

# **Follow-up of the Audit of the Solid Waste Division's Overtime**

**Report by the  
Office of County Comptroller**

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**Report No. 439  
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February 13, 2014

Teresa Jacobs, County Mayor  
And  
Board of County Commissioners

We have conducted a follow-up of the Audit of the Solid Waste Division's Overtime (Report No. 412). Our original audit included the period of May 2008 to November 2008. Testing of the status of the previous Recommendations for Improvement was performed for the period March, 2013, through May, 2013.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The accompanying Follow-Up to Previous Recommendations for Improvement presents a summary of the previous conditions and the previous recommendations. Following each recommendation is a summary of the current status as determined in this review.

We appreciate the cooperation of the personnel of the Solid Waste Division during the course of the audit.

Martha O. Haynie, CPA  
County Comptroller

c: Ajit Lalchandani, County Administrator  
Raymond Hanson, P.E., Utilities Department Director  
Ron Nielsen, Utilities Department Deputy Director  
James Becker, Solid Waste Division Manager

**IMPLEMENTATION STATUS OF  
PREVIOUS RECOMMENDATIONS  
FOR IMPROVEMENT**

**FOLLOW-UP OF THE AUDIT OF THE SOLID WASTE DIVISION'S OVERTIME  
STATUS OF PREVIOUS RECOMMENDATIONS FOR IMPROVEMENT**

NO.	PREVIOUS RECOMMENDATION	IMPLEMENTATION STATUS			
		IMPLEMENTED	PARTIALLY IMPLEMENTED	NOT IMPLEMENTED	NOT APPLICABLE
1.	We recommend the Solid Waste Division performs the following:				
A)	Enhance their efforts to manage employee schedule changes by implementing a policy preventing manual time record edits until after the anticipated action occurs.	✓			
B)	Ensure all employee time records are approved by a direct supervisor.	✓			
2.	We recommend the Solid Waste Division enhances their efforts to ensure trailers are loaded closer to capacity.		✓		
3.	We recommend the Solid Waste Division, in consultation with legal and human resources personnel, reviews the Kronos rules regarding clock-in and clock-out rounding to ensure the County is adequately protected and employees are paid for time worked.	✓			

# INTRODUCTION

### **Scope and Methodology**

We have conducted a follow-up of the Audit of the Solid Waste Division's Overtime (Report No. 412). Our original audit included the period of May 2008 to November 2008. Testing of the status of the previous Recommendations for Improvement was performed for the period March, 2013, through May, 2013. In addition, certain matters occurring outside the audit period were also reviewed.

We interviewed personnel with the Solid Waste Division (Division). We also reviewed source documents and performed the tests necessary to determine the implementation status of the previous recommendations. We have described the specific methodologies utilized during our review in the implementation status of each Recommendation in the Follow-up to Previous Recommendations for Improvement section of this report.

**FOLLOW-UP TO PREVIOUS  
RECOMMENDATIONS FOR  
IMPROVEMENT**



**1. Kronos Related Functions Should Be Enhanced**

During the prior review of the Division's use of the Kronos timekeeping system used to record hours worked, we had the following concerns:

- A) Nineteen percent (3 of 16) of the employees had time reported that was manually edited by a supervisor prior to the actual date worked. The majority of the 50 edits consisted of adding minutes to the employee's time record (41 times) to reduce the automatic lunch deduction scheduled in Kronos. Other edits consisted of punching employees in and out for the day (6 times) prior to the day of work and canceling the lunch deduction (3 times). These entries were made between one and fifteen days prior to the day worked.
- B) The time records for the Solid Waste Division Manager and four Section Manager positions were approved by one of the four Section Managers instead of a direct supervisor of the employee.

**We Recommend** the Solid Waste Division performs the following:

- A) Enhance their efforts to manage employee schedule changes by implementing a policy preventing manual time record edits until after the anticipated action occurs.
- B) Ensure all employee time records are approved by a direct supervisor.

**Status:**

- A) Implemented. We reviewed the Orange County Utilities Department Operating Procedures, Kronos Workforce Central Timekeeping System, and noted that Supervisor Responsibilities were revised to include the following:

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“Supervisor edits must not be performed in Kronos until after the anticipated action occurs. The only exception to this is scheduled requested time off in full day increments, accompanied by the applicable pay code.”

In addition, we reviewed time record edits made during the audit period and noted that the routine edits of editing employee’s time in advance had stopped except for instances where off-site weekend work was performed. We noted that one supervisor edited 21 timecards to clock employees in and out for off-site work, such as the Household Hazardous Waste and Electronic Waste Community Collection Events.

- B) Implemented. During our review of time records, we noted that less than one percent (8 of 1,156) was not approved by a supervisor.

**2. Additional Efforts Should Be Taken to Load Transport Trailers Closer to Capacity**

During the prior audit, we noted that solid waste received at the McLeod and Porter transfer stations was dumped on the tipping floor where a loader pushed it into 45 and 48 foot County transport trailers. To ensure the combined weight of the trailer and capacity vehicle/truck cab (hereafter, trailer) did not exceed the maximum weight of 80,000 pounds allowed by the Florida Department of Transportation (FDOT), the trailer was weighed at the transfer station before the solid waste was transported to the landfill. The Division attempted to load the trailers close to 78,000 pounds to ensure the waste was transported efficiently.

During our prior review of the average trailer weight for the months of June 2008 and October 2008, we noted that over 80 percent of the trailers used did not reach 78,000 pounds.

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**We Recommend** the Solid Waste Division enhances their efforts to ensure trailers are loaded closer to capacity.

**Status:**

Partially Implemented. We reviewed the average trailer weight for the McLeod and Porter transfer stations for the month of June 2013, and noted that the majority of the trailers did not reach an average weight of 78,000 pounds. However, the percentage of trailers that exceeded 78,000 pounds increased from 16.63% during the original audit to 26.88%. Therefore, it appears that additional effort was undertaken to load the trailers as close to 80,000 pounds as possible. Specifically, we noted the following:

McLeod/Porter Transfer Station June 2013		
Trailer Weight	Number of Trailers in Weight Range	Percent of Trailers in Weight Range
Less Than 65,000	67	5.34%
65,000 to 65,999	28	2.23%
66,000 to 66,999	34	2.71%
67,000 to 67,999	43	3.43%
68,000 to 68,999	50	3.99%
69,000 to 69,999	47	3.75%
70,000 to 70,999	74	5.90%
71,000 to 71,999	72	5.74%
72,000 to 72,999	67	5.34%
73,000 to 73,999	98	7.81%
74,000 to 74,999	74	5.90%
75,000 to 75,999	90	7.18%
76,000 to 76,999	95	7.58%
77,000 to 77,999	78	6.22%
Above 78,000	337	26.88%
Total	1254	100.00%

Interviews with management revealed that the Division attempted to use trailers with on-board scales to achieve an optimal trailer load based on volume and weight, but

abandoned the program due to excessive maintenance cost. However, we did not perform a review of the maintenance cost.

**We Again Recommend** the Solid Waste Division enhances their efforts to ensure trailers are loaded closer to capacity.

**Management's Response:**

We concur. Solid Waste began purchasing trailers with on-board scales as part of the trailer replacement program beginning in FY 2009. At the time of the audit, Solid Waste had purchased 19 trailers with on-board scales. Unfortunately, the on-board scale system has not performed in a satisfactory manner, and maintenance/repair support to keep them operational has been costly. Future upgrades to the transfer stations will include scales in the loading area floor to ensure optimal load efficiencies based on volume and weight for all trailers.

**3. Employees Should Clock-In and Clock-Out According to Their Scheduled Work Hours**

During the prior audit, we performed a detailed review for one pay period of the time records for the 14 non-exempt employees assigned to the Porter transfer station. We noted several instances where the employee's actual clock-in and clock-out time were automatically adjusted to agree with the employee's scheduled hours. This occurred because the Utilities Department had programmed Kronos to automatically edit actual punches to round employee's time punches to align with the employee's scheduled start and end times, unless overridden by a supervisor. For example, if an employee clocked-in at 6:30 a.m., but was scheduled in Kronos to work from 7:00 a.m. Kronos would automatically adjust the employee's start time to 7:00 a.m. and calculate the hours worked from 7:00 a.m., not 6:30 a.m.

We found that the majority of the Kronos adjustments reduced the number of hours worked. For the pay period

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reviewed, the cumulative effect reduced the number of hours worked by as much as 91 to 120 minutes for 29 percent of the 14 employees' Start of the Day Punch Times.

The most significant differences occurred for the clock-in time at the start of a shift. We were informed that employees were allowed to clock-in upon arriving at the work-site but remained in the break room until their scheduled shift began. However, evidence reflecting that the employees were not working was not maintained. Therefore, it was possible that an employee could claim he/she was working during the time reflected in the Kronos system.

**We Recommend** the Solid Waste Division, in consultation with legal and human resources personnel, reviews the Kronos rules regarding clock-in and clock-out rounding to ensure the County is adequately protected and employees are paid for time worked.

**Status:**

Implemented. We reviewed the Orange County Utilities Department Operating Procedures, Kronos Workforce Central Timekeeping System, and noted that Employee Responsibilities were revised to include the following:

"Employees must not punch in earlier than five (5) minutes prior to the beginning of their assigned shift without supervisory approval."

In addition, we performed a detailed review of the non-manual edits made during the audit period and noted that more than 99 percent of the 23,541 clock-in and clock-out punches were recorded within six minutes (1/10 deduction/addition rounding occurs at 6 minutes) of the time actually entered.