



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

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REPORT OF INDEPENDENT ACCOUNTANTS

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We have performed the procedures summarized below and detailed in our "Supplement to the Agreed Upon Procedures", for the period July 1, 2000 through June 30, 2002 (the Period). These procedures were performed solely to evaluate the Columbus City School District (the District) overtime and compensatory time policies and procedures; to analyze overtime and compensatory time payments made by the District; and to review selected employee overtime and compensatory time payments to determine if they were made in accordance with District policies. This engagement was performed in accordance with consulting standards established by the American Institute of Certified Public Accountants. The procedures we performed and the results of those procedures are summarized as follows:

1. We gained an understanding of the District process for determining need, approving, recording, paying, and monitoring overtime and compensatory time. We obtained District policies and procedures and interviewed selected employees of the District. We evaluated this process and offered recommendations for improvement.

Significant Results:

During the Period the District budgets for personnel costs (salary, retirement, insurance, overtime, extra service time) were formulated by the Department of Budget and Legislative Affairs and were based on prior year actual information and anticipated increases over the next fiscal year. The personnel costs portion, approximately 77% of the nearly \$600 million general fund budget, was budgeted at a function level into two line items, salaries and benefits, at a District-wide level. Budgets for personnel costs were not established at the building or department level and there was no budget apportionment for overtime or extra service time. For the Period, building administrators and department supervisors were not provided budgeted personnel costs to enable them to monitor actual costs to budgeted costs for those employees under their supervision. Additionally, the administrators and supervisors did not internally have a process in place to track and monitor the amount of personnel costs, including overtime and extra service costs they incurred.

Compensatory time earned and used is not reported to the Treasurer's Office payroll department. Each department is responsible for recording compensatory time earned, used, and employee balances. The procedures used to record compensatory time activity is left to the discretion of the building administrators and department supervisors and they use a variety of forms and procedures for the approval, recording, and use of compensatory time. Weaknesses identified in the procedures used by the departments include; lack of approval over earned compensatory time, lack of approval over the use of compensatory time, lack of timely posting to records, lack of compensatory balances being maintained, some cases of individuals maintaining their own compensatory time record, and a lack of monitoring by supervisors over compensatory time activity and balances.

During the Period the culture for overtime use in some departments was that it was a regular occurrence. There was no budget for overtime and the cost of overtime was not monitored by building administrators and department supervisors. Procedures for prior approval of the need to work overtime were not in place in many of the departments and buildings. Forms used to document, record and report overtime were not standardized throughout the District. Overtime reporting and payments for custodial employees were made on a monthly basis instead of each pay period as all other departments of the District. There were overtime payments made by the payroll department that did not contain the approval of the department supervisor.

2. We completed an analysis of all overtime and compensatory time paid for the Period. We obtained electronic data files from the District and completed an analysis by department, position, and employee as the data was available.

Significant Results:

Overtime payments were not recorded in the accounting records by project. The District did not utilize a code or special cost center to track the costs by project. The overtime costs for the district-wide floor refinishing project were not tracked and monitored by the department supervisor.

Personnel costs make up approximately 77% of general fund expenditures. Of this amount overtime expenditures for fiscal year 2002 were approximately \$6 million and for fiscal year 2001 they were approximately \$5.9 million. Several of the same employees worked a substantial amount of overtime in each fiscal year. We have included a recommendation that District management review positions and employees that consistently work substantial amounts of overtime and determine if the amount of overtime is reasonable and if alternative schedules should be established or if job duties should be changed so that more of the work can be performed on regular time.

Of the nine departments that are permitted to work overtime, in fiscal year 2002 84% of the overtime costs were incurred in the custodial and pupil transportation departments and in fiscal year 2001 83% of the overtime costs were incurred in these same two departments. In fiscal year 2002 the custodial department had five individuals more than double their regular salary and 16 custodial department employees worked over 1,000 hours of overtime. Each of these 16 employees worked on the floor refinishing project. In fiscal year 2001 the custodial department had four individuals more than double their regular salary and 17 custodial department employees worked over 1,000 hours of overtime. Each of these 17 employees worked on the floor refinishing project.

There were five individuals that earned over \$17,000 in overtime in the pupil transportation department during fiscal year 2002. There were 51 employees that earned over \$10,000 in overtime and of the 633 pupil transportation employees 248 earned over \$5,000 in overtime. In fiscal year 2001 there were eight individuals that earned over \$18,000 in overtime in the pupil transportation department. There were 28 employees that earned over \$10,000 in overtime and there were a total of 212 employees who earned over \$5,000 in overtime during 2001.

3. We reviewed selected employee overtime and compensatory time payments made during the Period. We determined whether these payments were supported by documentation, properly approved, recorded, and made in accordance with District policies. This selection included custodians that earned overtime as part of the District's floor refinishing project.

Significant Results:

We identified 13 custodial employees that used compensated leave time during various pay periods and the leave time was used in the calculation of work hours for determining overtime pay at time and a half. We issued findings for recovery against each of the 13, the Supervisor of Custodial Services, and the Payroll/Benefits Manager in the total amount of \$11,315.

We identified two custodial employees that had duplicate reporting of their overtime hours. We issued findings for recovery against both of them, the Supervisor of Custodial Services, and the Payroll/Benefits Manager in the total amount of \$899.

The District did not review the background check of a newly hired custodian for one year from the date it was received. The background check identified an offense that disqualified the custodian from employment. We have included a recommendation for timely review of all employee background checks.

We identified instances of noncompliance with the District nepotism policy. During the floor refinishing project there were immediate family members working in a superordinate/subordinate relation as part of the core-crews. Testing results indicated that an Assistant Custodial Supervisor approved his son's overtime timesheets on two separate occasions during the Period.

We identified 21 instances in fiscal year 2002 and 11 instances in fiscal year 2001 of extra service time that was in excess of the 10 hour maximum. We identified four employee timesheets in fiscal year 2002 and one timesheet in fiscal year 2001 that were not approved by the Director of Classified Personnel as required.

There was no plan or budget established for the floor refinishing project. A project of this magnitude should have been planned, budgeted, and reviewed by top level management to determine the need for the project and the approach to complete the project. We have included a recommendation that District management establish a project management team to oversee major projects including planning, budgeting, monitoring and the delivery of the service to help ensure the optimal use of District resources. If facilities would have been properly cleaned and maintained on a regular basis it appears that this refinishing work could have been done on regular time by existing staff using new products instead of on a total overtime basis. We have included a recommendation on custodian performance to help improve the level of performance, evaluation and monitoring of custodial staff. If the District had a system in place to monitor excessive amounts of overtime worked by employees this project would have been highlighted and questioned by management earlier. We have included a recommendation for improved reporting and monitoring of overtime.

4. On September 25, 2002, we held an Exit Conference with the following officials:

Dr. Gene Harris, Superintendent
Jerry Bucilla, Treasurer
Giselle Johnson, General Counsel
Larry Braverman, Associate Counsel

The attendees were given an opportunity to respond to this Agreed Upon Procedures Report. A response was received September 27, 2002, evaluated, and modifications were made to the attached Supplement to the Agreed Upon Procedures as we deemed appropriate.

Our detailed procedures and the results of applying these procedures are contained in the attached "Supplement to the Agreed Upon Procedures". Because these procedures do not constitute an examination conducted in accordance with auditing standards generally accepted in the United States of America, we do not express an opinion or limited assurance on any of the accounts or items referred to above. Also, we express no opinion on the District's internal control system over financial reporting or any part thereof. Had we performed additional procedures, or had we conducted an examination of financial statements in accordance with auditing standards generally accepted in the United States of America, other matters might have come to our attention that would have been reported to you. This report relates only to transactions relating to the above procedures, and does not extend to any financial statements of the District taken as a whole.

This report is intended for the use of the specified users listed above. Reports by the Auditor of State are a matter of public record and use by other components of state government or local government officials is not limited.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

JIM PETRO
Auditor of State

September 9, 2002

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

BACKGROUND INFORMATION

In March of 2000, the Columbus City School District decided to undertake a district-wide floor stripping and refinishing project through the Office of Custodial Services. The goal of this project was to complete the stripping and refinishing of all high traffic areas in school buildings in the District within 30 months. The Supervisor of Custodial Services was in charge of ensuring the delivery of these services with his custodial staff.

The newspapers reported in February 2002 and again in July 2002 alleged improprieties in the allocation of overtime within the custodial services floor refinishing project. These articles alleged nepotism in the project and concern about the amount of overtime earned by individual employees.

The Supervisor of Custodial Services was interviewed by the Superintendent on July 11, 2002 and submitted his resignation on that date. He subsequently rescinded his resignation and was placed on paid administrative leave and assigned to his home effective July 12, 2002, pending an investigation regarding the allegations disclosed in the newspaper.

On July 12, 2002, the District Superintendent and Treasurer approached representatives of the Auditor of State about the allegations and requested our review of the overtime and compensatory time policies and procedures of the District.

On July 16, 2002, representatives of the Auditor of State met with the District Treasurer and Associate Counsel to discuss the scope of our work.

On July 29, 2002, the District Superintendent engaged the Auditor of State to complete a review of the overtime and compensatory time policies and procedures of the District and to review actual overtime and compensatory time payments made for compliance with Board policies and procedures.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

SUMMARY OF RESULTS

ISSUE 1 – Overview of the Overtime and Compensatory Time Process

We gained an understanding of the District's process for determining need, approving, recording, paying and monitoring overtime and compensatory time. We obtained District policies and procedures and interviewed selected employees of the District to document our understanding. We evaluated this process and offered recommendations for improvement.

PROCEDURES

1. We discussed District overtime and compensatory time policies with the Superintendent, Treasurer and Associate Counsel.
2. We obtained District negotiated agreements and reviewed these documents for policies governing the earning, recording, approving, paying and monitoring of overtime and compensatory time.
3. We conducted interviews with the following District personnel; Acting Executive Director of Budget and Fiscal Management, Acting Unit Administrator of Business and Operations, Assistant Treasurer, Chief Information Officer, Purchasing Director, Director of Certificated Personnel, Director of Classified Personnel, Director of Labor Relations, Director of Buildings, Grounds, and Vehicle Maintenance, Payroll Manager, Payroll Supervisor, Director of Food Service, Director of Transportation, Chief Operations Officer, Director of Building and Grounds, Supervisor of Custodial Services, Janitorial Staff, and other personnel throughout the District. In these interviews we inquired of the District employees the procedures in place over overtime and compensatory time for determining need, approving, recording, paying, and monitoring this process as it applied to their specific department of the District. We documented the procedures identified from our interviews.

RESULTS

DISTRICT POLICIES AND PROCEDURES GOVERNING OVERTIME AND COMPENSATORY TIME

During the Period, the District budgeted salaries and overtime at a district-wide level. Budget and actual payroll expenditure information was not provided to building administrators (principals) and departmental supervisors. Prior to June 30, 2002 overtime costs were not monitored by District Managers and additionally, departments and buildings did not internally budget or track overtime costs.

The District does not have a centralized recording and monitoring system for the accrual and use of compensatory time. Each department, which is eligible to earn compensatory time, records the accrual and use of this time independent of the payroll department. These records are maintained at a departmental level and there is no district-wide compiling or monitoring of this activity.

The District policies for overtime and compensatory time during the Period were contained in the negotiated agreements between the Columbus School Employees Association and the Columbus Board of Education effective March 1, 1998 through February 28, 2001 and March 1, 2001 through February 29, 2004 (the Agreement). The portion of the Agreement that addresses hours of work, overtime and compensatory time is Article 9 and the applicable sections are summarized below.

Section 9.1 of the Agreement addresses Normal Schedule of Hours/Full-Time Employees and requires that the normal schedule of hours worked for all regular full-time employees consists of eight hours of work, five days per week, except where there is a seven day operation made necessary by the nature of the work. If the work week for any position is normally five days, work performed on Saturday or Sunday as part of the work week should be paid at one and one-half times.

Section 9.2 of the Agreement addresses Normal Schedule of Hours/Part-Time Employees and requires that the normal schedule of hours worked for regular part-time employees shall consist of two, three, four, five, six, or seven consecutive hours of work, five days per week.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Section 9.3 of the March 1, 1998 through February 28, 2001 agreement addresses Overtime Rate and states that the Board will pay overtime at the rate of one and one-half regular hourly rate for all hours worked in excess of eight hours on any day or for all hours over 40 in any week.

Section 9.3 of the March 1, 2001 through February 29, 2004 agreement addresses Overtime Rate/Compensatory Time and states that Clerical, Truck Drivers, Warehouse, Data Processing and Custodial employees required to work overtime previously approved by the supervisor may, at the employees' option, elect to receive compensatory time in lieu of paid overtime for up to one-half of all overtime worked by that employee. The employee must notify the supervisor in writing by the end of the business day after overtime has been worked if the employee desires to use compensatory time at a future date rather than receive payment for the overtime in the next pay period. Compensatory time is credited on the basis of one and one-half hour for each hour of overtime worked by the employee. Compensatory time in lieu of paid overtime may be accumulated up to a maximum of 40 hours. Whenever the employee desires to take time off earned on the basis of compensatory time, the employee shall submit a written request to the employee's supervisor indicating the amount of compensatory time the employee desires to use and the requested date(s) for such use. If the employee's request to use compensatory time is denied, the employee should have the option to request payment for the overtime worked. Upon termination of employment for any reason, an employee should be paid for unused compensatory time at the pay rate in effect at the time of payment.

Section 9.5 of the Agreement addresses Non-Traditional Work Schedule and states that notwithstanding the provisions of 9.1 and 9.3, the overtime rate shall not be applied to hours worked in excess of eight in a given day or to hours worked on Saturday or Sunday, provided such hours worked are a part of an established work schedule voluntarily accepted by the employee. The overtime rate shall apply to hours worked in excess of 40 in a week.

Section 9.6 of the Agreement addresses Pyramiding/Duplicating Overtime and states that there shall be no pyramiding or duplication of overtime pay. Where two overtime or premium rates are applicable, only one shall be paid.

Additional Sections of Article 9 of the Agreement address different departments within the District with specific departmental overtime and compensatory time policies. The departments included are as follows:

1. Custodial
2. Food Service
3. School Clerical
4. Pupil Transportation
5. Maintenance/Vehicle Maintenance
6. Warehouse Personnel
7. Truck Driver
8. Data Processing
9. Treasurer's Office Personnel

Each department's specific policies from the Agreement and the departmental procedures we identified from interviews with District employees are summarized below.

1. CUSTODIAL

Regular Overtime Policy

Section 9.7A. of the Agreement states that when a head custodian is required to make a building check on a day when he/she is not regularly scheduled to work, said employee shall be paid a minimum of one hour at the rate of one and one-half his/her regular pay for elementary school building checks, and one and one-half hours of time at one and one-half of his/her regular pay for a middle school or high school building check. In the event the head custodian is unable to make a required building check, it is the head custodian's responsibility to designate another custodian at that building to make the building check.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Section 9.7B. of the Agreement states that custodial overtime at a work location shall be offered to all custodial personnel on a rotation basis beginning with the most senior based on job classification seniority. Exceptions to this policy may be made for the following reasons:

1. When overtime duties to be performed require the presence of the head custodian.
2. When the need for assigned overtime is identified with less than 24 hours advance notice.
3. When the overtime requires performance of a duty which is not practical for a Custodian I, the Custodian I may be passed but will again be placed on the rotation list for the next available overtime that is consistent with Custodian I duties.
4. Building check is not included for purposes of overtime rotations.

Because of the wide variance in advance notice, some overtime may be offered or assigned well in advance, while other overtime may be offered or assigned on relatively short notice. Each head custodian, in consultation with and at the direction of the building administrator, may develop the procedures most suitable to a given work location. Such procedures may include offering known overtime at a predetermined time each week or each month or some combination of the two approaches or some other suitable approach. Personnel who are absent on the date the overtime is offered or absent on the day the overtime is worked shall lose that turn.

Emergency and Project Overtime Policy

The Department of Custodial Services implemented guidelines for emergency and project overtime in the form of a memorandum dated January 6, 2001. This procedure was to be posted at the building and outlined the required form to be completed by the custodian in order to be added to the emergency and project overtime seniority listings.

Section 9.7C. of the March 1, 2001 through February 29, 2004 agreement states that custodial emergency and project overtime shall be offered to all custodians and head custodians, when the custodians assigned to a particular location either waive their right to such overtime or if the amount of overtime available exceeds the ability of the custodians at that location to satisfactorily complete in a reasonable time frame. Custodians and Head Custodians wishing to be considered for such overtime must submit in writing their desire to be included on either or both of the lists maintained in the custodial services office for emergency overtime and project overtime. Assignments for overtime shall be offered rotationally on the basis of those lists, which shall be ordered in terms of overall departmental seniority. Exceptions to this policy shall be the same as those outlined above.

Compensatory Time Policy

Custodial did not have a compensatory time policy for the period March 1, 1998 through February 28, 2001. The Custodial policy regarding compensatory time for the period March 1, 2001 through February 29, 2004 is outlined above in Section 9.3 of the Agreement.

Custodial Procedures

Overtime

Interviews held with an Assistant Area Custodial Supervisor, Director of Buildings and Grounds and the Supervisor of Custodial Services indicated that the determination of need for overtime to be worked is dictated by after school activities, athletic events, emergencies and special projects undertaken by the department of custodial services. There is no formal documentation of the need or pre-approval form required prior to working overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

To record overtime worked by custodial employees the "Overtime Service Report" form is completed by the employee to record each day of work, hours worked, and building location of work. This form, which also includes the accounting code to be charged, is signed by the employee and approved by one of the four Assistant Area Custodial Supervisors. The form is then forwarded to the Supervisor of Custodial Services for review and approval on a monthly basis. These forms are summarized monthly by the Supervisor of Custodial Services and forwarded to the Treasurer's Office payroll department for payment of the overtime worked.

Interviews with ten custodial employees of the District indicated that seniority lists for overtime rotation are maintained by building and utilized by the head custodian at the buildings in the assignment of overtime.

Interviews with ten custodial employees indicated that the emergency and project overtime seniority list was first used in February 2001. Based on these interviews there was little indication that custodians were aware of these emergency and project lists or the procedures governing them.

Compensatory Time

The procedures used to record compensatory time by custodians are similar to the overtime process. The "Overtime Service Report" form is utilized and signed by the employee. However, for compensatory time the form is reviewed and approved by the Building Administrator (i.e. Principle) instead of the Assistant Area Custodial Supervisor. This form is then forwarded to the Secretary of Custodial Services and the compensatory time is recorded in the employee's compensatory time record. The calculation of the amount earned is completed by the secretary, and the record is maintained in custodial services and is not monitored by management. When an employee elects to use compensatory time earned, notification is sent to the secretary who records the time used on the "Compensatory Time Taken" record. This record contains the employee name, work location, date, and hours taken. There is no managerial approval of this process and an approved leave form is not utilized by the department. The secretary updates the employee record after every time the employee uses the leave.

2. FOOD SERVICE

Regular Overtime and Compensatory Time Policy

Section 9.8 of the Agreement addresses extended time and summer work of the food service staff. Food service workers who regularly are assigned extended service shall have their regularly scheduled work day increased in a similar manner. The policy regarding overtime and compensatory time for food service employees follow the general provisions of the Agreement outlined in Section 9.3, except for the election of compensatory time in lieu of overtime.

Food Service Procedures

Interviews with the Director of Food Service and five food service employees indicated that the need for overtime is based upon the nature of the work at the individual schools or the food production center. The determination of need for overtime to be worked is also dictated by emergencies at the schools and extra need at the food production center in order to get a job completed. There is no formal documentation of the determination of need for the overtime and whether the job can be completed during the regular working hours. If the normal schedule for a food service employee is under 40 hours a week, the extra time worked is paid as extra regular pay at the regular rate. The employees at the food production center have the option to select either compensatory time or overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Food Service Procedures at Schools

Food service employees working overtime or extra time at schools complete an internal food service timesheet to record each day of work, hours worked and building location of work. This form is approved and signed by the employee's supervisor at the end of the pay period and is forwarded to the departmental payroll officer at the food production center. The departmental payroll officer adds up the time and prepares a summary of the time worked and the amount of overtime or extra service time to be paid to the employee. This summary is forwarded to the Treasurer's Office payroll department and does not have any independent review or approval by management.

Food Service Procedures at the Food Production Center

Employees who work at the food production center use an electronic timecard system to record time worked on a daily basis. At the end of a pay period, the system generates a time report by employee and this information is reviewed and approved by the supervisor. This review and approval of the time report is not documented by a signature on the report by the supervisor. The supervisor discusses with employees any overtime recorded for time worked over 40 hours per week and the breakdown of the amount they elect to receive in overtime pay and compensatory time.

This determination of the amount of overtime pay or compensatory time earned is recorded on the time report and forwarded to the departmental payroll officer at the production center. The departmental payroll officer adds up the time and prepares a spreadsheet of the time worked and the amount of overtime to be paid to the employee. This spreadsheet is then forwarded to the Treasurer's Office payroll department and does not have any independent review or approval by management.

For food production center employees, other than classified managers and secretarial staff, compensatory time approved on the time report is recorded on the employee record in a notebook maintained by the department payroll officer. Classified managers and secretarial staff at the production center maintain their own compensatory time record. When an employee, who has their record maintained by the departmental payroll officer, uses compensatory time they call the departmental payroll officer to request the time and it is then recorded on the compensatory time record. There is no documentation of supervisory approval of compensatory time used.

3. SCHOOL CLERICAL

Regular Overtime, Compensatory Time and Extra Time Policy

Section 9.9 of the Agreement addresses overtime and compensatory time of school clerical personnel. The Agreement states that the provisions of Section 9.3 shall apply to school secretaries. Compensatory time off for work beyond the scheduled work day by school secretaries shall be based on the provisions of Section 9.3 with regard to straight time and time and one-half and shall be on a voluntary basis. Work required beyond the scheduled work day by school secretaries shall be based on the provisions of Section 9.3 and shall be on a paid basis as authorized by the Director of Classified Personnel unless, by prior mutual agreement of the secretary and principal, compensatory time is to be taken.

In cases when a secretary has to remain with a child at the school that secretary shall be compensated for the time he/she remained at the work site beyond the regular work day at the secretary's regular hourly rate unless such time would make the secretary eligible for overtime compensation in which event the secretary will receive overtime compensation. The secretary required to work beyond the regular work day shall receive a minimum of one-half hour for each occurrence.

In memorandums dated August 21, 2000 and September 17, 2001 the Director of Classified Personnel and the Budget Director established policies for extra service time worked by school clerical staff. Every building was allocated ten hours per month to be used for extra service hours. The use of the allocated hours was optional and was to be pre-approved by the Building Administrator. The extra service hours were offered to secretaries who were needed to perform services beyond the seven hour work day.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

School Clerical Procedures

An interview with the Director of Classified Personnel indicated the need for extra service work or overtime by school clerical staff is dictated by emergencies, attendance procedures and special projects undertaken for the Building Administrator. There is no formal documentation of the need or pre-approval form required prior to working extra service time or overtime. Extra service time is reported on the "Extra Service Report" which includes: employee name, social security number, building number, day of work, and additional hours worked outside the regular hours. This form is completed and signed by the employee, approved by the Building Administrator and forwarded to the Director of Classified Personnel for approval. Once this form is approved it is forwarded to the Treasurer's Office payroll department for processing of the payment.

4. PUPIL TRANSPORTATION

Regular Overtime Policy

Section 9.10 of the Agreement states that the overtime rate shall be paid to bus drivers, child care attendants who ride a bus, and intervention aides who ride a bus, for time in excess of eight hours of work or in excess of a ten hour span, whichever computation produces the greater overtime. There shall be no more than two segments used to compute a bus employee's work day.

Compensatory Time Policy

The policy for compensatory time for Pupil Transportation employees follow the general provisions of Section 9.3 of the Agreement, except for the election of compensatory time in lieu of overtime for bus drivers, childcare attendants, and intervention aides.

Pupil Transportation Procedures

Office Personnel and Garage Supervisors

Interviews of the Director of Pupil Transportation and Supervisor of Operations indicate that the determination of the need for overtime to be worked by transportation office personnel and garage supervisors is based on a pre-approval process recorded on the "Staff Overtime Request Form". This form requires the following: employee name; date of request; date for which overtime is requested; a description of what is to be accomplished with the overtime hours; whether or not the overtime or compensatory time is approved; the amount of hours approved (if applicable); a suggested work plan to complete the work on regular time if not approved; the supervisor's signature on the form; the Director's signature on the form; and follow up by the supervisor as to the completion of the work.

When pre-approved overtime or compensatory time is worked it is recorded on the "Daily Timesheet" report. This form contains the following: employee name; social security number; pay period; location; amount of overtime or compensatory time designated by the employee; and the employees' signature. This form is then reviewed and approved by the Supervisor of the Garage or the Operations Supervisor. These forms are then forwarded to the transportation department secretary for summarization on the "Extra Service Report and Overtime Report for Transportation". The following information is included on the report: employee name; social security number; amount of extra time for time worked less than 40 hours; and amount of overtime. This report is reviewed and each page is initialed by the Director of Pupil Transportation or Supervisor of Operations to document approval. The report is then forwarded to the Treasurer's Office payroll department for processing of the payment.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

If an employee elects compensatory time instead of overtime it is added to the listing of compensatory time. This listing is maintained by the secretary and contains the following information: the name; total compensatory hours worked; total compensatory hours used; and the total hours available. When an employee uses compensatory time they complete the "Request for Compensatory Time" form. This form contains, the employee name, social security number, date of the request, amount of hours requested, date or dates requested, person who will replace the individual while they are absent, and whether or not approved by the Transportation Director or Operations Supervisor.

Bus Drivers/Child Care Attendants/Intervention Aides

Interviews of the Director of Pupil Transportation and Supervisor of Operations indicate that the determination of need for overtime to be worked by bus drivers, child care attendants, and intervention aides is based on emergencies, such as a bus breakdown, or weather conditions. There is no documented pre-approval form utilized. These individuals do not receive compensatory time, but do receive overtime or extra service time for additional hours worked. The ten hour span applies when personnel have a morning segment and then an afternoon segment. The employee must record on the time sheet at the bus garage the beginning of each segment and the end of each segment.

Each bus route has an annual time study of the amount of time it should take and the employee is paid more than the time study only when emergencies occur. The District has five hour drivers and eight hour drivers, the five hour drivers are paid at their regular rate of pay for time in excess of the five hour time span up to eight hours. Any midday assignment will be added either to the A.M. or P.M. segment, whichever constitutes the shorter working day. The timesheet is reviewed and approved by the Supervisor of the Bus Garage and forwarded to the transportation office for processing. The remainder of the procedures are the same as those documented for the office and garage personnel.

5. MAINTENANCE/VEHICLE MAINTENANCE

Regular Overtime and Compensatory Time Policy

Section 9.13 of the Agreement states that a Maintenance Department or Vehicle Maintenance Department employee required to work overtime may, at the employee's option, elect to receive compensatory time in lieu of paid overtime for up to one-half of all overtime worked by that employee. Compensatory time shall be credited on the basis of one and one-half hour for each hour of overtime worked by the employee. Compensatory time in lieu of paid overtime may be accumulated up to a maximum of 40 hours. Whenever the employee desires to take time off earned on the basis of compensatory time, the employee shall submit a request to use accrued compensatory time. Except in emergency situations, an employee shall submit a request to use compensatory time a minimum of three work days in advance of the time desired off unless the supervisor agrees to lesser notice. If the employee's request to use compensatory time is denied, the employee shall have the option to request to receive cash payment for the overtime worked. Upon termination of employment for any reason, an employee is to be paid for unused compensatory time at the rate in effect at the time of payment.

Section 9.20 of the Agreement states that Vehicle Maintenance overtime at a work location shall be offered to employees whose name appears on an overtime rotation list beginning with the employee with the most job classification seniority on a rotating basis except that an employee who has started a project which requires overtime shall be entitled to finish this work. The distribution of overtime is required to be offered in a fair and equitable manner.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Maintenance Procedures

Interviews of the Supervisor of Energy Management, Director of Buildings and Grounds and Assistant Manager indicated that overtime in the maintenance department is initially identified by the employee(s) working on the job. The need also may arise if there are emergencies, special projects and “catch-up” of customer backlog requests for maintenance. An “Overtime Request Form” is completed which contains the following information: description of the site, a reason for the overtime, the hours desired, the date of requested overtime, the pay rate and overtime rate of the employee and an estimated cost for the time to be worked. This form is required to be pre-approved by the immediate supervisor, Supervisor of Energy Management, and the Director of Buildings and Grounds. Upon completion of the work by the employee the actual time worked is entered on the “Daily Accountability Form”, which indicates the name of the employee, date of work, work site location, the amount of overtime hours worked, and a description of the work performed. This form is matched to the original request and forwarded to the secretary of the director who types this information on the “Overtime Service Report”, which contains the name, social security number, building, date, hours, and accounting line to charge the expense. This form is then approved by the Director of Buildings and Grounds, and a copy of the Daily Accountability Form and the Overtime Request Form is forwarded to the payroll department in the Treasurer’s Office for processing. In the case of emergencies the overtime request form is not pre-approved it is signed by the Assistant Manager, and the Director. This form is then again matched to the “Daily Accountability Form” and forwarded for processing.

If the employee elects to receive compensatory time it is noted on the Daily Accountability Form and is recorded by the department secretary in the department data base. This system tracks the compensatory time information by the following: the individual employee; the date of the time earned; the hours earned; and the amounts used. A cumulative balance of compensatory time is not maintained to ensure the 40 hour time limit for compensatory time balance is not exceeded.

When the employee desires to use compensatory time, the employee discusses this with the supervisor, and each day the supervisor fills out the attendance form which indicates the amount of sick, vacation, personal, compensatory time, or other leave used by each employee under their supervision. This form is signed by the supervisor, but there is no documentation of pre-approval of leave used. The form is then entered into the department data base by the secretary of buildings and grounds for the time used.

Vehicle Maintenance Procedures

Interviews of the Director of Transportation and Assistant Manager indicated that overtime in the vehicle maintenance department is initially determined by the employees working the job if additional time is needed. The employee’s supervisor then completes the “Overtime Request Form”. This form contains a description of the site, a reason for the overtime, the hours desired, the date of requested overtime, the pay rate and overtime rate of the employee and an estimated cost for the time to be worked. Upon completion of the work the “Overtime Request Form” is modified, if needed, to reflect the actual hours worked. The form is signed by the supervisor, the Assistant Manager and the Director. If the employee elects to receive overtime pay the information entered on the “Overtime Request Form” is transferred to the “Overtime Service Report” by the department secretary. This report is then signed by the employee and the employee supervisor before being submitted to the Treasurer’s Office payroll department for processing.

If the employee elects to receive compensatory time, then the information on the “Overtime Request Form” is entered into the department’s internal data base by the department secretary. When the employee desires to use compensatory time, the employee fills out a “Columbus Public Schools Vehicle Maintenance Report of Compensatory and Calamity Time” with the date of the proposed absence, number of hours, and any additional comments. The form is signed by the employee and approved by the employee’s supervisor. The form is then entered into the department internal data base by the department secretary. The department secretary maintains this database and periodically prints off copies of the time earned and used by employee, as well as the cumulative compensatory time balances.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

6. WAREHOUSE PERSONNEL

Regular Overtime and Compensatory Time Policy

The policy regarding overtime and compensatory time election for warehouse personnel follows the general provisions outlined in Section 9.3 of the Agreement. Section 9.12 of the Agreement addresses assignment and overtime rotation for warehouse personnel. Warehouse personnel shall be offered overtime and extra time in the appropriate classification on a rotating basis at the site where the employee is regularly assigned.

Warehouse Procedures

Interviews of the Director of Purchasing and the Secretary indicated that the determination of the need for overtime is made by the Director of Purchasing. Prior to the work being performed on approved projects, a list is circulated and all employees wanting overtime sign up or indicate their desire to be included to the Assistant to the Director of Purchasing. For large overtime projects, the total amount of overtime is divided by the number of people who sign up for the project. Otherwise, if an individual is working on a specific job, they receive authorization from the Director of Purchasing to work overtime to complete the job if a deadline is tight. There is no indication that a rotational seniority listing is used in the warehouse for the personnel that work at that location.

The Assistant to the Director of Purchasing records the time worked for compensatory time or overtime based on her knowledge or verbal information from the Director of Purchasing of how long employees worked at the warehouse. If the time is designated as overtime the employee will fill out the "Overtime Service Report". If the employee designates the time to be compensatory time the Assistant will then record this information on the "Compensatory Time Record" maintained in the department. The "Compensatory Time Record" form contains the following; the date earned; description of work performed; the time earned; the date taken; total used; and the current accumulated total.

When the employee desires to use the time the supervisor is notified and the time used is recorded on the compensatory time log by the supervisor. Each entry on the record is approved by the Assistant to the Director with initials indicated by the entry.

The overtime worked in the department is recorded on the "Overtime Service Report". This report includes the following: the location; the pay period ending date; the employee name; the social security number; the building number; the date of work; the hours worked; and the accounting code to charge the expense. This form is signed by the employee and then it is reviewed and approved by the supervisor and/or the Director of Purchasing. This form is then forwarded to the Treasurer's Office payroll department for processing.

7. TRUCK DRIVERS

Regular Overtime and Compensatory Time Policy

The policy regarding overtime and compensatory time election for truck drivers follows the general provisions in Section 9.3 of the Agreement. Section 9.11 of the Agreement addresses assignment and overtime rotation for truck drivers. School-year overtime shall be offered to all truck drivers on a rotation basis. The overtime roster will be administered in such a way as to be fair and equitable in the assignment of overtime. All summer truck driving work, beyond that assigned to calendar-year truck drivers, shall be offered to school-year truck drivers before being offered to other employees.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Truck Drivers Procedures

An interview of the Supervisor of Delivery Services indicated that the determination of the need for overtime is made by the Supervisor contingent upon the Director of Purchasing approval. Once verbally approved there is a listing each week of the overtime opportunities which is then distributed on a rotational basis to the drivers in the department. On a day-to-day basis, if a driver has a delay on his own route, that driver will work until the route is finished and the amount of overtime for the day is approved by the supervisor of distribution drivers.

At the end of the pay period the supervisor summarizes the timecards of the truck drivers and when there is extra time earned this will either be designated as overtime or compensatory time by verbal discussion between the employee and the supervisor. If the employee designates the time to be compensatory time the supervisor then records this information on the "Compensatory Time Record" for each employee on file with the supervisor. The "Compensatory Time Record" contains the following: the date earned; a description of work performed; the time earned; the date taken; the total used; and the current accumulated total. When the employee desires to use the time earned this is indicated to the supervisor and recorded on the compensatory time log by the supervisor. Each entry on the record is approved by the supervisor with initials indicated by the entry.

The overtime worked in the department is recorded on the "Overtime Service Report". This report includes the following: the location; the pay period ending date; the employee name; the social security number; the building number; the date of work; the hours worked; and the accounting code to charge the expense. This form is signed by the employee and then it is reviewed and approved by the supervisor and/or the Director of Purchasing. This form is then forwarded to the Treasurer's Office payroll department for processing.

8. DATA PROCESSING

Regular Overtime and Compensatory Time Policy

The policy regarding overtime and compensatory time election for Data Processing follow the general provisions in Section 9.3 of the Agreement. Section 9.14 of the Agreement states that data processing computer employees periodically assigned on-call responsibility and system check responsibility during periods of non-production (generally weekends and holidays) will be paid a minimum of two hours pay for each such assigned day. The rate of such pay, and pay for hours actually worked in excess of two, shall be in accordance with the Agreement.

Data Processing Procedures

Interviews with the Quality Controller indicated the need determination for overtime to be worked is based on outside influences such as emergencies dealing with the District systems or special projects for other departments. For planned overtime, when a project request is received the data processing employee to work on the project completes an electronic "Request for Overtime" in the department's data base Lotus Notes. This Request for Overtime contains the employee name, request date, requested hours, justification for the overtime and estimated cost. The employee completes an electronic signature function with his/her password and the request is automatically forwarded to the supervisor for pre-approval. The date of the supervisor's review and the status as approved or disapproved are indicated on the electronic record again through an electronic signature function with the use of a password. Once the work is performed, the employee completes the online "Form for Overtime Hours Worked Report" which includes the following information: employee name, hours applied to either compensatory time or overtime, work span (time and dates of work performed), cost center and the duties included in the work performed. The form is electronically signed by the employee and is then electronically reviewed and approved by the supervisor and is forwarded and electronically approved by the Chief Information Officer. This form is then printed off, initialed by the Chief Information Officer and forwarded to the Treasurer's Office payroll department for processing of the payment of overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

For emergency overtime or unplanned overtime, an employee records electronically on the "Form for Emergency Overtime Hours Worked Report" the following information: employee name, hours applied to either compensatory time or overtime, work span (time and dates of work performed), cost center, the duties included in the work performed and cost of the time worked. The form is electronically signed by the employee and is then electronically reviewed and approved by the supervisor and is forwarded and electronically approved by the Chief Information Officer. This form is then printed off, initialed by the Chief Information officer and forwarded to the Treasurer's Office payroll department for processing.

The department data base system does not have the capability to show the use of compensatory time, but does show the accrual of time earned. The department has implemented a manual system to track the compensatory time by employee. This information is tracked by the secretary on the personal timesheet record by employee. The timesheet contains the name of the employee, position, social security number, date earned, the date used and current balance. The time earned is transferred from the data base to the manual record by the secretary. For the time used by an employee, verbal approval by the supervisor is obtained, and on the day of use the supervisor fills out the exception timesheet report. This report contains the following information: employee names under the supervisor, date, each employee's regular hour schedule, amount of compensatory time earned and used on that date, sick leave used, vacation used and supervisor's signature. This information is then transferred to the Compensatory Time by Employee Record for the time used by the employee. However, there is no written indication of pre-approval of the compensatory time leave used by the employee.

The Chief Information Officer and department managers review monthly and yearly reports to compare the actual overtime used to the budgeted overtime in their internal system and any significant variances are investigated.

9. TREASURER'S OFFICE

Regular Overtime and Compensatory Time Policy

Section 9.21 of the Agreement addresses overtime in the Treasurer's Office and states that when the Treasurer or his/her designee determines that overtime is needed, the overtime will be handled as follows:

1. Overtime will be offered first to the individual(s) whose job(s) require overtime.
2. The overtime will next be offered to others in the same classification within the section in which overtime is needed based on job classification seniority.
3. If additional employees are needed, the overtime should then be offered to employees in the job classification who appears on an overtime rotation list on a rotational basis beginning with the employee with the most job classification seniority. Employees desiring overtime are required to sign up for the overtime rotation list jointly maintained by a designee of OAPSE Local 721 and a representative of the Treasurer.

Treasurer's Office Procedures

The Treasurer's Office issued written procedures May 1, 2000 for overtime and compensatory time for employees of the Treasurer's Office. The latest revision to these procedures was issued on February 21, 2002, and is summarized as follows:

1. All staff members reporting to work during non-duty work time are required to complete the sign-in sheet located at the Treasurer's secretary's desk or in compliance with any/all other arrangements as instructed by the staff member's supervisor.
2. The earned overtime will be paid to properly authorized staff members unless requested by the staff member to be accumulated as compensatory time.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

3. The compensatory time earned/accumulated in lieu of overtime compensation is required to be given at the rate of one and one-half hours for each authorized overtime hour worked.
4. The compensatory time in lieu of paid overtime may be accumulated to a maximum of 40 hours.
5. The staff member wishing to utilize earned/accumulated but unused compensatory time, must submit a written request to the staff member's supervisor. Except in emergency situations, the staff member is required to submit the written request a minimum of three work days in advance of the desired utilization of earned/accumulated but unused compensatory time.
6. The accumulated compensatory time is required to remain credited to the respective staff member until the time utilized by the respective staff member or until the respective staff member leaves the Treasurer's Office.
7. The earned/accumulated but unused compensatory time may be carried forward from one section to another section within the Treasurer's Office.
8. The overtime requests are required to be submitted to the staff member's supervisor at least 24 hours in advance. The employee is required to complete a request for overtime form and submit to the staff member's supervisor. This staff member's supervisor will submit the request to the Assistant Treasurer for approval.

The Treasurer's Office does not have centralized records for compensatory time earned or used for the departments within the office. Employees of the payroll department complete an "Office of the Treasurer/Comp-Time Log Sheet" when compensatory time is earned which is then approved by the employee's supervisor and submitted to the secretary of the department for recording. This information for the compensatory time earned is entered into the department access database, which records compensatory time by the date earned, the date taken, and current balance available. When the employee desires to use compensatory time, the employee fills out the "Request for Compensatory Time." This is approved by the employee's supervisor then forwarded to the secretary for recording. If the secretary notes that an employee's compensatory time balance has exceeded the 40 hour limit or that an employee is attempting to use compensatory time not accrued, they are not processed, and are forwarded to the Payroll Supervisor, who instructs the employee that additional compensatory time cannot be earned, or that a different type of leave must be taken.

For the other departments within the Treasurer's Office the tracking process is maintained on the "Treasurer/Comp-Time Log Sheet" by the employee's supervisor, which indicates the earnings, use, and current balance. When an employee outside of the payroll department desires to use compensatory time this is discussed with the supervisor and is tracked on the compensatory time log sheet when used. There is no formal approval policy or record aside from this form for each employee. For the Department Classified Supervisors there is no outside review and approval of compensatory time earned or used. This information is individually tracked by the supervisor, as to the accrual and use. Additionally, there is no formal documentation on the determination of the need for Overtime and Compensatory time to be worked, it is left to the discretion of each supervisor and or the Assistant Treasurer.

General Payroll Processing in the Treasurer's Office

Interviews with payroll department personnel identified the following procedures for the payment of overtime and extra service time by the Treasurer's Office. The payroll department receives biweekly timesheets for the amount of overtime earned by the employees of the District, with exception of the custodians. The custodial overtime reports are forwarded and paid on a monthly basis. These time sheets are recalculated and entered into the accounting system by the payroll staff. Once this information is entered a "Curpay (Current Pay) Report" is run and matched to the timesheets to ensure the completeness and accuracy of the data that was entered.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Also at this time a "Curmax (Current Max) Report" is run. A Curmax Report identifies employees who exceed preset dollar amounts. The reports are to be used to review unusually high dollar payroll transactions. We reviewed three reports dated April 6, 2001, September 10, 2001, and February 8, 2002. Only the February 8, 2002 report had any markings on the report indicating review by someone in the payroll department. From our review of the other two reports it does not appear that these reports were reviewed by the payroll department and there is no evidence of any monitoring by management of this exception report. After the payroll department employee is satisfied that correct information has been entered into the system the payroll is processed. Payroll department personnel do not have a listing of supervisors who are authorized to approve overtime from each department. If the time sheet contains an approval the time is processed for payment.

MANAGEMENT COMMENTS

Budgetary Monitoring

During the Period the District budgets for personnel costs (salary, retirement, insurance, overtime, extra service time) were formulated by the Department of Budget and Legislative Affairs and were based on prior year actual information and anticipated increases over the next fiscal year. The personnel costs portion, approximately 77% of the nearly \$600 million general fund budget, was budgeted at a function level into two line items, salaries and benefits, at a District-wide level. Budgets for personnel costs were not established at the building or department level and there was no budget apportionment for overtime or extra service time. For the Period, building administrators and department supervisors were not provided budgeted personnel costs to enable them to monitor actual costs to budgeted costs for those employees under their supervision. Additionally, the administrators and supervisors did not internally have a process in place to track and monitor the amount of personnel costs, including overtime and extra service costs they incurred.

Lack of budgeting personnel costs by the various components included, (salary, retirement, insurance, overtime, extra service time) and at the building and departmental level reduces administrators and supervisors ability to monitor costs and make informed decisions on their operations. This process also allows for increased costs to occur at a departmental level without timely detection by management.

To strengthen budgetary controls and improve the budget to actual monitoring process over salary and overtime costs the District should establish detailed budgets by building and department. The budgets should be established at a detailed enough level so that administrators and supervisors have meaningful information to monitor and aid in operating decisions. Administrators and supervisors should receive monthly reports that include budgeted amounts compared to current period and year-to-date expenditures at this detailed level.

Subsequent to June 30, 2002 the District implemented the following procedures; (1) in the most recent budget, for the current fiscal year beginning July 1, 2002, personnel costs were budgeted by salary and benefits at the department and building level. This process is being monitored by the budget department for the current year at this lower level, and (2) the building administrators and department supervisors are receiving monthly reports of actual charges of employee salaries and overtime to their accounts as of July 2002. However, this report only shows actual charges and does not reflect budgeted amounts.

Compensatory Time

Compensatory time earned and used is not reported to the Treasurer's Office payroll department. Each department is responsible for recording compensatory time earned, used, and employee balances. The procedures used to record compensatory time activity is left to the discretion of the building administrators and department supervisors and they use a variety of forms and procedures for the approval, recording, and use of compensatory time. Weaknesses identified in the procedures implemented by the departments include; lack of approval over earned compensatory time, lack of approval over the use of compensatory time, lack of timely posting to records, lack of compensatory balances being maintained, some cases of individuals maintaining their own compensatory time record, and a lack of monitoring by supervisors over the compensatory time activity and balances.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

The practice of not maintaining a central record of compensatory time activity and balances allows for errors and irregularities to occur without timely detection of management. The practice of not reporting compensatory time activity to the payroll department reduces management's ability to monitor this activity and it does not allow for the true cost of all overtime to be captured in the accounting records of the District.

The District should establish a policy over earning, using, recording and reporting compensatory time that is applied to all departments of the District. The District should require that compensatory time activity be reported to the payroll department biweekly with the rest of payroll activity. The District should establish a process through the payroll system to record compensatory time activity and employee balances.

Overtime

During the Period the culture for overtime use in some departments was that it was a regular occurrence. There was no budget for the use of overtime and the cost of overtime was not monitored by administrators and supervisors. Procedures for prior approval of the need to use overtime were not in place in many of the departments and buildings. Forms used to document, record and report overtime were not standardized throughout the District. Overtime reporting and payments for the custodial department were made on a monthly basis instead of each pay period as all other departments of the District. There were overtime payments made by the payroll department that did not contain the authorized approval of the appropriate supervisor. The payroll system generates a "Curmax Report" that identifies high dollar payroll transactions, there was no evidence that this report was monitored by management of the District to identify large amounts of overtime paid.

The District should establish a culture in every building and department where overtime use is only for an absolute necessity not a regular occurrence. Verification of overtime hours worked should be the responsibility of supervisors through observation and project completion inspection. The District should establish standard procedures and forms for use in pre-approving overtime, determining the need for overtime, budgeting overtime, recording overtime, approving overtime and reporting overtime to the payroll department. All departments should report overtime hours each pay period to the payroll department for payment. The payroll department should establish a control procedure that identifies the appropriate supervisor or administrator approval on the overtime reported prior to payment. The "Curmax Report" generated by the payroll system should be forwarded to management for their review prior to the payroll being processed. The District should establish parameters for the Curmax Report that when exceeded by employees it would require payroll department management to obtain the reason why, take necessary corrective action and report to top level management of the District. Departmental supervisors and building administrators should receive monthly overtime reports to monitor overtime costs compared to budgeted costs and overtime costs by employee to aid in department operations.

Subsequent to the issuance of the Auditor of State's report on the audit of the District's June 30, 2001 financial statements, the District implemented procedures for review of the Curmax Report by payroll staff and the payroll supervisor. This review includes; identifying discrepancies, investigating the discrepancies and sign-off by the payroll supervisor. However, the investigation portion of the procedures is not documented and reports reviewed during the Period indicated that there were excessive overtime payments made to custodial employees and there was no evidence that these payments were reported to top level management of the District.

Extra Service Time

The Director of Classified Personnel issued a memorandum that authorized the use of a maximum of ten hours a month per building of extra service time for the school secretaries. Procedures to monitor compliance with the memorandum were not established and placed into operation. For a period of time the Director of Classified Personnel did not complete the required approval and payment of the extra service time was still made by the payroll department. There was not an established need determination or pre-approval prior to extra service being worked by a secretary and it was common practice for some secretaries to have ten hours of extra service time every month. There was no monitoring of the cost of extra service time by supervisors and administrators.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

The District should establish standard procedures and forms for use in pre-approving and determining the need of extra service time. Extra service time should be used on an exception basis, when a real emergency or documented necessity exists, rather than as a regular entitlement. The District should establish procedures to monitor compliance with the ten hour maximum per month of extra service time. The payroll department should establish a control procedure that identifies the appropriate supervisor or administrator approval on the extra service time prior to payment. Departmental supervisors and building administrators should receive monthly extra service reports to monitor actual costs compared to budgeted costs and extra service time by employee.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

SUMMARY OF RESULTS

ISSUE 2 – Analysis of the District payments for Overtime and Compensatory Time

We completed an analysis of all overtime and compensatory time payments for the Period. We obtained electronic data files from the District and completed an analysis by department, position, and employee as information was available.

PROCEDURES

1. We obtained overtime electronic data files from the Treasurer's Office Operations Manager.
2. We performed an analysis by department of all overtime payments made by the District for the Period. We presented data by fiscal year.
3. We sorted each department by employee and reviewed each employee to determine the number of hours of overtime each employee worked and the amount of overtime that was paid to each employee during the Period. We performed an analysis of amounts and have reported significant results below by fiscal year.

RESULTS

Overtime payments were not recorded in the accounting records by project. The District did not utilize a code or special cost center to track the costs by project. The overtime costs for the district-wide floor refinishing project were not tracked and monitored by the department supervisor. We were unable to complete any detailed analysis by project.

Until May 2002, the District payroll accounting system was not able to record and track compensatory time payments. Our analysis and testing of compensatory time payments was completed at the departmental level and is included under Issue 3 of this report.

Data entry by payroll department employees was not consistent in the codes and descriptions used to record overtime, extra service time and job classifications/titles. There were several different ways "extra service" was recorded in the payroll system and the way it was entered was not consistent throughout the year. The following is a list of some of the ways it was entered.

- EXTRA SERVICE
- EX Service
- ES
- Es
- EXTRA SVC
- EX SVC
- ex srvc
- es "date"
- "date"

The entries were all coded with the "MIS" pay type, but most of the time, the description did not show that it was for extra service time. Instead, the description field contained a date or a date range. After discussing this with the Operations Manager, he indicated that if the words "extra service" were in the description, then the building or department might be contacted to find out when the extra service was worked and why. He indicated that if the building or department put a date in the description field instead of the words "extra service", then they would not be contacted. Therefore, it was difficult to confirm that all extra service recipients were included in the population from which our sample was selected.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Job titles entered were not the same for each position. A specific code was not used when entering job titles. Payroll department employees did not have a standard naming list to enter this information from and from discussion with the Operations Manager they also used this field as a comment field. In many instances, this field contained other information along with the job title. The following is an example of entries for Custodian I made in this field.

- CUSTODIAN I
- Custod I
- CUST II Breakfast
- CUST. BREAKFAST
- CUST. Breakfast
- CUST.Breakfast
- CUSTO. Breakfast

We identified five instances of employees with regular pay incorrectly coded as overtime pay. In fiscal year 2002 there was one custodial employee and one radio station employee that had 100% of their regular pay recorded as overtime. In fiscal year 2001 the same custodial employee had 100% of his regular pay recorded as overtime, an additional custodial employee had 68% of his regular pay recorded as overtime and the same radio station employee had 22% of his regular pay recorded as overtime.

We also identified eight instances in 2002 and seven instances in 2001 of inflated overtime hours posted to the system due to corrections made for underpayment of overtime because of a pay rate increase. The “retro pay” occurred because the employee received a pay increase and was paid overtime at the previous rate. To make the adjustment, the payroll department coded in the total number of overtime hours again that were paid at the incorrect rate and multiplied those hours by the difference in the new rate. This posting inflated the number of overtime hours included in the accounting system.

Overtime for custodians was paid once a month. This made it difficult to determine how much overtime was worked in a two week pay period. For custodial employees, an average amount of overtime hours earned were calculated to determine if the number of overtime hours was actually feasible.

Tables 1 and 2 below include a summary of overtime by department that have employees eligible to receive overtime.

**Table 1
Overtime Summary 2002**

Columbus City School District – FY 2002 Summary of Overtime Salary by Department				
Department	Gross Pay	Regular Salary	Overtime	Overtime Percent (%) of Salary
Custodial	\$ 18,093,387	\$ 16,038,653	\$ 2,054,734	13%
Food Service	3,744,464	3,630,557	113,907	3%
All Clerical Staff and School Clerical Staff	4,537,481	4,257,025	280,456	7%
Pupil Transportation	15,055,883	12,028,840	3,027,043	25%
Vehicle Maintenance	929,781	910,490	19,291	2%
Warehouse Personnel and Truck Drivers	1,079,620	1,048,834	30,786	3%
Data Processing	2,113,140	1,973,011	140,129	7%
Maintenance	3,079,556	2,836,930	242,626	9%
Treasurer's Office Personnel	1,374,005	1,302,521	71,484	5%
Miscellaneous *	1,470,113	1,379,742	90,371	7%
Totals	<u>\$ 51,477,430</u>	<u>\$ 45,406,603</u>	<u>\$ 6,070,827</u>	13%

(*) Includes employees that could not be identified with a department

The custodial (34%) and pupil transportation (50%) departments made up 84% of the overtime costs in fiscal year 2002.

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Table 2
Overtime Percent of Regular Salary 2002
Custodial and Pupil Transportation

Overtime Percent of Regular Salary – FY 2002

Percent Range	Number of Employees - Custodial Department	Number of Employees - Pupil Transportation
100% or Greater	5	0
90 to 99%	1	0
80 to 89%	5	0
70 to 79%	4	1
60 to 69%	5	3
50 to 59%	5	18
40 to 49%	4	57
30 to 39%	10	108
20 to 29%	19	180
10 to 19%	93	164
0 to 9%	<u>336</u>	<u>102</u>
Total Employees:	<u>487</u>	<u>633</u>

Of the 487 custodial employees 45 earned over \$10,000 in overtime and 25 of the 45 were paid 50% or more in overtime above their regular salary. Of the 633 pupil transportation employees 248 earned over \$5,000 in overtime and 22 of these 248 were paid 50% or more in overtime above their regular salary.

Table 3
Overtime Summary 2001

Columbus City School District – FY 2001
Summary of Overtime Salary by Department

Department	Gross Pay	Regular Salary	Overtime	Overtime Percent (%) of Salary
Custodial	\$ 17,681,270	\$ 15,543,800	\$ 2,137,470	14%
Food Service	3,488,802	3,367,468	121,334	4%
All Clerical Staff and School Clerical Staff	3,803,267	3,510,620	292,647	8%
Pupil Transportation	13,890,460	11,210,904	2,679,556	24%
Vehicle Maintenance	1,311,332	1,284,716	26,616	2%
Warehouse Personnel and Truck Drivers	1,035,507	998,176	37,331	4%
Data Processing	2,063,814	1,913,524	150,290	8%
Maintenance	2,504,076	2,339,702	164,374	7%
Treasurer's Office Personnel	1,438,672	1,349,721	88,951	7%
Miscellaneous *	1,683,653	1,532,124	151,529	10%
Totals	<u>\$ 48,900,853</u>	<u>\$ 43,050,755</u>	<u>\$ 5,850,098</u>	14%

(*) Includes employees that could not be identified with a department

The custodial (37%) and pupil transportation (46%) departments made up 83% of the overtime costs in fiscal year 2001.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Table 4
Overtime Percent of Regular Salary 2001
Custodial and Pupil Transportation

Overtime Percent of Regular Salary – FY 2001

Percent Range	Number of Employees - Custodial Department	Number of Employees - Pupil Transportation
100% or Greater	4	0
90 to 99%	1	0
80 to 89%	5	0
70 to 79%	6	1
60 to 69%	4	5
50 to 59%	7	16
40 to 49%	9	47
30 to 39%	12	107
20 to 29%	27	171
10 to 19%	112	173
0 to 9%	<u>331</u>	<u>113</u>
Total Employees:	<u>518</u>	<u>633</u>

Of the 518 custodial employees 43 earned over \$10,000 in overtime and 27 were paid 50% or more in overtime above their regular salary. Of the 633 pupil transportation employees there were 28 that earned over \$10,000 overtime and 22 of them were paid 50% or more in overtime above their regular salary. There were also 212 who earned over \$5,000 in overtime during 2001.

Departmental Analysis

Custodial
Fiscal Year 2002
Table 5

EMPLOYEE NAME	CUSTODIAL DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Horace Miller Jr.**	Asst Custodial Supervisor	\$ 104,933	\$ 36,024	\$ 68,909	191%	1,522
James Like	Asst Custodial Supervisor	123,553	56,334	67,219	119%	2,107
Byrd Prillerman III	Custodian	94,573	44,422	50,151	113%	1,582
Frank Stevens	Custodian	84,896	37,592	47,304	126%	1,765
Andrew Bowman	Asst Custodial Supervisor	101,006	56,286	44,720	79%	1,539
Melvin Hane	Custodian	74,452	37,592	36,860	98%	1,369
Gail Lewis	Custodian	71,217	35,317	35,900	102%	1,429
Joycelyn Farris	Custodian	73,230	39,667	33,563	85%	1,189
Robert Johnson	Custodian	70,294	37,592	32,702	87%	1,215
Timothy Issa	Custodian	70,688	39,058	31,630	81%	1,146
Debra Brown	Custodian	67,624	36,026	31,598	88%	1,233
Luther Mixon Sr.	Custodian	74,573	43,186	31,387	73%	1,015
Andre Drew	Asst Custodial Supervisor	78,019	47,113	30,906	66%	1,297
Lester Howell	Custodian	69,278	40,490	28,788	71%	1,074
Dreamalee Welch	Custodian	58,369	32,110	26,259	82%	1,143
John Bondurant	Custodian	61,436	35,861	25,575	71%	1,018
TOTALS		<u>\$1,278,141</u>	<u>\$654,670</u>	<u>\$623,471</u>	95%	<u>21,643</u>

(**) Horace Miller retired January 31, 2002 his information only covers seven months of the fiscal year

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Included in Table 5 above are the 16 individuals in the custodial department that received the most overtime pay in fiscal year 2002. These 16 individuals averaged 1,353 hours of overtime in 2002 and their average percentage of overtime earned to regular salary was 95%. Five of the 16 individuals more than doubled their regular salary during 2002. Each of these 16 employees worked on the floor refinishing project.

Horace Miller Jr. earned 191% of his regular salary in overtime during the fiscal year. He was also paid \$52,844 for his accumulated leave balances upon his retirement in January 2002. This accumulated leave payment is not included in the table above. With the aid of the overtime hours worked during the two year floor refinishing project, we calculate Mr. Miller's average salary for retirement purposes to be estimated at \$114,000. We calculate his estimated annual retirement income to be \$75,240. This calculated retirement income exceeds the annual salary he earned during 27 of the 30 years he worked for the District.

The four Assistant Custodial Supervisors that supervised the floor refinishing project worked a substantial amount of overtime during fiscal year 2002. Horace Miller Jr. worked an average of 217 overtime hours a month for the seven months he worked in fiscal year 2002. In September 2001, Mr. Miller worked 246 hours of overtime, an average of 8.2 hours overtime every day of the month. James Like worked an average of 176 overtime hours a month. In August 2001, Mr. Like worked 266 hours of overtime, an average of 8.6 hours overtime every day of the month. Andrew Bowman worked an average of 128 overtime hours a month and Andre Drew, the fourth Assistant Custodial Supervisor, worked an average of 108 overtime hours a month.

**Custodial
Fiscal Year 2001
Table 6**

EMPLOYEE NAME	CUSTODIAL DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Horace Miller Jr.	Assistant Custodial Supervisor	\$138,797	\$52,474	\$86,323	165%	2,287
Byrd Prillerman III	Custodian	95,174	42,322	52,852	125%	1,736
James Like	Assistant Custodial Supervisor	104,698	52,424	52,274	100%	1,384
Andrew Bowman	Assistant Custodial Supervisor	97,427	52,424	45,003	86%	1,192
Frank Stevens	Custodian	80,720	35,808	44,912	125%	1,743
Lester Howell	Custodian	65,914	37,792	28,122	74%	1,030
Luther Mixon Sr.	Custodian	74,299	40,210	34,089	85%	1,179
Timothy Issa	Custodian	69,362	36,901	32,461	88%	1,231
Andre Drew	Assistant Custodial Supervisor	75,037	42,614	32,423	76%	1,056
Gail Lewis	Custodian	63,838	32,230	31,608	98%	1,427
Lester Howell	Custodian	65,914	37,792	28,122	74%	1,030
Deborah Brown	Custodian	59,713	32,742	26,971	82%	1,147
Robert Johnson	Custodian	62,508	35,808	26,700	75%	1,036
Dreamalee Welch	Custodian	55,354	29,696	25,658	86%	1,192
Lawrence Barnett	Custodian	58,175	32,853	25,322	77%	1,116
Annie Anderson	Custodian	56,599	31,983	24,616	77%	1,098
Mark Evans	Custodian	61,529	40,114	21,415	53%	1,177
Totals		<u>\$1,285,058</u>	<u>\$666,187</u>	<u>\$618,871</u>	93%	<u>22,061</u>

Included in Table 6 above are the 17 individuals in the custodial department that received the most overtime pay in fiscal year 2001. These 17 individuals averaged 1,298 hours of overtime in fiscal year 2001 and their average percentage of overtime earned to regular salary was 93%. Four of the 17 individuals more than doubled their regular salary during fiscal year 2001. Each of these 17 employees worked on the floor refinishing project.

The four Assistant Custodial Supervisors that supervised the floor refinishing project worked a substantial amount of overtime during fiscal year 2001. Horace Miller Jr. worked an average of 191 overtime hours a month. James Like worked an average of 115 overtime hours a month. Andrew Bowman worked an average of 99 overtime hours a month and Andre Drew worked an average of 88 overtime hours a month. Frank Stevens and Byrd Prillerman III, custodians that worked on the floor refinishing project, worked an average of 145 overtime hours a month.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

**Food Service
Fiscal Year 2002
Table 7**

EMPLOYEE NAME	FOOD SERVICES DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Neal Blankenship	Production Center Supervisor	\$61,893	\$47,794	\$14,099	29%	401
Renee Jackson	Food Service Manager	44,154	31,213	12,941	41%	556
Doris Shump	Cook	33,857	24,773	9,084	37%	493
Jane Wachaya	Middle and High School Supervisor	58,346	52,546	5,800	11%	231
Suzanne Wood *	Satellite Program Supervisor	29,803	24,515	5,288	22%	156
Totals		<u>\$228,053</u>	<u>\$180,841</u>	<u>\$47,212</u>	26%	<u>1,837</u>

(*) Suzanne Wood left the District on December 21, 2001

There were five individuals that earned over \$5,000 in overtime in the food service department in fiscal year 2002. The supervisory personnel worked at the food production center. Neal Blankenship's overtime was due to machine breakdowns that resulted in food production delays and the completion of 85 employee evaluations. Jane Wachaya worked overtime to complete 315 employee evaluations. Suzanne Wood worked special events for the District. Renee Jackson and Doris Shump worked at Cassady Alternative school and their overtime was earned catering special events for the District. These five individuals averaged 367 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 26%. Of the 314 food service employees 25 earned over \$1,000 in overtime.

**Food Service
Fiscal Year 2001
Table 8**

EMPLOYEE NAME	FOOD SERVICES DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Neal Blankenship	Production Center Supervisor	\$60,470	\$43,461	\$17,009	39%	533
Suzanne Wood	Satellite Program Supervisor	58,509	47,473	11,036	23%	318
John Vaughn	Facility Manager	60,522	51,854	8,668	17%	232
Jane Wachaya	Middle and High School Supervisor	54,886	48,540	6,346	13%	180
Tauwanta Corns	Supervisor Information Technology	70,608	64,696	5,912	9%	127
Renee Jackson *	Food Service Manager	26,842	21,444	5,398	25%	435
Totals		<u>\$331,837</u>	<u>\$277,468</u>	<u>\$54,369</u>	20%	<u>1,825</u>

(*) Renee Jackson was promoted to Food Service Manager in March 2001

There were six individuals that earned over \$5,000 in overtime in the food service department in fiscal year 2001. Five of the six individuals worked at the food production center. Renee Jackson worked at Cassady Alternative school and her overtime was for catering special events. Neal Blankenship, Jane Wachaya, and Suzanne Wood's overtime was consistent with fiscal year 2002. These six individuals averaged 304 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 20%. Of the 289 food service employees 23 earned over \$1,000 in overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

**Clerical
Fiscal Year 2002
Table 9**

EMPLOYEE NAME	CLERICAL/SECRETARIAL DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Ellen Hall	Personnel Accounting Specialist	\$88,621	\$61,446	\$27,175	44%	789
Jimmie Waldrop	Secretary	54,092	36,485	17,607	48%	673
Brenda Dafney	Personnel Assistant	65,781	51,235	14,546	28%	575
Johnnetia Love	Secretary	42,920	32,360	10,560	33%	469
Totals		<u>\$251,414</u>	<u>\$181,526</u>	<u>\$69,888</u>	39%	<u>2,506</u>

There were four individuals that earned over \$10,000 in overtime in the clerical department during fiscal year 2002. All four of the individuals worked at the Columbus Education Center. Ellen Hall worked a significant amount of overtime because she is in charge of making changes to the District database which is done after hours when District employees are not on the system. Jimmie Waldrop is the personal assistant to the Director of Certificated Personnel. She worked overtime to ensure that Board agendas were completed. The Director of Certificated Personnel indicated the significant amount of overtime hours for the remaining employees were worked due to understaffing. These four individuals averaged 627 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 39%. Of the 477 clerical employees 23 earned over \$4,000 in overtime.

**Clerical
Fiscal Year 2001
Table 10**

EMPLOYEE NAME	CLERICAL/SECRETARY DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Ellen Hall	Personnel Accounting Specialist	\$77,184	\$51,870	\$25,314	49%	701
Mary Crabtree	Administrative Secretary	50,941	34,178	16,763	49%	682
Brenda Dafney	Personnel Assistant	60,846	46,018	14,828	32%	553
Charles Wyatt	Security Staff	40,465	26,637	13,828	52%	574
Totals		<u>\$229,436</u>	<u>\$158,703</u>	<u>\$70,733</u>	44%	<u>2,510</u>

There were four individuals that earned over \$10,000 in overtime in the clerical department during fiscal year 2001. Three of the individuals worked at the Columbus Education Center. Charles Wyatt worked at the Sixth Street Annex. Mr. Wyatt earned overtime working security for extracurricular events and helping with school photo identifications for students and staff. The reasons for the overtime payments for the remaining three are consistent with fiscal year 2002. These four individuals averaged 628 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 44%. Of the 467 clerical employees 23 earned over \$4,000 in overtime and one of these 23 was paid above 50% of overtime to regular salary.

**Pupil Transportation
Fiscal Year 2002
Table 11**

EMPLOYEE NAME	PUPIL TRANSPORTATION DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Roger Hocker	Assistant Supervisor Fort Hayes Bus Compound	\$74,998	\$48,562	\$26,436	54%	872
Gregory McCandless	Assistant Supervisor Scarborough Bus Compound	70,170	46,831	23,339	50%	1,011
Arline Moss	Bus Transportation Supervisor	81,690	58,572	23,118	39%	594
Betty Knece	Bus Driver	51,940	34,458	17,482	51%	676
Pamela Stafford	Bus Driver	54,101	36,950	17,151	46%	618
Totals		<u>\$332,899</u>	<u>\$225,373</u>	<u>\$107,526</u>	48%	<u>3,771</u>

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

There were five individuals that earned over \$17,000 in overtime in the pupil transportation department during fiscal year 2002. Including the individuals listed in Table 11 above, there were 51 employees that earned over \$10,000 in overtime during 2002. The majority of these individuals were bus drivers. The bus drivers earned overtime driving students to extracurricular events after their regular routes were complete. Roger Hocker earned overtime because he had to remain at the Fort Hayes bus compound until all buses returned safely from extracurricular events. Gregory McCandless earned overtime because he had to remain at the Scarborough bus compound until all buses returned safely from extracurricular events. These five individuals averaged 754 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 48%.

**Pupil Transportation
Fiscal Year 2001
Table 12**

EMPLOYEE NAME	PUPIL TRANSPORTATION DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Gregory McCandless	Assistant Supervisor Scarborough Bus Compound	\$59,613	\$33,506	\$26,107	78%	823
Josephine Booker	Supervisor at Fort Hayes Bus Compound	72,689	47,700	24,989	52%	731
Rosemary Myers	Supervisor at Fort Hayes Bus Compound Special	71,837	46,987	24,850	53%	733
Roger Hocker	Assistant Supervisor at Fort Hayes Bus Compound	69,088	45,069	24,019	53%	717
Karen Adams	Assistant Supervisor at Fort Hayes	61,468	37,619	23,849	63%	816
Sandra Trumbull	Supervisor at Scarborough Bus Compound	76,326	53,802	22,524	42%	663
Lynn Martin	Supervisor at Morse Rd. Bus Compound	76,296	53,802	22,494	42%	581
Arline Moss	Bus Transportation Supervisor	73,202	55,035	18,167	33%	459
Totals		<u>\$560,519</u>	<u>\$373,520</u>	<u>\$186,999</u>	50%	<u>5,523</u>

There were eight individuals that earned over \$18,000 in overtime in the pupil transportation department during fiscal year 2001. All eight employees listed in Table 12 above overtime hours were earned because they had to drive bus routes in addition to their normal duties. Two transportation companies that the District had contracted with did not meet safety standards and the District had to pick up these 30 additional routes. These eight individuals averaged 690 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 50%.

**Data Processing
Fiscal Year 2002
Table 13**

EMPLOYEE NAME	DATA PROCESSING DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Ralph Vaughn	Analyst	\$99,566	\$84,982	\$14,584	17%	340
Randy Ziembra	Analyst	76,064	63,419	12,645	20%	425
Mark Floor	Analyst	85,107	72,524	12,583	17%	331
Norman Fry	Manager	89,119	76,703	12,416	16%	228
Howard Casto	Analyst	81,882	71,575	10,307	14%	268
Gregory Sturgill	Analyst	73,503	63,419	10,083	16%	255
Totals		<u>\$505,241</u>	<u>\$432,622</u>	<u>\$72,618</u>	17%	<u>1,847</u>

There were six individuals that earned over \$10,000 in overtime in the data processing department in fiscal year 2002. All the individuals worked at the Kingswood Data Center. All employees that earned overtime worked to ensure project deadlines were met and summer transaction data was transferred to the new school year. These six individuals averaged 308 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 17%. Of the 43 data processing employees 13 earned over \$4,000 in overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

**Data Processing
Fiscal Year 2001
Table 14**

EMPLOYEE NAME	DATA PROCESSING DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Linda Fleischer	Project Leader, Student Information System	\$96,184	\$75,716	\$20,468	27%	376
Randy Ziembra	Analyst	73,736	59,717	14,019	23%	326
Norman Fry	Manager	85,249	72,051	13,198	18%	254
Mark Foor	Analyst	66,217	53,810	12,407	23%	263
Christopher Kell	Analyst	70,924	59,185	11,739	20%	273
Sarah Chambers	Office Automation Trainer	51,273	39,568	11,705	23%	410
Totals		<u>\$443,583</u>	<u>\$360,047</u>	<u>\$83,536</u>	23%	<u>1,902</u>

There were six individuals that earned over \$10,000 in overtime in the data processing department in fiscal year 2001. All the individuals worked at the Kingswood Data Center. Reasons for overtime payments are consistent with fiscal year 2002. These six individuals averaged 317 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 23%. Of the 40 data processing employees 12 earned over \$5,000 in overtime.

**Treasurer's Office
Fiscal Year 2002
Table 15**

EMPLOYEE NAME	TREASURER'S OFFICE	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Dianne Bull	Classified supervisor	\$69,899	\$61,378	\$8,522	14%	196
Dexter Wilson	Assistant Operations Officer	77,129	69,799	7,330	11%	194
Carole Shaffer	Classified Employees, Extra Service/Overtime	45,391	38,932	6,459	17%	239
Totals		<u>\$192,419</u>	<u>\$170,109</u>	<u>\$22,311</u>	13%	<u>629</u>

There were three individuals that worked over \$5,000 in overtime in the Treasurer's Office. Dianne Bull worked overtime due to her area being understaffed to monitor federal programs. Carole Shaffer worked overtime to ensure payroll was completed during shortened holiday weeks. She also worked overtime due to an employee in the department being on maternity leave. Dexter Wilson worked overtime to ensure that the biweekly payroll file was ready to be sent to ADP for check processing. He did a lot of work when employees were offline and on weekends. These three individuals averaged 210 overtime hours for the fiscal year and their average percentage of overtime earned to regular salary was 13%.

**Treasurer's Office
Fiscal Year 2001
Table 16**

EMPLOYEE NAME	TREASURER'S OFFICE	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Brenda McCarthy	Account Clerk	\$43,763	\$30,976	\$12,787	41%	495
Dexter Wilson	Assistant Operations Officer	74,415	65,707	8,708	13%	184
Carole Shaffer	Classified Employees, Extra Service/Overtime	42,598	36,398	6,200	17%	236
Patricia Hord	Benefits coordinator	52,145	46,310	5,835	13%	174
Dianna Ray	Secretary	38,343	32,645	5,698	17%	243
Totals		<u>\$251,264</u>	<u>\$212,036</u>	<u>\$39,228</u>	19%	<u>1,332</u>

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

There were five individuals that earned over \$5,000 in overtime in the Treasurer's Office. Four of the individuals worked at the Columbus Education Center. One employee worked at the Instructional Information Service. Brenda McCarthy worked overtime to ensure contract obligations were paid. Carole Shaffer and Dexter Wilson's reasons for overtime are consistent with 2002. These five individuals averaged 266 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 19%.

**Maintenance Department
Fiscal Year 2002
Table 17**

EMPLOYEE NAME	MAINTENANCE DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
William Swisher	Maintenance	\$71,503	\$45,965	\$25,538	56%	831
Edwin Weiss	Maintenance	64,369	42,507	21,862	51%	770
Loren Keefer	Assistant Manager	93,338	71,817	21,521	30%	478
Kenneth Hall	Maintenance	61,080	43,757	17,323	40%	566
Totals		<u>\$290,290</u>	<u>\$204,046</u>	<u>\$86,244</u>	42%	<u>2,645</u>

There were four individuals that earned over \$17,000 in overtime. These four individuals averaged 661 hours of overtime for the fiscal year and their average percentage of overtime earned to regular salary was 42%. William Swisher is the only individual certified to perform asbestos abatement for the District. Edwin Weiss was the only locksmith for the District during the year. Loren Keefer had to assume duties of maintenance manager when the position was not filled. Ken Hall's overtime was the result of handling all purchase orders for the new procedures implemented by the Board.

**Maintenance Department
Fiscal Year 2001
Table 18**

EMPLOYEE NAME	MAINTENANCE DEPARTMENT	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
William Swisher	Maintenance	\$67,698	\$43,787	\$23,911	55%	834
Harold Nicholls	Electric Planner/Estimator	57,419	44,848	12,571	28%	411
Totals		<u>\$125,117</u>	<u>\$88,635</u>	<u>\$36,482</u>	41%	<u>1,245</u>

William Swisher is only one of two employees certified to perform asbestos abatement for the District. He conducted asbestos abatement work during hours when the buildings were not occupied. He replaced old asbestos floor tile in several of the buildings. Harold Nicholls was in charge of designing computer labs and writing all the electrical specifications for the labs opened during the Period.

**Radio Station
Fiscal Year 2001
Table 19**

EMPLOYEE NAME	RADIO STATION	TOTAL WAGES (GROSS PAY)	EMPLOYEE REGULAR SALARY	EMPLOYEE OVERTIME SALARY	OVERTIME % OF REGULAR SALARY	OT HOURS
Scott Vezdos	Music Producer	\$58,024	\$30,689	\$27,335	89%	1,247
James Letizia	Producer	43,156	30,944	12,212	39%	559
Margaret Brennan	Music Director	40,018	30,630	9,388	31%	423
Tammy Allen	Secretary	43,760	34,485	9,275	27%	376
Patrick Testa	Radio station operator	32,295	23,313	8,982	39%	427
Kathryn Bundy	Membership coordinator	35,784	27,844	7,940	29%	484
Alison Holm	News producer	37,383	30,467	6,916	23%	318
Wayne Self	Radio station operator	22,965	16,438	6,527	40%	311
Michael Foley	News Producer	33,093	27,048	6,045	22%	309
Totals		<u>\$346,478</u>	<u>\$251,858</u>	<u>\$94,620</u>	38%	<u>4,454</u>

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Included in Table 19 above are the nine individuals that earned over \$6,000 in overtime working at the radio station in fiscal year 2001. These nine individuals averaged 495 hours of overtime in 2001 and their average percentage of overtime earned to regular salary was 38%. Per discussion with the operations coordinator, all employee overtime was related to understaffing. In fiscal year 2002, overtime for all employees was drastically reduced due to a reduction in the funding of the radio station. Scott Vezdos was the only employee that earned over \$3,000 in overtime in fiscal year 2002.

MANAGEMENT COMMENTS

Extra Service

Payroll department employees were not consistent in how they posted extra service time to the payroll system. There were several different ways extra service was recorded in the payroll system. To help ensure that budgeted amounts are not exceeded, reliable information has to be available to track the use of these hours through payroll. Extra service hours are coded with the miscellaneous (MIS) pay type with explanatory information listed in the miscellaneous description field. There appears to be no designated format for how information is entered into this description field.

If a standardized method of entering extra service hours is not used the compilation of reliable data to be used by management to monitor this activity will not be available. This could allow employees to exceed the budgeted costs without timely detection of management.

We recommend that a specific USAS object code be designated for extra service hours. We also recommend that a standardized format be created to describe the use of extra service hours in the miscellaneous description field. Furthermore, a monthly report should be produced to track the use of extra service hours by building and department to make sure the budgeted hours are not exceeded. This report should be forwarded to the appropriate level of management for monitoring.

Reporting Overtime Hours

Overtime for custodians was reported to the payroll department only once a month instead of every pay period as all other departments. The Supervisor of Custodial Services did this to reduce the amount of paper work he had to process. This practice made it difficult to determine how much overtime was actually worked in a given pay period from the payroll accounting system and it increased the number of overtime pay rate adjustments that had to be made by the payroll department.

If an employee had a pay rate change during a pay period and the new rate was not obtained timely by the payroll department from the personnel department, the payroll department would pay overtime at the employee's previous rate. To correct the error in payment the payroll department would enter a new line item specifically for overtime hours earned under the new rate. This line item would multiply the overtime hours worked by the difference between the old and new pay rates to calculate the additional overtime owed to the employee. This process inflated the number of overtime hours entered into the system.

Routinely entering calculated adjustments to determine the overtime amount owed to the employee increases the risk of employees being incorrectly paid. The payroll department should receive pay rate changes in a more timely manner so that the original amount paid is accurate. If corrections need to be made the incorrect hours and rate should be eliminated and the new rate and hours entered so that hours worked are not inflated.

The practice of reporting overtime hours once a month reduces the level of information available to be monitored by management. We recommend that the custodial department report overtime hours worked each pay period.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Job Classifications

A standardized naming convention should be in place and adhered to by all people responsible for entering information into the payroll system. This will allow for improved tracking of payroll expenditures by job classifications. A standardized naming convention was not in place for how each position was entered into the payroll system. In addition, a specific code was not used to designate a specific job title. In addition, the job title field was also used as a comment field.

This lack of standardized naming convention makes it difficult to track payroll costs by position and it reduces the information available to be monitored by management.

We recommend that a standardized naming convention be developed for all positions within the District. If additional comments need to be made to describe a particular event, we recommend that the payroll department use the new comment field that was added to the Uniform Staff Payroll System v4.1. Payroll department employees should be informed about the standardized naming convention for job titles and about how to use the new comment field. In addition, payroll reports should be produced and reviewed regularly by management to monitor payroll costs by position.

Alternating Work Schedules and Job Responsibilities

The four Assistant Custodial Supervisors worked a significant amount of overtime supervising the floor refinishing project, supervising both the first and second shift custodians and making building checks. The practice of the District is for these supervisors to work an alternating shift to make contact with both the first and second shift custodian personnel. However, there is no policy or requirement that sets their working hours.

The Clerical Personnel Accounting Specialist and the Treasurer's Office Assistant Operations Manager both worked a significant amount of overtime during the Period making changes to the District's database after hours when the system is not being used.

The Transportation Assistant Supervisors of Bus Compounds worked a significant amount of overtime waiting for buses to return from extracurricular activities and other supervisors worked a significant amount of overtime driving bus routes in addition to their regular duties.

The same employees worked a high amount of overtime in each fiscal period. The District should complete a job responsibility and work schedule analysis for all Supervisors and Administrators and determine if cost savings could occur through alternative work schedules and/or changes in job responsibilities. In the case of the Assistant Custodial Supervisors, the District should consider permanent assignment of at least one to the second shift to reduce overtime. In the case of the Personnel Accounting Specialist and the Assistant Operations Manager, they could be assigned to work an alternative schedule on certain days or every day if needed. On the days that posting to the computer system is required a later start time could be established so that not all of this work is accomplished on overtime. For the Assistant Supervisors of Bus Compounds the need to have these individuals waiting for buses to return should be analyzed, mechanics that are on regular time or security staff on regular time could check the buses in after their return to reduce overtime hours worked. Transportation Supervisors that are required to drive a bus route could be placed on an alternative schedule for the day.

District management should monitor overtime by employee and position and high level users should have job/position audits completed by the internal audit department to determine if there are changes that can be made so that more work is completed by employees working regular time instead of overtime.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

SUMMARY OF RESULTS

ISSUE 3 – Review of Selected Overtime, Compensatory Time, and Extra Service Payments

We selected certain employee overtime, compensatory time, and extra service payments made during the Period. Our selection included custodians that earned overtime working on the District's floor refinishing project. We determined whether these payments were supported by documentation, properly approved, recorded, and made in accordance with District policies.

PROCEDURES

1. We selected 280 overtime payment transactions made during the Period. All overtime payments selected were from the nine departments that were eligible to work overtime per the Agreement. For each transaction selected we traced total overtime hours paid to a properly approved timesheet or timecard. We traced the hourly rate of pay to the employee personnel file and we recalculated the overtime rate of pay and the gross amount of the transaction. We also reviewed each transaction to determine if compensated leave (vacation, sick, personal) was taken on days when overtime hours were charged.
2. We selected 36 employees during the Period that were eligible for compensatory time per the Agreement. We scanned each department's employee listing of compensatory time earned if such a report was maintained. Our selection included four employees from each of the nine departments that were eligible for compensatory time. We tested each selected employee's compensatory time accrual, use, and balance. We determined whether there was supervisory approval for both compensatory time accrual and use and evidence that employee balances were being maintained. We also determined whether employee balances exceeded the 40 hour amount permitted by the Agreement.
3. We obtained electronic files from the District that listed all extra service payments made during the Period. We scanned each fiscal year report to determine whether extra service payment amounts exceeded ten hours per month per building. We selected ten clerical staff that received extra service payments in fiscal year 2002 and ten clerical staff that received extra service payments in fiscal year 2001. We reviewed each to determine the amount of extra service hours documented and paid were within the ten per month per building. From the individual timesheets, we recomputed the extra service hours worked to ensure the proper number of hours were paid. We determined that timesheets were signed by the employee, building administrator, and approved by the Director of Classified Personnel.
4. We interviewed the Chief Operations Officer, the Director of Grounds and Maintenance, the Supervisor of Custodial Services, and one Assistant Custodial Supervisor to gain an understanding of the practices and procedures used to administer the floor refinishing project. We reviewed information compiled by the District related to the project. We also interviewed ten custodians throughout the District to assess their understanding of the project and determine their participation. We also spoke to seven principals throughout the District to determine whether floor refinishing was completed at their buildings during the Period.
5. We interviewed the sales representative from Hubman Products that transacted business with the District. The District purchased the chemicals used in the floor refinishing project from this company. We inquired of the sales representative about the chemicals used in the floor refinishing project. We also inquired whether any special machines and training would be needed to apply the chemicals used in the floor refinishing project. We also inquired about the company's policy on customer gifts and enticements.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

RESULTS FOR PROCEDURE 1 - OVERTIME

Out of the 280 transactions tested we identified the following exceptions:

1. For the pay period ended September 1, 2000, Horace Miller Jr., Assistant Custodial Supervisor, had four timesheets for overtime totaling 192 hours that were not approved. The payroll department processed payment of this overtime in the amount of \$7,233.
2. For the pay period ended September 14, 2001, Malkahn Miller, Custodian II, recorded 77 hours of overtime on his timesheets, nine hours of this time was approved by his father, Horace Miller Jr.
3. For the pay period ended January 4, 2002, Malkahn Miller, Custodian II, recorded 61 hours of overtime on his timesheets, 13 hours of this time was approved by his father, Horace Miller Jr.
4. Custodial department overtime payments were processed only once a month instead of every pay period.
5. The 13 custodial department employees listed in Table 20 below worked on the floor refinishing project on the second shift and took compensated leave (vacation, sick, personal) on various days during the first shift. The compensated leave hours were incorrectly included as work hours in the calculation of overtime hours and employees were paid at one and one-half their rate of pay. We issued findings for recovery against these 13 individuals in the total amount of \$11,315.

Table 20
Overtime Overpayments
Compensated Leave Use

Name	Position	Pay Date	Hours Paid at Time and Half of Straight Time	Overpayment
Alfred Brown	Head Custodian II	06/08/01	18.0	\$169.38
Andre Drew	Assistant Custodial Supervisor	11/10/00	8.0	\$80.72
		03/02/01	2.0	20.86
		08/03/01	9.0	97.56
		09/14/01	1.0	10.84
		11/09/01	10.0	108.40
		03/01/02	2.0	22.38
		04/12/02	1.0	11.19
			33.0	\$351.95
Andrew Bowman	Assistant Custodial Supervisor	09/01/00	2.0	\$25.18
		11/10/00	15.0	188.85
		12/08/00	1.0	12.59
		03/02/01	2.0	25.18
		08/03/01	14.0	183.40
		10/12/01	1.0	13.10
		11/09/01	21.0	275.10
		02/01/02	7.0	91.70
		04/12/02	8.0	104.80
			71.0	\$919.90
Byrd Prillerman III	Head Custodian III	02/02/01	30.0	\$301.20
		04/13/01	4.5	45.18
		07/06/01	7.0	73.78
		09/14/01	5.5	57.97
		10/12/01	8.0	84.32
			55.0	\$562.45

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Table 20
Overtime Overpayments
Compensated Leave Use
 (Continued)

Name	Position	Pay Date	Hours Paid at Time and Half Instead of Straight Time	Overpayment
Dreamalee Welch	Custodian II	09/14/01	32.0	<u>\$243.84</u>
Frank Stevens	Head Custodian I	08/04/00	15.0	\$127.35
		09/01/00	15.0	127.35
		11/10/00	5.0	42.45
		08/03/01	20.5	182.86
		09/14/01	52.5	468.30
		02/01/02	65.0	579.80
		03/01/02	5.0	44.60
			178.0	<u>\$1,572.71</u>
Gail Lewis	Custodian II	09/01/00	24.0	\$181.44
		09/14/01	48.0	399.36
		10/12/01	8.0	66.56
		02/01/02	8.0	66.56
			88.0	<u>\$713.92</u>
Horace Miller Jr.	Assistant Custodial Supervisor	08/04/00	13.0	\$163.67
		10/13/00	15.5	195.15
		01/05/01	15.0	188.85
		02/02/01	24.5	308.46
		03/02/01	5.5	69.25
		04/13/01	9.5	119.61
		06/08/01	4.0	50.36
		09/14/01	20.5	268.55
		10/12/01	1.0	13.10
11/09/01	1.0	13.10		
			109.5	<u>\$1,390.10</u>
James Like	Assistant Custodial Supervisor	08/04/00	48.0	\$604.32
		10/13/00	8.0	100.72
		04/13/01	9.0	113.31
		07/06/01	25.0	314.75
		08/03/01	64.0	838.40
		01/04/02	1.0	13.10
		03/01/02	24.0	314.40
			179.0	<u>\$2,299.00</u>

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Table 20
Overtime Overpayments
Compensated Leave Use
 (Continued)

Name	Position	Pay Date	Hours Paid at Time and Half Instead of Straight Time	Overpayment
Joycelyn Farris	Head Custodian II	08/03/01	24.0	\$220.32
		09/14/01	56.0	526.96
			80.0	<u>\$747.28</u>
Lester Howell	Head Custodian III	08/04/00	8.0	\$71.68
		09/01/00	8.0	71.68
		09/14/01	8.0	75.28
		02/01/02	32.0	301.12
		56.0	<u>\$519.76</u>	
Melvin Hane	Head Custodian I	08/04/00	2.0	\$16.98
		09/01/00	37.0	314.13
		07/06/01	24.0	214.08
		08/03/01	40.0	356.80
		09/14/01	24.0	214.08
		10/12/01	8.0	71.36
		11/09/01	8.0	71.36
		02/01/02	24.0	214.08
		04/12/02	1.0	9.36
		168.0	<u>\$1,482.23</u>	
Raoul Morgan	Custodian II	02/01/02	44.0	<u>\$342.76</u>
Total				<u>\$11,315.28</u>

6. The two custodial department employees listed in Table 21 below worked on the floor refinishing project. Their overtime hours for the pay periods listed were incorrectly calculated by the Supervisor of Custodial Services when they were summarized and forwarded to the payroll department. We issued findings for recovery against these two individuals in the total amount of \$899.

Table 21
Overtime Overpayments
Calculation Errors

Name	Position	Pay Date	Number of Hours Overpaid	Overpayment
Andre Drew	Assistant Custodial Supervisor	02/02/01	7.0	<u>\$218.96</u>
Byrd Prillerman III	Head Custodian III	07/06/01	5.5	173.86
		02/01/02	16.0	505.76
			21.5	<u>679.62</u>
Total				<u>\$898.58</u>

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

7. The District hired a Part-Time Custodian on August 4, 1999. On December 29, 1999, the State of Ohio BCI ran a criminal history record of the Part-Time Custodian disclosing a felony that was reduced to a misdemeanor offense and forwarded it to the District. Based on District policy this individual was not qualified to be employed. The Part-Time Custodian was promoted to a full-time Custodian on August 16, 2000, eight months after the background check was received. District officials did not review the background check until nearly a year after it was received. On November 28, 2000, the Custodian was notified that a hearing would be held. After receiving the notice of hearing, the Custodian submitted his resignation on December 19, 2000.

RESULTS FOR PROCEDURE 2 – COMPENSATORY TIME

Employee compensatory time activity records are not maintained centrally by the payroll department. Each department was responsible for maintaining their own compensatory time record. Prior to the negotiated agreement dated March 1, 2001 through February 29, 2004, there was no limit on the amount of compensatory time an employee could accrue, with the exception of the Maintenance and Vehicle Maintenance Departments which were also limited to a 40 hour maximum in the prior agreement. The current agreement indicates an employee can not accrue more than 40 hours of compensatory time. We notified supervisors and administrators and recommended that all employee cumulative balances be reviewed and, if needed, adjusted to ensure compliance with the current agreement. Any employee cumulative balances exceeding 40 hours prior to March 1, 2001 should be used before any additional compensatory time is accrued.

Custodial Services

From our scan throughout the Period, seven employees had compensatory balances in excess of 40 hours. Our detailed review indicated two of the four employees tested had compensatory time balances in excess of the 40 hour limit. These two employees were included in the results of our scan. Marvin Williams, Head Custodian I, filled out custodial services compensatory time records listing the same dates on several time sheets. These amounts were added to his compensatory time balance each time a record was submitted. Mr. William's compensatory time record had a balance of 100 hours on September 27, 2000 when the actual balance should have been only 33.5 hours. Samuel Henry had a cumulative balance of 64 hours on July 1, 2001.

Food Service

Of the four employees tested, two truck drivers had compensatory time balances exceeding the 40 hour limit. One truck driver had a cumulative balance of 42.75 hours on April 12, 2002. The other truck driver had a cumulative balance of 44 hours on June 7, 2002.

All Clerical Staff and School Secretarial Staff

There were no instances of compensatory time accrual or use noted in the employees selected. The option to accrue compensatory time is left to the discretion and approval of the building administrators. Compensatory time is not earned by the school secretarial staff often.

Pupil Transportation

There were no instances of compensatory time accrual or use noted in the employees selected. We scanned the department compensatory time report and there was no accrued compensatory time for any of the bus drivers.

Vehicle Maintenance

Of the four employees tested, Jeffery Kneisley had a compensatory time balance of 42.50 hours on June 10, 2002.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Warehouse Personnel and Truck Drivers

There were no instances of compensatory time accrual in excess of 40 hours for the employees tested.

Data Processing

Two of the four employees tested had compensatory time balances exceeding the 40 hour limit. Linda Fleischer had a balance of 108 hours on May 23, 2002. Sarah Chambers had a balance of 42 hours on May 21, 2002.

Maintenance

We reviewed the departmental compensatory time summary report and there was no indication that the cumulative hours available for each employee was tracked to ensure that employees were not exceeding the 40 hour limit. In addition, there was no supervisory approval of the Assistant Manager on compensatory time used.

Treasurer's Office Personnel

Of the four employees tested, all compensatory time balances were within the 40 hours maximum. There was no evidence of supervisory approval of employee compensatory time log sheets.

RESULTS FOR PROCEDURE 3 – EXTRA SERVICE TIME

Fiscal Year 2002

In our testing of the extra service payments made in fiscal year 2002 we identified 21 instances in which secretary monthly extra service payments exceeded ten hours per month per building. We also identified four employee timesheets that were not approved by the Director of Classified Personnel, however, payment was processed by the payroll department.

Fiscal Year 2001

In our testing of the extra service payments made in fiscal year 2001 we identified 11 instances in which secretary monthly extra service payments exceeded ten hours per month per building. We also identified one employee timesheet that was not approved by the Director of Classified Personnel, and two timesheets that were not signed by the employee, however, payment was processed by the payroll department.

RESULTS FOR PROCEDURE 4 – FLOOR REFINISHING PROJECT

An interview of the Supervisor of Custodial Services indicated that the District floor refinishing project was initiated in response to deficiencies noted in the 1999 Phi Delta Kappa Curriculum audit. The goals of the project were to improve the cleanliness and appearance of the buildings and save the District money over a period of time due to floors not needing to be stripped as often and custodians could attend to other needs of the buildings. The project started in March of 2000. The Supervisor of Custodial Services estimated that the project would take 24 to 30 months to complete but no plan or benchmarking was completed to monitor the progress of the project. There was no budget of estimated cost and there was no evidence that quotes from outside contractors were obtained to determine if it was cost effective to complete the project in-house.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

The process of stripping the floors and refinishing them included the use of a new stripping chemical and refinishing product that had not been used by the custodial staff. The head custodians and one of the Assistant Custodial Supervisors were trained on how to use the new products by a company representative. Training for the other three Assistant Custodial Supervisors and several core-crew members who were not head custodians was on the job training. The Supervisor of Custodial Services instructed each of the four Assistant Custodial Supervisors to select a core-crew of six to seven reliable and dependable employees to work on the project. This selection process did not follow the District's practice of selecting off a seniority listing for overtime work and immediate family members were selected as part of the core-crews. All of the core-crew members were first shift employees. Not until February 2001 was an overtime project seniority listing put together to select additional employees to help the core-crews if building location employees did not want to participate. The Assistant Custodial Supervisors were instructed to supervise all of the project work.

After the project began, all of the work was completed on nights and weekends on an overtime basis. This project overtime was not recorded and monitored by the Supervisor of Custodial Services. There was no evidence that any cost updates were requested or given to District management by the Supervisor of Custodial Services. Improvement Plan – Progress Updates were submitted in May, June, July, September and November of 2000, by the Supervisor of Custodial Services to the Interim Chief Operations Officer and Chief Operations Officer. These reports included progress of the floor refinishing project. The information reported was limited to the number of buildings that had the floor refinishing work completed.

In interviews with ten custodians they indicated floor refinishing work was done at their buildings. Seven of the custodians thought the work could have been done during summer and winter breaks. Six of the seven principals interviewed indicated that floor refinishing work was completed at their buildings. The seventh principal indicated refinishing work was not done at his building because there is carpet in approximately 85% of the building.

RESULTS FOR PROCEDURE 5 – PRODUCT ANALYSIS

A telephone interview with the sales representative from Hubman Products indicated the stripping chemical Joggernaut and finishing product Proclaim are very good products. He indicated Joggernaut is usually used to take several coats of wax off floors. Proclaim is a finish that could prevent annual stripping of floors for three to five years if the floors are properly cleaned and maintained. Joggernaut is a strong stripper but it is not any more dangerous to use than any other product on the market.

He indicated the equipment already at the schools (buffers and mops) could be used to apply the products and no special machines were needed. The sales representative indicated he made several school visits throughout the District and it appeared obvious to him that many of the school building floors had not been properly stripped and cleaned for several years. He indicated that it was apparent to him that there were several coats of wax and dirt build-up on the floors. He indicated that if a custodian had done stripping before, he or she should have no trouble using these new products.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

FINDING FOR RECOVERY No. 1

During the Period, the individuals listed in the chart below used eight hours of compensated leave (vacation, sick, personal) for the first shift and then proceeded to work the second shift. On these occasions, these individuals were paid overtime at the rate of time and a half for the shift that they worked in addition to being compensated for the paid leave taken for the first shift. The Agreement Between Columbus School Employees Association and Columbus Board of Education, Section 9.5 ["Contract"] states, in part: "The overtime rate shall apply to 'hours worked' in excess of forty (40) in any week." In the absence of a definition in the Contract of "hours worked," pursuant to the Fair Labor Standards Act, if an employee takes time off for a holiday, a vacation, or because he or she is sick, the time off, even though the employee is paid for the time, is not "hours worked." 29 U.S.C. Section 207.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued in favor of the Columbus City School District general fund against the employees listed in the chart below, individually, for the corresponding dollar amounts, against Manuel Magno, Supervisor of Custodial Services, jointly and severally, for the total dollar amount of all employees, in his supervisory capacity in approving custodial staff overtime that was in violation of the Contract; against Mel Garner, Payroll/Benefits Manager, jointly and severally, for the total dollar amount of all employees, in his supervisory capacity for assuring that all payroll payments are in accordance with all District policies and contracts; and their bonding company, Old Republic Surety Company.

<i>Name</i>	<i>Position</i>	<i>Hours paid at time and half instead of regular rate</i>	<i>Overpayment</i>
Alfred Brown	Head Custodian II	18	\$169.38
Andre Drew	Assistant Custodial Supervisor	33	351.95
Andrew Bowman	Assistant Custodial Supervisor	71	919.90
Byrd Prillerman III	Head Custodian III	55	562.45
Dreamalee Welch	Custodian II	32	243.84
Frank Stevens	Head Custodian I	178	1,572.71
Gail Lewis	Custodian II	88	713.92
Horace Miller Jr.	Assistant Custodial Supervisor	109.5	1,390.10
James Like	Assistant Custodial Supervisor	179	2,299.00
Joycelyn Farris	Head Custodian II	80	747.28
Lester Howell	Head Custodian III	56	519.76
Melvin Hane	Head Custodian I	168	1,482.23
Raoul Morgan	Custodian II	44	342.76
Totals		<u>1111.5</u>	<u>\$11,315.28</u>

The District should establish a policy and a standardized form that requires reporting of all overtime and leave time on the same form to the payroll department. This form should be signed by the employee certifying accuracy and by the supervisor indicating review and approval. This form could be used by the payroll department to record overtime and leave time to the payroll system to aid in monitoring the calculation of hours worked and overtime paid.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

FINDING FOR RECOVERY No. 2

During the Period, the individuals listed in the chart below were paid for hours in excess of the actual hours reported on the corresponding time sheets.

In accordance with the forgoing facts, and pursuant to Ohio Rev. Code Section 117.28, a Finding for Recovery for public money illegally expended is hereby issued in favor of the Columbus City School District general fund against the employees listed in the chart below, individually, for the corresponding dollar amounts, against Manuel Magno, Supervisor of Custodial Services, jointly and severally, for the total dollar amount of all employees, against Mel Garner, Payroll/Benefits Manager, jointly and severally, for the total dollar amount of all employees; and their bonding company, Old Republic Surety Company.

<i>Name</i>	<i>Position</i>	<i>Number of hours overpaid</i>	<i>Overpayment</i>
Andre Drew	Assistant Custodial Supervisor	7	\$218.96
Byrd Prillerman III	Head Custodian III	21.5	679.62
Totals		<u>28.5</u>	<u>\$898.58</u>

NONCOMPLIANCE CITATIONS

Nepotism

Columbus Board of Education policies 4112.4 and 4312.4 adopted on November 2, 1999 require that no persons who are immediate family shall be employed in a direct superordinate/subordinate relation. A direct superordinate/subordinate relation shall be deemed to exist where the superordinate evaluates, directs daily work, disciplines or recommends salary adjustments for the subordinate. The definition of such relative status is defined to include spouse, father, mother, brother, sister, son, daughter, step-son, step-daughter, grandmother, grandfather, grandson, granddaughter, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, legal guardian, foster parents, or step-parents of such employee.

During the floor refinishing project there were immediate family members working in a superordinate/subordinate relation as part of the core-crews. Testing results indicated that an Assistant Custodial Supervisor approved his son's overtime timesheets on two separate occasions during the Period.

We recommend District management enhance this nepotism policy by requiring affirmative reporting of immediate family members employed by the District by every employee upon being initially hired. On an annual basis, the personnel department should initiate a practice of having each employee affirmatively report immediate family members employed by the District. Working relationships of immediate family members identified should be reviewed by the internal audit department.

Extra Service

The District's Budget Director and Director of Classified Personnel issued memorandums dated August 21, 2000 and September 17, 2001 authorizing the use of a maximum of ten hours a month per building of extra service time. Section 9.9 of the Agreement requires that all extra service time worked by less than 40 hour employees be approved by the Director of Classified Personnel.

We identified 21 instances in fiscal year 2002 and 11 instances in fiscal year 2001 of extra service time that was in excess of the 10 hour maximum. We identified four employee timesheets in fiscal year 2002 and one timesheet in fiscal year 2001 that were not approved by the Director of Classified Personnel.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

Compensatory Time

Section 9.3 of the agreement dated March 1, 2001 through February 29, 2004 states that compensatory time in lieu of paid overtime may be accumulated up to a maximum of 40 hours.

Seven of 36 employees tested and an additional five employees from a scan of the records had accumulated compensatory time balances in excess of the 40 hour maximum allowed by the agreement.

The District should establish a policy over earning, using, recording and reporting compensatory time that is applied to all departments of the District. The District should require that compensatory time activity be reported to the payroll department biweekly with the rest of payroll activity. The District should establish a process through the payroll system to record compensatory time activity and employee balances.

MANAGEMENT COMMENTS

Employee Background Checks

The Ohio Revised Code states that a Board may employ an applicant conditionally until the required criminal records check is completed and the board receives the results. This allows the Board to employ individuals on the contingency of the results of the background check. The District purchased its own finger printing machine and software program to connect to BCI to receive the results of background checks within a matter of days. The results of the background check for a Custodian II were not reviewed by District personnel for nearly a year after they were received.

We recommend the District complete a timely review of all employee background checks and take appropriate action when the results identify disqualifying activity.

Project Management – Floor Refinishing

When the District embarks on large scale projects, supervisors are not required to prepare written plans or budgets, or obtain approval from top level management of the District. This practice which allowed middle and low level supervisors to establish a project resulted in millions of dollars of overtime and less than optimal use of District resources. The practice of placing responsibility with middle and low level supervisors allows irregularities and fraud to occur and not being detected by management in a timely manner.

The District should establish a project management team of experts from all pertinent areas of the District to oversee major projects including planning, budgeting, monitoring, and delivery of the service. This project management team approach will compel accountability and add integrity to the process. This team would be responsible for periodically briefing upper level management on the status of the project until completion. If a plan, schedule, budget and cost analysis would have been completed prior to the floor refinishing project, the necessity of completing the entire project on an overtime basis could have been reviewed and a better use of District resources could have been determined.

Custodian Performance and Benchmarking

In the performance report issued to the District in September 1998 the Auditor of State made the following comment:

The District should develop a methodology for allocating custodians to buildings which use quantitative data, such as square feet to determine the most efficient staffing level and utilization of staff. Factors that should be taken into consideration when establishing an allocation methodology are the square footage to be cleaned and maintained, the number of students, the number and age of the buildings, the number of classrooms, the number of bathrooms, the number of special facilities, the type of floor covering, the frequency of community and extra curricular programs held in the buildings and the desired level of cleanliness.

SUPPLEMENT TO THE AGREED UPON PROCEDURES REPORT

The District has not done any benchmarking to determine proper allocation and staffing levels for the custodial staff since the issuance of this report. Based on the number of custodial staff compared to the peer groups at the time of the performance report the District custodians were responsible for approximately 3,600 square feet less than their peers. Since the issuance of this performance report staffing levels total square footage of District buildings has not changed significantly. With District custodial staff responsible for this much less square footage than their peers the expectation would be that the condition of the cleanliness of buildings would be at a high level.

The floor refinishing project was initiated due to the general poor condition of the hallway floors in the District buildings. This would indicate that although the custodians are caring of less space they are not performing at an acceptable level. The District's outlined job description for Assistant Custodial supervisors indicate they will make regular inspections of all school buildings to assure that standards of custodial cleaning and maintenance are being maintained. They are also required to counsel building custodial personnel during inspections to correct discrepancies related to cleaning and maintenance.

We recommend that if custodial staff at each building are not adequately cleaning and maintaining floors, the Assistant Custodial Supervisor take steps to ensure problems are corrected so special floor refinishing projects are not needed in the future.



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COLUMBUS CITY SCHOOL DISTRICT

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
OCTOBER 3, 2002**