



AUDIT OF  
WORK ASSIGNMENT PRACTICES  
OF THE FACILITIES MANAGEMENT DIVISION

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Report No. 07-04

CITY OF ORLANDO

OFFICE OF AUDIT SERVICES AND MANAGEMENT SUPPORT

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# CITY OF ORLANDO

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## MEMORANDUM

To: Larry T. Simmons, CFM, Facilities Management Division Manager  
Leland W. Brown, Human Resources Division Manager

From: Beryl H. Davis, CPA, CGFM, Director  
Office of Audit Services and Management Support

Date: Report Issued: January 29, 2007

Subject: Audit of Work Assignment Practices of the Facilities Management Division  
(Audit Report No. 07-04)

After receiving an anonymous “hotline” call, we conducted an inquiry into the assignment of overtime and call back work to employees of the Facilities Management Division. We also inquired into practices for documenting necessary changes to Facilities employees’ time records in Kronos, the City’s timekeeping system.

Our inquiry was made in accordance with generally accepted government auditing standards, except that we did not perform tests of data gathered from computer-based resources. We reviewed pertinent City Policies & Procedures, and provisions of the City’s agreement with the Laborers International Union of North America. We reviewed supporting documentation from Facilities records and Kronos for fiscal year 2006. We also discussed this matter with management of the Facilities Management and Human Resources Divisions, the Acting City Attorney, and others.

This report contains recommendations to improve compliance and controls in the rotation of overtime and “call back” work, work assignments of related employees, preparation and review of Statement of Relationship forms, and documentation for changes to individuals’ timekeeping records.

BHD/am

c: Honorable Buddy Dyer, Mayor  
Cheryl J. Henry, Chief of Staff  
Byron W. Brooks, Chief Administrative Officer  
Rebecca W. Sutton, Chief Financial Officer  
Jody M. Litchford, Acting City Attorney  
Kevin J. Edmonds, General Administration Department Director

## BACKGROUND

The Facilities Management Division maintains, repairs and performs or oversees certain alterations and improvements of the City's existing buildings and structures. Facilities is responsible for over 700 buildings and structures containing 4.2 million square feet of space. Facilities has three sections: Carpentry, Painting and Locksmith; Mechanical, Electrical and Plumbing; and Downtown-City Hall, as well as an office staff. A total of 48 employees report to the Facilities Division Manager.

This report concerns overtime and call back duty assignments, which are explained below.

*Overtime:* In addition to work that occurs during the five 8-hour days Monday through Friday, Facilities employees may be required to perform work that is needed after hours. "Overtime" is work that employees perform as a continuation of the regular workday.

*Call back:* "Call back" or "call out" occurs when employees are "required to return from home to work on an unscheduled basis after completing regularly scheduled hours of work," according to Article 31 of the City's Agreement with The Laborers' International Union of North America (the LIU Agreement). Call back work is unexpected and generally requires immediate response and repair.

Whenever hours worked for overtime or call back cause an employee to work more than 40 hours in a week, the employee receives overtime pay, at a "premium" hourly pay rate of 1 ½ times that employee's regular pay rate.

Facilities' practice is for the overtime and call back work to be documented on a "Request for and Justification of Overtime" form. The form has spaces on which to write:

- the employees' names and numbers
- the dates work began and ended
- estimated start and end times
- actual start and end times
- total hours worked whether paid as overtime or allowed as compensatory time
- whether the overtime was call out work or not.

This form requires a written justification of the work performed, and the signatures and dates approved for both the supervisor who oversees the particular work and the Division Manager. The Division Manager stated that he is notified on the next business day after call back work has occurred.

## SUMMARY OF RECOMMENDATIONS AND RESPONSES

Each recommendation is classified with a “Criticality Factor,” defined as:

- HIGH** represents a control risk or needed improvement requiring immediate attention.
- MEDIUM** represents a control risk or needed improvement requiring attention in the next year.
- LOW** represents a process improvement that can be addressed at management’s discretion.

	<b>RECOMMENDATIONS</b>	<b>RESPONSES</b>
1.	The Facilities Management Division Manager should adopt a method to ensure that overtime work is “distributed equitably” among employees and documented on an ongoing basis as outlined in the applicable union agreement. (HIGH)	Concur
2.	The Facilities Management Division Manager should end the practice of Facilities employees who are relatives of other employees to work in any prohibited capacities, such as assigning overtime/call back, having a supervisor/employee relationship, or advocating for a relative. (HIGH)	Concur and Implemented
3.	The Facilities Management Division Manager should consult with the Human Resources Division Manager to determine whether transfer or termination of a related employee is necessary under current circumstances. (HIGH)	Concur
4.	The Human Resources Division Manager should ensure all required Statements of Relationship are prepared, circulated appropriately, and returned to the Human Resources Division before hiring or transfer occurs. (MEDIUM)	Concur
5.	The Facilities Management Division Manager should develop an efficient method for employees and their supervisors to document the reasons for any changes to timekeeping records. (MEDIUM)	Concur with Reservation
6.	The Facilities Management Division Manager should obtain and evaluate periodic reports of changes to timekeeping records. (MEDIUM)	Concur

## ISSUES AND RECOMMENDATIONS

**Objectives** The objective of this audit was to review the propriety of the assignment of overtime and call back work to employees of the Facilities Management Division (Facilities), and the authorization practices for changes to Facilities employees' time records in Kronos, the City's timekeeping system. Our review was initiated after receiving an anonymous "hotline" call.

**Scope and Methodology** The scope of this audit was limited to a review of selected records associated with overtime and call back assignments during fiscal year 2006. We reviewed related City Policies & Procedures and provisions of The Laborers' International Union of North America Local 678 for October 2005 through September 2008 (the LIU Agreement). We also discussed this matter with management of the Facilities Management and Human Resources Divisions, the Acting City Attorney and others. We did not perform tests of data gathered from computer-based resources.

**Introduction** Our review addressed the following concerns resulting from an anonymous "hotline" call:

- Call back and overtime rotation procedures. See following sections.
- An employee supervising and advocating for a close relative. See following sections.
- An employee riding as a commuter in another employee's assigned take-home vehicle. The Risk Manager indicated this is acceptable; City Policy does not indicate whether this is allowed.
- An employee driving another employee's assigned take-home vehicle. We did not investigate this because of the amount of resources this would require, and assertions from management that employees are aware of restrictions in the use of take-home vehicles. City Policy indicates that City vehicles may be used by employees for City business purposes only and may be authorized to be driven home

under restricted conditions, but does not address this particular question.

- Other forms of favoritism such as supervisors going to lunch with selected employees, and taking longer lunch periods. We found that City Policy does not restrict supervisors from having lunch with employees; however, we investigated how time in and out is recorded in the timekeeping system and made recommendations.

**Adopt Method to Document that Overtime Work Is Distributed Equitably**

The City's LIU Agreement states in Article 26:

Overtime work may be required from time to time and shall be distributed equitably among employees in a particular job classification ... as far as the character of the work and the employees' qualifications permit. Although temporary imbalances in the equitable distribution of overtime may occur, departmental management shall make its best efforts to distribute overtime fairly and equitably over an extended period of time. Departmental management shall maintain overtime records and shall make information concerning overtime available upon request to employees of the department. When practical, overtime will be assigned by rotation based on seniority.

We determined that call back is a form of overtime and the above provisions apply to call back, and we inquired about what method is used to ensure that call back is distributed equitably (impartially and fairly) among trades staff. The call back lists include employees' names, dates of hire, telephone numbers and whether the employees will accept call back duty under all or limited circumstances.

The Division Manager's goal is not to require overtime of employees who prefer not to accept it. Based upon the LIU Agreement, when employees are requesting to work overtime, management should offer the work to them in an equitable fashion. If no employees request to work overtime, management should assign overtime based upon "inverse order of seniority," and according to the skills needed. Fulfilling these provisions requires a systematic rotation and documentation

method. We suggest that, if management finds that there are not enough employees requesting overtime to accomplish the necessary work, a method should be created to rotate overtime and callback to all employees.

The Trades Chiefs and Trades Supervisors are each assigned the duty to answer after-hours repair calls that must be addressed immediately. These individuals are instructed to contact Facilities employees to assist with this work on a rotating basis, taking into consideration the trade needed for the job at hand. However, we found that the call back lists in place were not adequate to assist the Trades Chiefs and Trades Supervisors to place calls to other employees on a proper rotating basis, or to properly document what calls were made to employees whether or not they accepted the call back request. Therefore, available data does not sufficiently document whether or not the overtime and call back assignments were equitably distributed.

The effect is that Facilities cannot show that the call back/overtime work was distributed equitably among employees as required by the LIU Agreement.

To comply with the LIU Agreement, Facilities Management should adopt a method to accurately document overtime and call back offered on a rotating basis and whether each assignment was accepted or declined. This will require schedules that can assist the Trades Chiefs and Trades Supervisors to systematically take into account, for example, skills needed, seniority, when employees have been contacted to work overtime, and if employees did not receive call back work because they were unavailable when contacted.

**Recommendation 1.** We recommend that the Facilities Management Division Manager adopt a method to ensure that overtime work is “distributed equitably” among employees and documented on an ongoing basis as outlined in the City’s LIU Agreement.

**Response**

Concur. Implementation is planned for February 2007. Facilities Management staff is currently developing a definite overtime policy/procedure that will define overtime, the management of overtime opportunities, and document the process.

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**End Practice of Supervising Relatives**

We were informed that a Facilities Trades Chief sometimes supervises a Facilities General Maintenance Technician who is his son. These instances occurred in cases in which the Trades Chief assigned overtime/call back duty to his son. During the regular workday, the son is ordinarily assigned to a different Trades Chief.

City Policies & Procedures Section 808.34, Employment or Placement of Relatives, regulates employment of a number of specified relationships, including father and son. City officials, “may not appoint, employ, promote, or advance a relative or cohabitant within the organizational units over which they exercise jurisdiction or control,” and they “may not advocate the appointment, employment, promotion or advancement of a relative or cohabitant within the organization, even if such position is not under their jurisdiction or control.” Additionally, “a relative or cohabitant of a City employee shall not be employed if the relationship reasonably could be said to result in or create the appearance” of prohibited actions. Two prohibitions listed in the Policy are “offering or encouraging preferential treatment...” and “losing complete independence or impartiality.” The Policy also states that in case of a violation, “one employee must resign or, if convenient to the City, be transferred to another position within thirty days...” Violation may cause termination of one or both employees, and is “sufficient cause for immediate dismissal.”

We spoke with the Acting City Attorney who indicated that it is not acceptable for a father to be in a position to assign work to and supervise the son, or to advocate for the son. Furthermore,

it was explained that the assignment of overtime or call back work by the father is essentially hiring the son. The Acting City Attorney indicated that if the call back system were rigorous enough it might be allowable for the father to call upon the son, but it would be difficult or impossible to create a system that prevents any actual or apparent actions not allowed by City Policy 808.34.

We reviewed Request for and Justification of Overtime documents provided by Facilities and noted 14 instances during fiscal year 2006 in which the son worked call back duty for the father. We compared this number with cases when other employees worked call back duty for this Trades Chief, and found 16 assignments among approximately 7 other employees on occasions when the father assigned or worked call back. This creates the appearance that this Trades Chief is not sufficiently rotating the call back assignments among other trades employees.

The explanation the Facilities Division Manager provided us is that, when this Facilities Trades Chief is on standby duty, he has had difficulty in finding workers who will accept the call back assignments, which occur after hours and often at night; however, his son tends to be available and willing to accept this work. As explained in the previous finding, there is no effective method in place for the Trades Chief to document any attempts he may have made to provide a proper rotation of call back assignments as required.

We believe that the Division Manager should end all occasions in which relatives are working in prohibited capacities, and consult with the Human Resources Division Manager about whether transfer or termination is necessary under these circumstances.

**Recommendation 2.** We recommend that the Facilities Management Division Manager end the practice of allowing Facilities employees who are relatives of other employees to work in any prohibited capacities, such as assigning overtime/call back, having a

supervisor/employee relationship, or advocating for a relative.

**Response**

Concur and Implemented. All supervisors and administrative staff have been directed to review City Policy #808.34 and to immediately comply.

Facilities Management agrees a deficiency exists in documenting the call outs. We would like to reiterate the fact that only a very limited number of trades staff are willing to respond to late night call outs. Facilities Management's goal is to respond to call outs (emergencies) as quickly as possible to support our client.

**Recommendation 3.**

We recommend that the Facilities Management Division Manager consult with the Human Resources Division Manager to determine whether transfer or termination of a related employee is necessary under current circumstances.

**Response**

Concur. Division Manager has requested the HR Division Manager to consider the matter and advise if further steps are necessary.

**Ensure  
Statements of  
Relationship are  
Evaluated before  
Hiring**

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City Policies & Procedures Section 808.34 requires a relative or cohabitant of a City employee, who is applying for a position, to complete a Statement of Relationship form if a box is checked on the employee application that indicates a relative or cohabitant works for the City. Human Resources Division personnel are assigned to send this Statement to Department Directors and Division Managers for review and approval or disapproval. According to Policy, if there is a change in the relationship or position, it is the responsibility of the employee to submit a new Statement of Relationship Form.

In the situation described above, the son was initially hired into Facilities Management in 1998, laid off in the 2003 reduction in force, hired into the Solid Waste Division in 2003, and transferred back to Facilities Management in 2005.

A Statement of Relationship form was completed by the son

indicating the father and his position, and it was signed by the son on June 19, 1998. However, there are no notations of any kind on the Statement to indicate the required evaluation and approval was performed by department management.

Human Resources staff did not find a new Statement of Relationship for the 2003 hiring, although the son's application indicated that he had a relative employed with the City. For the 2005 transfer, no Statement of Relationship was prepared.

We found that Human Resources accepts employment and transfer applications and issues Statements of Relationship, when necessary, but does not have a system to notate their issuance or their return from the approving department managers. Thus, it is possible for individuals with relationships to City employees to be hired or transferred without the Statements being completed.

Human Resources could improve control procedures by creating a tickler to track the disposition of the Statements of Relationship or, if that is too labor intensive, this step could be added to any existing checklist Human Resources personnel use to ensure required steps are completed before allowing the hiring or transfer of an individual. Also, Human Resources could add this important rule to a checklist for management responsible for hiring, to ensure that this important Policy is not overlooked.

**Recommendation 4.** We recommend that the Human Resources Division Manager ensure all required Statements of Relationship are prepared, circulated appropriately, and returned to the Human Resources Division before hiring or transfer occurs.

**Response** Human Resources Division Manager concurs.

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**Require  
Employees and  
Supervisors to  
Document  
Reasons for  
Changes in Time  
Records**

Upon inquiring about how time was recorded, we observed in Kronos time records that there are sometimes missed “punches” (time in and time out records) and punch “edits” (changes), and that, in many cases, the Facilities administrative personnel enter these punches or punch edits.

We observed that Facilities maintains Time Detail reports reflecting changes in the Kronos time records that are signed by the affected employees. However, we found that Facilities does not require employees to document the reasons for missed punches or requested changes in time records.

The Citywide requirement for employees to timely record their own punches is intended to ensure that they receive the proper credit for having worked. This is particularly true for hourly employees whose salaries are affected by the punches. Without timely records, management cannot ascertain whether, for example, an employee: actually arrived at the time indicated; or, in other cases, clocked out and then performed additional work.

We believe that, if a punch is missed or other change is needed, the reason should be explained in writing by the affected employee and supervisor, to enable management to evaluate the propriety of changes in the Kronos time record and encourage timely, accurate initial records.

In addition, as the Division Manager does not receive periodic reports indicating changes to Kronos time records and thus does not have information about the extent or reasonableness of these changes, we suggest that he request and review such reports regularly.

**Recommendation 5.**

We recommend that the Facilities Management Division Manager develop an efficient method for employees and their supervisors to document the reasons for any changes to timekeeping records.

**Response**

Concur with Reservation. Implementation is planned for March 2007. Facilities Management will continue to document

missed, early, and late (tardy) punches into the timekeeping program. A documented policy/procedure will be developed to justify the need for revisions to an employee's timekeeping records.

Facilities Management's reservations are with the current KRONOS timekeeper program. A majority of the edited punches are due to the current KRONOS timekeeper software limited punch period. The current software only allows a period of six (6) minutes in which to clock in/out. An employee not on an OT assignment who clocks in/out outside of six (6) minute window will default to an OT rate.

Facilities recommends upgrading the KRONOS timekeeper program to lengthen the punch period. It is possible that increasing the period from 6 to 10 or 15 minutes could substantially decrease the need to edit punches.

**Recommendation 6.** We recommend that the Facilities Management Division Manager obtain and evaluate periodic reports of changes to timekeeping records.

**Response** Concur. Implementation is planned for May 2007. Facilities Management staff will produce timekeeping reports for Division Manager review.

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