *“AFD will conduct fact finding with members that have an excessive “trade time work” to “trade time off” imbalance.*
- *“AFD will determine a method, resolution and consequences for members that have an excessive “trade time work” to “trade time off” imbalance.*

*“Timetable for the anticipated completion date for proposed solutions will be 60 days upon completion of negotiations for the fire union collective bargaining agreement.”*

2. EMPLOYEES MIGHT NOT HAVE BEEN ELIGIBLE TO RECEIVE CITY BENEFITS.

When shifts are exchanged, the employee who takes the time off gets paid, and receives City benefits such as Public Employees Retirement Association (PERA) credit.

New Mexico Administrative Code § 2.80.400.10 (A) Member Coverage Under PERA, states:

*Full-time employees who work 40 or more hours in a week and part-time employees who work 20 or more hours but fewer than 40 hours in a week shall be members.*

If an employee trades a shift so they can take time off, but does not repay the shifts, they might receive City benefits and PERA service credit for time they did not work.

#### RECOMMENDATION

HRD and Legal should determine if (1) AFD employees that did not work the hours they were paid for should have received City benefits and PERA service credit and (2) the City was required to pay its portion of PERA.

#### RESPONSE FROM HRD AND LEGAL

***“HRD and Legal concur with the recommendation.***

***“HRD and Legal will determine if AFD employees that did not work the hours they were paid for should have received City benefits and PERA service credit and the City was required to pay its portion of PERA.”***

#### CONCLUSION

AFD should implement supervisory and administrative controls by monitoring shift trades and developing policies and procedures. HRD and Legal should determine (1) if employees were eligible to received coverage under PERA and (2) if the City was required to pay its portion of PERA.

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Senior Information Systems Auditor

REVIEWED AND APPROVED

APPROVED FOR PUBLICATION:

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Carmen Kavelman, CPA, CISA, CGAP  
Director, Office of Internal Audit

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Chairperson, Accountability in Government  
Oversight Committee