



City of Albuquerque

Office of Internal Audit

FOLLOW-UP OF THE
OFFICER OVERTIME AUDIT

Report #20-16-107F

Date: October 28, 2020

INTRODUCTION

The Office of Internal Audit (OIA) issued Audit No. 16-107, *Albuquerque Police Department Officer Overtime* in March 2017. OIA has completed a follow-up to determine the corrective actions that the Albuquerque Police Department (APD) has taken in response to the report. The report contains 3 recommendations, 2 of which have been implemented and are now closed and one that remains in progress.

BACKGROUND

OIA conducted a special audit of APD officer overtime for fiscal year 2016. The purpose of the audit was to determine if internal controls at APD ensure the validity of officer overtime and detect irregular overtime activity. The audit found that APD personnel do not consistently follow Standard Operating Procedures (SOPs) for preapproving and recording overtime transactions. Specifically, of the 24 overtime transactions tested, 21 (88 percent) had one or more issues related to preapproval and/or recording. The audit also found that APD's current overtime monitoring processes are decentralized and that overtime is not monitored for irregular activity, nor reconciled between the timekeeping and payroll systems.

OBJECTIVE

The objective of this follow-up was to determine whether APD has taken the corrective actions recommended in OIA'S March 17, 2017, audit report on APD officer overtime. Consistent with Government Auditing Standards, Section 9.08, promulgated by the U.S. Government Accountability Office, the purposes of audit reports include facilitating follow-up to determine whether appropriate corrective actions have been taken. This field follow-up is a non-audit service. Government Auditing Standards do not cover non-audit services, which are defined as professional services other than audits or attestation engagements. Therefore, APD is responsible for the substantive outcomes of the work performed during this follow-up and is responsible to be in a position, in fact and appearance, to make an informed judgment on the results of the non-audit service. OIA limited our scope to actions taken to address our audit recommendations from the final audit report dated March 17, 2017 through the submission of actions on October 7, 2020.

METHODOLOGY

To achieve the objective, OIA:

- Obtained documentary evidence from APD.

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- Interviewed department staff to understand and verify the status and nature of the corrective actions taken.
- Verified the status of the recommendations that APD had reported as implemented.

RESULTS

Of the 3 recommendations addressed in the original audit report, 2 have been closed, and 1 remains in process. Detailed results of the follow-up are summarized in Attachment 1.

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APPROVED FOR PUBLICATION:

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APPENDIX 1

Recommendation	Responsible Agency	Department Response	OIA Conclusion	OIA Use Only Status Determination
<p>1. The Albuquerque Police Department should:</p> <p>a. Ensure SOPs are followed for overtime transactions, or consider modifying the SOPs to better fit the current practices.</p> <p>b. Ensure all officers follow correct protocol for grant funded overtime.</p> <p>c. Consider switching to an electronic sign-in process for grant funded traffic overtime to document pre-approval. Officers could receive an electronic confirmation that would document that he/she is approved to work the overtime.</p>	<p>The Albuquerque Police Department</p>	<p>The current SOP relating to overtime does not reflect changes in processes that were implemented when the Department changed from using manual, paper time sheets to the current online time reporting system. APD agrees that the SOP should be modified to better fit current practices. APD will also review practices again with the goal of improving efficiency with the on-line system.</p> <p>APD agrees that the SOP relating to grant overtime should be modified to better reflect current procedures. APD is also reviewing grant procedures for best practices. APD will ensure that officers follow proper protocol for grant funded overtime.</p> <p>APD is considering different alternatives including an electric sign-in process for grant funded traffic overtime to document</p>	<p>APD is in the process of updating SOP 3-20 and expects that it will be submitted to the Policy Oversight Board for approval during the second quarter of this fiscal year. However, the Chief of Police has issued several Department Special Orders that update the operating processes associated with the overtime practices in the existing SOP. A Department Special Order overrides a SOP until the SOP has been revised to incorporate the Special Order information. APD employees are required to acknowledge in the Power DMS application that they have read and will comply with any new special orders and SOP revisions.</p> <p>APD explored using an electric sign-in process for grant funded traffic overtime, but the Telestaff software being considered does not support this process. A sign-up log for NMDOT grants has been implemented. This log along with an officer's Overtime Packet is submitted to the State for documentation of the grant overtime worked and for reimbursement to the</p>	<p><input checked="" type="checkbox"/> Open</p> <p><input type="checkbox"/> Closed</p> <p><input type="checkbox"/> Contested</p>

		<p>approvals.</p> <p><u>ESTIMATED COMPLETION DATES</u></p> <p><i>All internal procedures for reviewing processes and modifying SOPs will be completed by June 30, 2017.</i></p>	<p>City. This packet includes an overtime slip, copies of any issued citations, applicable reports and copies of the officer's Computer Aided Dispatch (CAD) reports. A supervisor reviews this packet and compares it with the Telestaff time sheet for accuracy before approving the overtime for payment.</p>	
<p>2. The Albuquerque Police Department should:</p> <p>a. Centrally monitor overtime transactions for irregular activity, and consider using trend analyses to regularly monitor overtime for irregular activity.</p> <p>b. Create a report for the Chief of Police (Chief) that includes irregular overtime activity that incorporates analyses important to the Chief for maintaining the integrity of APD's overtime.</p>	<p>The Albuquerque Police Department</p>	<p>The APD Fiscal Division will design and distribute reports similar to the suggestions made by the Office of Internal Audit."</p> <p><u>ESTIMATED COMPLETION DATES</u></p> <p><i>APD estimates a completion date of March 31, 2017.</i></p>	<p>In November 2018, the APD Fiscal Division began sending management overtime reports, such as year over year overtime analysis, highest overtime per person and overtime by department to management. Some reports are monthly and some are on an ad hoc basis.</p> <p>Additionally, the Department of Finance & Administrative Services (DFAS) Payroll created a report using trend analysis for APD's use in monitoring overtime for irregular activity. The report is reviewed by APD Payroll each pay period and unexplained exceptions are referred for additional review and/or correction.</p>	<p><input type="checkbox"/> Open</p> <p><input checked="" type="checkbox"/> Closed</p> <p><input type="checkbox"/> Contested</p>

<p>3. APD should reconcile the timekeeping system to the payroll system on an on-going basis.</p>	<p>The Albuquerque Police Department</p>	<p>The APD Fiscal Division does not currently have the staff and resources needed to complete this project. Differences in the manner that the two systems summarize data coupled with the required City time line for successfully completing the biweekly payroll process make the reconciliation process very manual and time intensive for a Department with more than 1,500 employees. APD will continue to examine alternative solutions for achieving the desired results.</p> <p>ESTIMATED COMPLETION DATES</p> <p><i>APD estimates a completion date of June 30, 2017.</i></p>	<p>The APD Fiscal Division routinely provides timekeeping reports of unapproved items from time cards to supervisors and reviews differences between the two systems. Unusual items can be referred back to the officer and the officer's supervisor. An Additional Pay Memo & Timesheet Correction Form signed by both the officer and the officer's supervisor is required for most corrections made to an officer's timekeeping information. APD Payroll does not generally change an officer's timesheet without written authorization from either the officer or the officer's chain of command.</p>	<p><input type="checkbox"/> Open <input checked="" type="checkbox"/> Closed <input type="checkbox"/> Contested</p>
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