
City of Laredo, Texas

Internal Audit Division



Compensatory Time (Payroll) Compliance Audit
Report: (with Executive Summary and with
Department Responses): Cross Section
Sample of City Departments

March 15, 2021

**City of Laredo
Internal Audit Division**

**Compensatory Time (Payroll) Compliance Audit Report: Cross Section Sample
of City Departments with Department Responses**

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EXECUTIVE SUMMARY

In accordance with the Fiscal Year (FY) 2021 Annual Audit Plan, a Compensatory Time (Comp Time)(Payroll) Compliance audit was conducted on a cross section sample of all City of Laredo (City) departments.

The objective of this audit was to determine compliance with the City of Laredo's Code of Ordinances, Section No. 2-87.9. – Compensatory Time (Reference Ordinance No. 83-36, § 18, dated 4-19-83), which established guidelines to be followed in the pre-authorization and use of compensatory time earned. Specifically, the ordinance reads:

- (a) Only that work specifically required by the department head may be worked as compensatory time, with the City Manager's approval;
- (b) Compensatory time must be requested in advance in writing with full justification for its need. In cases of emergency, the City Manager will be informed, the following workday, as to the conditions that caused the emergency and the reasons for the compensatory time;
- (c) The time worked as compensatory time must be taken off within the next four (4) pay periods; and
- (d) Time off for compensatory time is one (1) hour for each hour of compensatory time worked.

Additionally, a review of accrued compensatory time balances as of the date of this audit was conducted for proper internal controls regarding adequate monitoring, as well as an assessment for compliance with the City's Payroll Policies and Procedures Manual.

The following areas were noted as part of the audit results. It should be noted that the current ordinance dates back to 1983, therefore our review for pre authorization of comp time worked included any approvals on file from an immediate supervisor, the corresponding department head and/or the City Manager. Additionally, we took into account any factors that inadvertently lead to comp time being earned. With that in mind, we focused our attention on any instances of comp time worked of 15 minutes and above. A total of thirty-six (36) instances of comp time worked over 15 minutes per week had no pre-authorization on file.

Another component tested was the usage provision of the comp time ordinance which states that "time worked as compensatory time must be taken off within the next four (4) pay periods". From the test work conducted, it appears that not all comp time earned is used within the subsequent four (4) pay periods as deemed by the Code of Ordinances.

Additionally, there were eight (8) instances in our sample where time cards were missing employee or supervisor approval(s) prior to payroll being processed.

Based off of the results noted, the following recommendations were made:

- The City's Code of Ordinance be reviewed and updated in accordance with similar compensatory time ordinances and/or policies from comparable cities.

- That both the employee and Supervisor approve time cards by 8:00 am Tuesday morning of payroll week in accordance with “ExecuTime Approvals” under the City’s Payroll Policies and Procedures.

Department Responses to this audit can be found under Appendix A on page 9.

A more extensive report of all the audit results and recommendations can be found in the following report.

INTRODUCTION

In accordance with the Fiscal Year (FY) 2021 Annual Audit Plan, a Compensatory Time (Comp Time)(Payroll) Compliance audit was conducted on a cross section sample of all City of Laredo (City) departments.

AUDIT OBJECTIVES

The objective of this audit was to determine compliance with the City of Laredo's Code of Ordinances, Section No. 2-87.9. – Compensatory Time (Reference Ordinance No. 83-36, § 18, dated 4-19-83), which established guidelines to be followed in the pre-authorization and use of compensatory time earned. Specifically, the ordinance reads:

- (a) Only that work specifically required by the department head may be worked as compensatory time, with the City Manager's approval;
- (b) Compensatory time must be requested in advance in writing with full justification for its need. In cases of emergency, the City Manager will be informed, the following workday, as to the conditions that caused the emergency and the reasons for the compensatory time;
- (c) The time worked as compensatory time must be taken off within the next four (4) pay periods; and
- (d) Time off for compensatory time is one (1) hour for each hour of compensatory time worked.

Additionally, a review of accrued compensatory time balances as of the date of this audit was conducted for proper internal controls regarding adequate monitoring, as well as an assessment for compliance with the City's Payroll Policies and Procedures Manual.

AUDIT SCOPE AND METHODOLOGY

The sample time period selected for this review consisted of Bi-Weekly Pay Period No. 19 which began on August 23, 2020 and ended on September 5, 2020 with a Pay Date of September 11, 2020. In order to achieve audit objectives, we:

- Obtained an understanding of the City's Code of Ordinances, Section No. 2-87.9. – Compensatory Time (Reference Ordinance No. 83-36, § 18, dated 4-19-83);
- Obtained an understanding of the City's most current Payroll Policies and Procedures Manual effective May 2018;
- Conducted an assessment of the I-Series System generated Hours History Detail Reports that provided net balances on Compensatory Time Earned vs Compensatory Time Used for the sample time period;
- Conducted a review of the following payroll documents for compliance test work:
 - ExecuTime System Generated and Manual Time Cards, Leave Requests and Authorized Adjustments (Edits) for the cross section sample of all City departments for the selected time period;

- Any applicable Corrections to Payment of Payroll Hours reports submitted to Payroll for the selected sample and time period;
- Final Authorized Hours Proof Listing Reports (I-Series) for the selected sample and time period;
- ExecuTime Audit Reports (i.e. Employee Time Inquiry Reports, Transaction Audit Reports and Compensatory Time Balance Report); and,
- Compensatory Time Accrual Balance Report (I-Series)
- Obtained I-Series generated check detail information for selected samples to cross reference employee compensatory time earned with time card reports.

We conducted this audit from October 2020 to March 2021 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 audit results and conclusions based on our audit objectives.

AUDIT RESULTS & RECOMMENDATIONS

Finding #1

In reviewing the sample pay period (no. 19) selected for this audit, part of our compliance test work consisted of checking for pre-authorization of comp time worked as deemed by the current ordinance which states that “only that work specifically required by the department head may be worked as compensatory time, with the City Manager’s approval.” Additionally, the ordinance states that “Compensatory time must be requested in advance in writing with full justification for its need. In cases of emergency, the City Manager will be informed, the following workday, as to the conditions that caused the emergency and the reasons for the compensatory time.” Since the current comp time ordinance dates back to 1983, it should be noted that our review for pre-authorization of comp time worked included any approvals on file from an immediate supervisor, the corresponding department head and/or the City Manager. Additionally, we took into account any factors that inadvertently lead to comp time being earned, such as employees waiting to clock in/out from the same ExecuTime clock or computer terminal, employees miscalculating their clock out times by 1 or 2 minutes, departmental procedure(s) on allowing employees to clock in prior to their scheduled start times, etc. With that in mind, we focused our attention on any instances of comp time worked of 15 minutes and above. A total of thirty-six (36) instances of comp time worked over 15 minutes per week had no pre-authorization on file. The table below reflects the number of instances of comp time worked over 15 minutes per week by department without a pre-authorization on file during the sample time period reviewed:

Department	# of Instances without Pre-Authorization Per Week Sampled	Time Card Reference
Economic Development	1	# 9739
Fleet	1	# 3780
Convention & Visitors’ Bureau	1	# 2845
Finance	2	# 9332
Solid Waste	2	# 4313
Airport	2	#s: 9059, 9754
Traffic	2	# 2991
City Manager’s Office	1	# 5475
Municipal Court	3	#s: 8214, 2822
Parks & Recreation	3	#s: 7771, 6000, 5543
Fire	1	# 8473
Animal Care	3	#s: 5553, 6030
Health	6	#s: 9496, 9707, 8866, 6248
Police	3	#s: 6426, 5655
Bridge	5	#s: 7452, 7716, 3150, 8597

Recommendation(s)

Since the compensatory time ordinance has not been amended since its creation in 1983, Internal Audit recommends that the Payroll Division and Human Resources Department work collectively in reviewing and updating the ordinance in accordance with similar compensatory time ordinances and/or policies from comparable cities. Specifically, an assessment of best practices regarding pre-authorization and usage requirements should be conducted and subsequently adopted. For instance, the current ordinance requires a compensatory time pre-authorization at the City Manager level; however, with current City staffing levels and individualized departmental operations, a department head and/or immediate supervisor pre-authorization is much more practical today. Another item to note in amending the ordinance is the frequency of comp time being earned by employees clocking in before their scheduled start times, clocking in early from their scheduled lunch times and staying a few minutes after their scheduled clock out times which accrue small amounts of comp time per pay period but have the potential to accrue into larger comp time balances.

Finding #2

Another component tested for compliance was the usage provision of the comp time ordinance, which states that “time worked as compensatory time must be taken off within the next four (4) pay periods.” It should be noted that, currently, the maximum amount of compensatory time to be accrued allowable by the City is 240 hours. In order to test for compliance, a random cross-section sample of seven (7) City employees with comp time balances exceeding 100 hours, at the time of this audit, was selected and tested. Our test work consisted of reviewing the comp time earned during the selected time period and the comp time used, if any, on the subsequent four (4) pay periods for each employee selected in the sample. From the test work conducted, it appears that not all comp time earned is used within the subsequent four (4) pay periods as deemed by the Code of Ordinances. The table below reflects the results of the test work conducted:

Reference #	Department	Comp Time Balance* (12-10-20)	Comp Time Earned** (Pay Period No. 19)	Comp Time Used*** (Following Four Pay Periods)	Percentage Comp Time Used	Comp Time Balance* (2-26-21)
2845	CVB	124.10	3.96	2.17	54.80%	107.97
6000	Parks	105.10	1.04	25.00	2,403.85%	98.18
2471	Parks	239.09	0.03	0.97	3,233.33%	239.03
8091	Police	239.91	0.75	-	0.00%	239.91
6718	Police	235.63	4.50	-	0.00%	240.00
7716	Bridge	239.13	45.50	-	0.00%	239.13
8312	Bridge	237.64	48.27	1.15	2.38%	239.53

*Compensatory Time Accrual Balances obtained from the City's I-Series System.

**FY 2020 – Pay Period No. 19 encompassed the time period of August 23, 2020 through September 5, 2020.

***The Four Pay Periods after the sample time period encompassed the time period of September 6, 2020 through October 31, 2020.

Recommendation(s)

Internal Audit recommends that the Code of Ordinances addressing the earning and use of comp time be revised to include the use of comp time accruals prior to the use of annual leave, personal days, etc. in order to encourage the employee to use their comp time and, by extension, try to minimize the comp time accrual balances; unless use of said comp time would result in loss of accumulated annual leave, personal days before the end of the fiscal year.

Finding #3

From our review of the selected Time Card Reports for compliance with the City’s Payroll Policies and Procedures, there were several instances in our sample where time cards were missing employee or supervisor approval(s) prior to payroll being processed. Additionally, there were instances of time card approvals occurring after payroll had been processed for our sample time period. For reference, payroll approvals on our sample time period should have been submitted by September 8, 2020 by 8:00 am. The table below reflects those departments noted for non-compliance with the time card approval requirements:

Time Card Authorization(s): Fiscal Year (FY) 2020 - Pay Period # 19				
Department	Time Card Approval Missing		Time Card Approval After Deadline	
	Employee	Supervisor	Employee	Supervisor
Airport			Time Card Reference: (#9059)	
City Manager’s	Time Card Reference: (#5475)			
Parks & Recreation	Time Card Reference(s): (#s: 8201, 5543)	Time Card Reference: (#2471)	Time Card Reference: (#7771)	
Police			Time Card Reference: (#9864)	Time Card Reference(s): (#s: 5655, 5592)
Bridge			Time Card Reference(s): (#s 6595, 9245)	

Recommendation(s)

It is recommended that both employee and Supervisor approve time cards by 8:00 am Tuesday morning of payroll week in accordance with the City’s Payroll Policies and Procedures under “ExecuTime Approvals.” This should be done in an effort to verify that the

time cards are correct prior to processing payroll and to minimize the potential for corrections to payment of payroll hours after the fact.

Report Distribution:

Robert A. Eads, City Manager
Rosario C. Cabello, Deputy City Manager
Kristina L. Hale, Assistant City Manager
Riazul I. Mia, Assistant City Manager
Melina Bermudez, Human Resources Director
Jesus Esparza, Payroll Manager

Appendix A - City
Department Responses

Memo

To: Elia Rodriguez, internal Audit
From: Teclo Garcia, Economic Development Director
Date: April 6, 2021
Re: Compensatory Time Compliance Audit Report

-
1. Agreement with audit findings and recommendations or reasons for disagreement with audit findings and recommendations;
 - a. The Economic Development Departments agrees with the audit findings of 0.60 Comp Time for employee #9739
 2. A description of the progress in resolving findings noted or plans for addressing findings noted; and,
 - a. Department Director is immediately implementing steps to better manage employee time cards that would not allow for comp time to happen again
 3. An implementation schedule identifying specific steps to be taken and target dates for resolution of findings and/or implementation of corrective action taken.
 - a. Director is immediately implementing the appropriate steps to be taken. Implementation of correction action includes twice/weekly reviews of time cards and in-person meetings with employee about hours worked.

Thank you



Teclo Garcia





City Of Laredo Fleet Management



3/30/2020

To: Auditing Department

From: Ron Miller Fleet Management Director

Subject: Compensatory Time (payroll) Compliance Audit

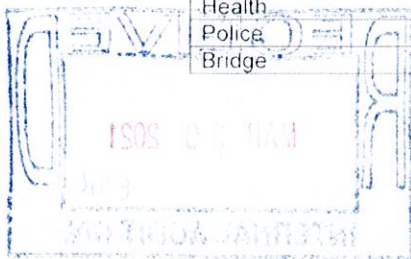
AUDIT RESULTS & RECOMMENDATIONS

Finding #1

In reviewing the sample pay period (no. 19) selected for this audit, part of our compliance test work consisted of checking for pre-authorization of comp time worked as deemed by the current ordinance which states that "only that work specifically required by the department head may be worked as compensatory time, with the City Manager's approval." Additionally, the ordinance states that "Compensatory time must be requested in advance in writing with full justification for its need. In cases of emergency, the City Manager will be informed, the following workday, as to the conditions that caused the emergency and the reasons for the compensatory time." Since the current comp time ordinance dates back to 1983, it should be noted that our review for pre-authorization of comp time worked included any approvals on file from an immediate supervisor, the corresponding department head and/or the City Manager.

Additionally, we took into account any factors that inadvertently lead to comp time being earned, such as employees waiting to clock in/out from the same ExecuTime clock or computer terminal, employees miscalculating their clock out times by 1 or 2 minutes, departmental procedure(s) on allowing employees to clock in prior to their scheduled start times, etc. With that in mind, we focused our attention on any instances of comp time worked of 15 minutes and above. A total of thirty-six (36) instances of comp time worked over 15 minutes per week had no pre-authorization on file. The table below reflects the number of instances of comp time worked over 15 minutes per week by department without a pre-authorization on file during the sample time period reviewed:

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Airport	2	#s 9059 9754
Traffic	2	# 2991
City Manager's Office	1	# 5475
Municipal Court	3	#s 8214 2822
Parks & Recreation	3	#s 7771 6000 5543
Fire	1	# 8473
Animal Care	3	#s 5553 6030
Health	6	#s 9496 9707 8866 6248
Police	3	#s 6426 5655
Bridge	5	#s 7452 7716 3150 8597



City Of Laredo Fleet Management

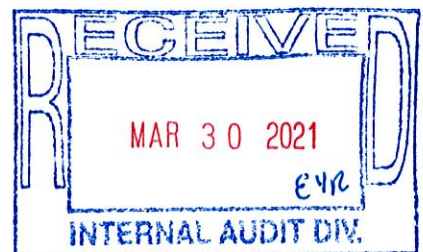
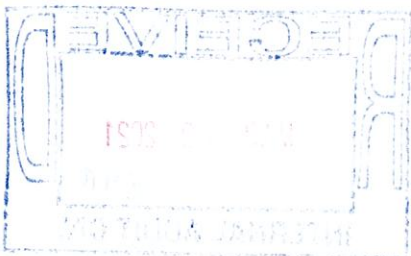
I have reviewed the Finding #1 on employee #3780 and have advised all supervisors and time clerks of the finding and given them the correct process needed to follow to avoid this kind of finding. Any compensatory time must be authorized by City Manager. I will make sure that we followed protocol in this matter.

Thank You,



Ron Miller

Fleet Management Director





LAREDO

EST. 1755

MEMORANDUM

Date: April 6, 2021
To: Elia Y. Rodriguez, Internal Auditor
Kristina L. Hale, Assistant City Manager
From: Aileen Ramos, Convention and Visitors Bureau Director
Re: Compensatory Time Compliance Audit Report

In Finding #1, CVB Employee #2845 Pay period #19 pre-authorization of comp time worked. CVB has an internal pre-approval form for accruals of CT, OT and Flex time requests that is signed by the immediate supervisor.

In Finding #2, CVB Employee #2845 arrived as a transfer from another department with over 274 hours of CT, since then he has exhausted all CT accrued at CVB plus additional CT from his previous position, he currently has 107.46 hours. We will advise the employee he needs to prioritize the use of the original CT he had accrued in previous departments. We will work on a specific plan with the employee to exhaust his CT without affecting the department's operation.

Thank you,

Aileen Ramos, CGMP, CTE, TDM
Laredo CVB Director





CITY OF LAREDO FINANCIAL SERVICES DEPARTMENT

Date: March 31, 2021

To: Elia Rodriguez, Interim Internal Auditor

From: Jose F Castillo Acting Finance Director *JFCastillo*

Subject: Compensatory Time Compliance Audit

We concur with your findings regarding compensatory time earned by employees. Time card selected for Finance Employee #9332 earned a total of 0.82 of an hour or 49.20 minutes for the pay period selected. This was as a result, as indicted in your report, of employees working a few minutes extra on a daily basis. We will continue to monitor the hours works in order to minimize the compensatory time earned on a pay period basis.

We also agree that the ordinances must be updated to give department directors/immediate supervisors the authorization to approve compensatory time.





CITY OF LAREDO ENVIRONMENTAL SERVICES

To: Elia Rodriguez, Internal Auditor
From: John Porter, Interim Director
Subject: Compensatory Time Compliance Audit Response
Date: March 30, 2021

With regard to the findings of the Compensatory Time (Payroll) Compliance Audit, below is our response to Finding #1:

(1) Agreement with audit findings and recommendations or reasons for disagreement with audit findings and recommendations

We agree with the audit as it concerns the ordinance as currently written. Nevertheless, we offer the following: The timesheet audited, in particular, was for a member of our Personnel Assistant II. The Personnel Assistant II is responsible for new hires, terminations, temporary employee requests, correction of hours, and COVID related issues. The COVID pandemic has placed a burden on the department and employee related matters. As mentioned in the Audit, we do not feel that notifying Management is necessary – as the Comp-time was related to COVID and personnel issues related to COVID. This issue should be handled as the Department level.

(2) A description of the progress in resolving findings noted or plans for addressing findings noted

In keeping with the spirit of the ordinance, the Employee will keep the Director informed as to any issues regarding the need to complete tasks beyond the employee's 40 hours.

(3) An implementation schedule identifying specific steps to be taken and target dates for resolution of findings and/or implementation of corrective action taken

The issue was discussed with the Employee, and the Employee will keep the Director informed on any need for additional hours beyond the Employee's 40 hour work schedule. Director will notify Management if an issue arises that may require the City Manager's approval.

Thank you





CITY OF LAREDO

LAREDO INTERNATIONAL AIRPORT

MEMO

To: Elia Y. Rodriguez
From: Jeffery Miller, Airport Director
Date: March 30, 2021
Ref: Compensatory Time (Payroll) Compliance Audit

In response to the findings for Compensatory Time (Payroll) Compliance Audit, please see below:

Finding #1:

- Upon reviewing Timecard #9754, it was determined to be in an agreement with the audit finding and immediate supervisor will discuss with employee the Compensatory Time ordinances & Department policies in order to prevent this from re-occurring. Also, follow recommendations to request pre-authorization to clock-in early at any point in time.

Finding #3:

- Upon reviewing Timecard #9059, it was determined to be in an agreement with the audit finding and immediate supervisor will discuss with employee the approval of timecards by 8:00 a.m. Tuesday mornings of payroll week in accordance with the City of Laredo Payroll policies and procedures under Executime approvals.

Immediate supervisors will be notified of the importance of supervising correct time keeping procedures and importance of approving timecards prior to payroll deadlines.

If you have additional questions, please contact me or Celina I. Rubio at 956-795-2000 Ext. 2821 or crubio9@ci.laredo.tx.us

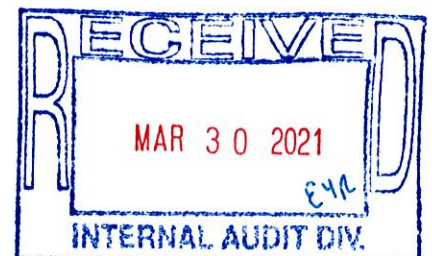
Thank you,

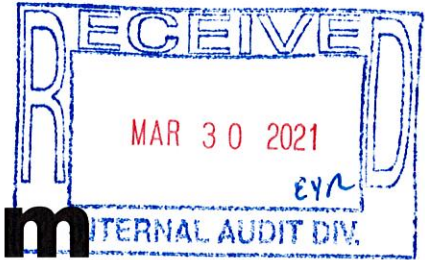


Jeffrey J. Miller, Airport Director

CC: Robert A. Eads, City Manager

Kristina L. Hale, Assistant City Manager





Memorandum

To: Internal Audit
CC: Mr. Robert A. Eads, City Manager; Riazul I. Mia, Assistant City Manager
From: Danny Magee, Traffic Director *D. Magee*
Through: Rosita Martinez, Clerk IV
Date: March 29, 2021
Subject: Compensatory Time Compliance Audit

With regard to the findings of the Compensatory Time (Payroll) Compliance Audit, below is our response to Finding #1:

(1) Agreement with audit findings and recommendations or reasons for disagreement with audit findings and recommendations

We agree with the audit as it concerns the ordinance as currently written. Nevertheless, we offer the following: The timesheet audited, in particular, was for a member of our Signing Crew. The work locations of the Crew are spread throughout the city of Laredo and as such the work is dictated by factors such as distance, weather, amount of traffic, type of work, etc. Therefore, it is not practical to cease work at a certain time to punch out exactly at quitting time. Additionally, our Crews are usually working with less than a full complement of personnel and removing traffic control, cleanup, storing of equipment and materials, etc. may take longer than anticipated. As mentioned in the Audit, we do not feel that notifying Management is necessary. This issue should be handled at the Department level.

(2) A description of the progress in resolving findings noted or plans for addressing findings noted

In keeping with the spirit of the ordinance, Supervisors of our field crews will schedule work so as to have personnel stay within their assigned shift hours. If not possible due to the above factors, Supervisors will report to the Director with an email no later than the next business day. The Director will be monitoring on a weekly basis and take appropriate action (e.g., discussing the situation with the appropriate Supervisor and/or adjusting employee hours if possible).

(3) An implementation schedule identifying specific steps to be taken and target dates for resolution of findings and/or implementation of corrective action taken

A meeting will be held immediately to advise Supervisors of the findings of this audit, the direction requested by the ordinance, and the mitigation plan described here. An additional meeting will then be held with the field crews to inform them of their role in clocking out as required.



Elia Y. Rodriguez

From: Robert A. Eads
Sent: Wednesday, April 28, 2021 3:44 PM
To: Elia Y. Rodriguez
Cc: Rosario Cabello; Kristina L. Hale; Riazul I. Mia
Subject: Re: HELP!

Thanks Elia,

I do believe the PIO office responded accordingly. But, these unexpected hours are due to emergencies due to COVID, and understaffed without the Communications Manager.

Appreciate your assistance.

RAE

Robert A. Eads, ICMA-CM
City Manager
City of Laredo, Texas





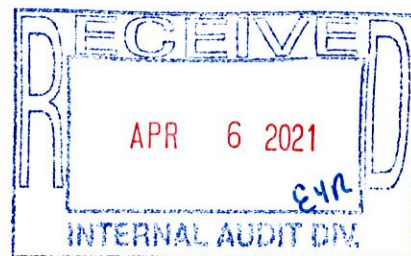
City of Laredo

MUNICIPAL COURT OF RECORD

JESUS M. DOMINGUEZ
Municipal Court Judge
956-794-1680

MEMO

To: Bianca Medellin, Auditor I
Cc: Elia Rodriguez, Interim Internal Auditor
From: Ana L. Rodriguez, Municipal Court Clerk *AR*
Date: April 6, 2021
Re: Response to Audit



In response to the Compensatory Time Compliance Audit Report dated March 15, 2021, please see response to finding below.

Finding #1

- Comp time worked over 15 minutes per week without pre-authorization on file

Response #1

Due to the nature of our operation, the shortage of staff and the additional processing required for virtual court cases, Municipal Court employees are verbally authorized to work limited hours over 40 hours in order to complete their assigned duties. Employees are expected to complete their work assignments within the 40 regular working hours but comp time hours worked is sometimes necessary.

Considering the above reason for pre-authorized comp hours worked, the amount of hours is minimal in comparison to the amount of cases being processed.

- Employee #8214 earned 0.00 CT hrs during the 1st week and .97 CT hrs during the 2nd week of the pay period.
- Employee #2822 earned 1.37 CT hrs during the 1st week and .83 CT hrs during the 2nd week of the pay period.

Hours continue to be monitored regularly to avoid unnecessary comp hours worked without justification and/or approval from the Court Clerk. I do agree the city policy regarding comp time needs to be updated to reflect and meet the needs of the departments.

If additional information is needed, feel free to contact me.

PARKS AND RECREATION DEPARTMENT



Memo

To: Veronica Urbano-Baeza, Internal Auditor, CPM

From: Juan J. Gomez, Jr., Director *JJG*

Cc: Robert A. Eads, City Manager
Riazul I. Mia, Assistant City Manager

Date: March 23, 2021

Re: Compensatory Time (Payroll) Compliance Audit

The following compensatory time compliance audit conducted on March 15, 2021.

Findings 1: Reference #7771, #6000 and #5543

Response: Due to on-going projects within the department staff worked to complete task for the week. Staff will be advised that compensatory time needs approval from management in advance.

Findings 2: Reference #6000 and #2471

Response: Due to on-going projects staff has not taken compensatory time. Will advise staff that compensatory time hours need to be reduced.

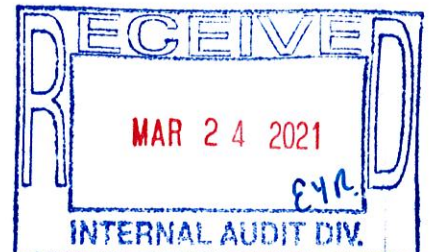
Findings 3: Reference #8201, #5543, #2471 and #7771

Response: Employees and/or supervisor overlooked in approving timecards. All employees and supervisors/management are aware of the importance of timecards being approved on a timely manner.

All findings will be addressed to Parks and Recreation employees.

If you have any questions, please call me at 729-4610.

Thank you.





CITY OF LAREDO

FIRE DEPARTMENT

MEMORANDUM



TO: Elia Y. Rodriguez, Interim Internal Auditor

FROM: Ramiro R. Elizondo, Jr., Assistant Fire Chief *RRE*

THRU: Guillermo Heard, Fire Chief *GH*

DATE: April 9, 2021

SUBJECT: Compensatory Time (Payroll) Compliance Audit Report

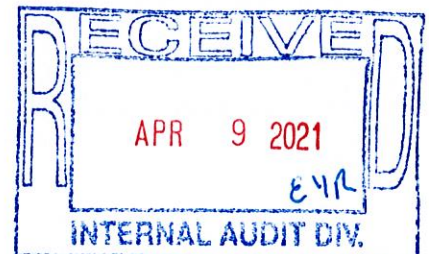
In response to the Compensatory Time (Payroll) Compliance Audit Report conducted from October 2020 thru March 2021, the Laredo Fire Department is responding to your finding and observation as well as providing our recommendation to correct and prevent the finding from reoccurring in the future. After further department review and investigation, we will take the following corrective measure to adhere and comply with the City of Laredo Compensatory Time (Payroll) Ordinance.

Audit Finding


First and foremost, the department concurs with the comp time finding. Secondly, take note that the department has a verbal rule that civilian staff has a window to clock in 15 minutes prior to their beginning scheduled shift.

Please be advised that the issue has been addressed and discussed with appropriate department staff and they have assured us they will abide by the City of Laredo Compensatory Time (Payroll) Compliance Ordinance in order to prevent a reoccurrence in the future. Effective immediately, today to be exact, the forementioned staff will begin monitoring comp time. In addition, they will adhere that the comp time is taken within the four periods thereafter as required by the ordinance. If the Chief and I see that this does not take place we will just do away with the verbal rule set in place. As always we appreciate your support and welcome audits at anytime. If you require further assistance or have any questions, do not hesitate to email or call me at (956) 718-6022.

RRE/el



INTEROFFICE MEMORANDUM

To: INTERNAL AUDIT DIVISION
FROM: KARINA ELIZONDO, INTERIM DIRECTOR 
SUBJECT: COMPENSATORY TIME (PAYROLL) COMPLIANCE AUDIT REPORT
DATE: MARCH 29, 2021
CC: KRISTINA L. HALE, ASSISTANT CITY MANAGER

This document is in response to the Compensatory Time (Payroll) Compliance Audit Report: Cross Section Sample of City Departments.

Findings, the aforementioned report, noted that the Animal Care Services Department had a violation under finding 1- failure to obtain pre-authorization of comptime worked as deemed by the current ordinance.

Animal Care #s: 5553 and 6030 were requested to stay over time to complete duties assigned for such day. Administration failed to obtain pre-authorization.

In order to be in compliance with this section of the ordinance, the Department created a memorandum illustrating the ordinance and implemented the following practice. Please see attachment. Employees received a copy and an acknowledgment signed form was placed in the employee file.



Karina Elizondo

From: Karina Elizondo
Sent: Monday, March 22, 2021 5:56 PM
To: Humberto Saucedo; Maribel Maciel; Jose M. Llamas, Jr.; Sylvia Solis
Cc: Kristina L. Hale
Subject: RE: Compensatory Time Request
Attachments: Compensatory Time Request.pdf

Tracking:	Recipient	Read
	Humberto Saucedo	Read: 3/22/2021 6:43 PM
	Maribel Maciel	Read: 3/23/2021 8:11 AM
	Jose M. Llamas, Jr.	
	Sylvia Solis	Read: 3/23/2021 8:07 AM
	Kristina L. Hale	

All,

As per our meeting, employees must adhere to the City of Laredo's Compensatory Time Ordinance.

Please make a copy of the signed acknowledgement form for each direct and forward it to Mrs. Sylvia Solis for filing.

As discussed, please submit your requests on writing using the attached form.

Should you have any questions, please feel free to come by my office.

I would like to thank you in advance for your cooperation and compliance.


Best Regards,

Karina Elizondo, MPA
Interim Director
Animal Control Officer
City of Laredo | Laredo Animal Care

Phone (956) 625-1860

Web <http://ci.laredo.tx.us/>
Email kelizondo@ci.laredo.tx.us
5202 Maher Avenue Laredo, TX
78041

INTEROFFICE MEMORANDUM

TO: ANIMAL CARE SERVICES DEPARTMENT
FROM: KARINA ELIZONDO, INTERIM DIRECTOR 
SUBJECT: COMPENSATORY TIME
DATE: MARCH 22, 2021
CC: KRISTINA L. HALE, ASSISTANT CITY MANAGER

The objective of this memorandum is to assure employee compliance with the City of Laredo's Code of Ordinances, Section No. 2-87.9. - Compensatory Time (Reference Ordinance No. 83-36, § 18. dated 4-19-83), which established guidelines to be followed in the pre-authorization and use of compensatory time earned. Specifically, the ordinance reads:

- (a) Only that work specifically required by the department head may be worked as compensatory time, with the City Manager 's approval;
- (b) Compensatory time must be requested in advance in writing with full justification for its need. In cases of emergency, the City Manager will be informed, the following workday, as to the conditions that caused the emergency and the reasons for the compensatory time;
- (c) The time worked as compensatory time must be taken off within the next four (4) pay periods; and
- (d) Time off for compensatory time is one (1) hour for each hour of compensatory time worked.

The request and justification must be made by the employee's immediate supervisor on writing and submitted for Director's review and City Manager's approval. No exceptions.

I _____, hereby acknowledge that I understand the content of this document.

Employee's Signature & Date

COMPENSATORY TIME REQUEST

TO: KRISTINA L. HALE, ASSISTANT CITY MANAGER

KARINA ELIZONDO, INTERIM DIRECTOR

FROM: _____, SUPERVISOR

ANIMAL CONTROL STAFF

CLINIC AND SHELTER STAFF

ADMINISTRATIVE STAFF

SUBJECT: COMPENSATORY TIME REQUEST

Date of Request:

CT to be performed on:

Employee's Name:

Employee No.

Amount of Time Requested:

Reason: _____

Supervisor's Signature

Approved/ Denied

Interim Director's Signature

City Manager's Office

THIS FORM MUST BE APPROVED AND SIGNED BY SUPERVISOR AND DEPARTMENT DIRECTOR

LAREDO ANIMAL CARE SERVICES DEPARTMENT
PRIOR AUTHORIZATION FOR OVERTIME WORK
(BASED ON A 40 HOUR WORK WEEK)

EMPLOYEE _____ POSITION: _____ DATE: _____

DATE	TIME: FROM/TO	TOTAL TIME	COMP. METHOD	311/LPD/ PAGER	INCIDENT NUMBER	COMMENTS

COMPENSATION METHOD: OT = OVERTIME, CW = COMPTIME EARNED

TOTAL HOURS: C.W. _____ O.T. _____

AUTHORIZED BY SUPERVISOR: _____

COMMENTS: _____

APPROVED BY DIRECTOR _____

DATE _____



Public Health
Prevent. Promote. Protect.

2600 Cedar Ave., P.O. Box 2337, Laredo, TX 78044
Tel. (956) 795-4900 Fax. (956) 726-2632

Richard A. Chamberlain, DrPH(c), MPH, RS
Director of Health



Memorandum

To: Elia Rodriguez, Internal Auditor

From: Richard A. Chamberlain, DrPH(c), MPH, RS, Health Director

XCS: Roberta A. Eads, ICMA-CM, City Manager
Rosario Camarillo-Cabello, Deputy City Manager
Kristina K. Laurel Hale, Assistant City Manager

Date: March 30, 2021

Re: Compensatory Time (Payroll) Compliance Audit Response

The City of Laredo Health Department is committed to comply with all rules and regulations set forth by City of Laredo policies, ordinances and the like.

The Compensatory Time Compliance Audit report completed on March 15, 2021 and received via electronic correspondence on March 22, 2021 identified the following deficiency for the Health Department:

Finding #1:

For sample Pay Period 19 (August 23, 2020 through September 5, 2020), pre-authorization of compensatory time worked was not requested in advance and/or City Manager was not informed the following day as to conditions that caused accrual of compensatory time.

Department	# of Instances without Pre-Authorization Per Week Sampled	Time Card Reference
Health	6	#s: 9496, 9707, 8866, 6248

#9496: 0.70 compensatory time accrued due to early and/or late punches of less than 12 minutes per occurrence.

#9707: 1.05 compensatory time accrued due to early punches of 16 minutes or less per occurrence.

#8866: 1.09 compensatory time accrued due to late departures during week 2.

#6248: 0.75 compensatory time accrued due to early punches of 5 minutes or less per occurrence.

Response:

Health Department Administration issued a memorandum to all managers and supervisors regarding time accruals and leave on October 20, 2020 instructing all staff to adhere to the policies and procedures set forth in the City of Laredo Payroll Manual. A copy of that memorandum is attached.

We concur with the recommendation issued by Internal Audit regarding a revision of the current ordinance to provide oversight to a direct supervisor and/or Department Director for pre-approval of compensatory time accruals.


Health Department supervisors, managers, and payroll liaisons work diligently to ensure compliance and further action will be taken by Health Administration to correct these findings.

Corrective Action:

Health Department will issue out another memorandum to staff within ten (10) working days of this response, to remind and instruct all employees to monitor their time accruals and request pre-authorization of any compensatory time worked to their Manager/Supervisor, who will in turn provide this information to the Payroll Liaison or designee. A list will be compiled on a weekly basis for the Department Director to review and provide his recommendations to City Manager in compliance with current policies. With guidance from Payroll and Human Resources, Health will implement any other changes deemed necessary in the event of a revision to the established ordinance.



Memorandum

To: Health Department Managers & Supervisors
From: Richard A. Chamberlain, DrPH(c), MPH, RS, Health Director 
Erika Martinez, MBA, Assistant Director of Operations
Guillermo Walls, MA, CPM, Interim Assistant Director of Programs
XCS: Duvina Duran, Administrative Secretary
Paola Velez, Administrative Assistant I
Date: October 20, 2020
Re: **Time Accruals and Leave**

We ask all managers and supervisors to closely monitor their payroll to reduce any misuse of time and/or leave. We also ask that any payroll edits be done by staff in a timely manner to avoid delays with the payroll process. It is the employees' responsibility to ensure that their timecard reflects at least a total of forty (40) hours worked per week.

All employees must clock in at their designated time to begin the work day. Most employees begin their work day at 8:00 a.m. Employees must verify their start time with their supervisor if on shift or rotation schedule. Any changes in working hours and/or schedule must be approved by the supervisor. All employees must adhere to a 40 hour per week work schedule.

Any employee that requests leave but completes additional hours during other days of the work week, will only be coded leave to complete the 40 hours. Hours "paid straight" are not allowed. For pay periods with a holiday, working additional hours for straight pay is not allowed.

Clocking in earlier to purposely accrue compensatory time is not allowed. Taking less time during lunch to purposely accrue comp time is not allowed. Taking less time during lunch or working additional hours to flex time later in the week is not allowed without prior approval by supervisor in order to appropriately schedule for operations.

Compensatory time must be used before the use of Annual Leave accruals. Overtime, only if absolutely necessary, requires approval prior to accrual. *

**Special consideration is given to public health emergency response and epidemiology personnel due to the ongoing pandemic.*

Failure to adhere may result in disciplinary action.

Please refer to the Payroll Training Manual for additional information and guidance. If you have any questions, please contact Duvina Duran, Administrative Secretary or Paola Velez, Administrative Assistant I.

Richard A. Chamberlain

From: Erika Martinez
Sent: Tuesday, October 20, 2020 2:01 PM
To: Martin Aleman; Rosario Morales; Laura Recio; Samuel Gonzalez; Gilbert Garcia III; Juan Carmona; Amelia Solis; Oda Garcia; Christina D. Duarte; Genesis Cardenas; Arianni C. Becerra; Maria Paredes; Raul Soto; Ramiro Mozqueda, Jr.; Luis T. Cerda; SanJuana D. Villarreal; Soraida Chapa; Veronica A. Gomez; Rebekah Alvarez; Reynol Vela; Rogelio Mercado
Cc: Richard A. Chamberlain; Guillermo Walls; Paola Velez; Duvina Duran
Subject: RE: Payroll/Executime; Time Accruals and Leave
Attachments: Memo - Time Accruals and Leave (Payroll).pdf

Good afternoon.

Please see attached memo and keep it for reference. If you have any questions, please let us know.

Thank you,

City of Laredo Health Department



Public Health

Erika Martinez, MBA

Assistant Director of Operations

City of Laredo Health Department

A: 2600 Cedar Ave. Laredo, Texas 78040

P: (956) 795-4922 | M: (956) 324-8825

F: (956) 726-2632 | E: emartinez8@ci.laredo.tx.us

www.CityofLaredoHealth.com



From: Richard A. Chamberlain

Sent: Monday, October 19, 2020 4:28 PM

To: Raul Soto ; Amelia Solis ; Christina D. Duarte ; Genesis Cardenas ; Luis T. Cerda ; Reynol Vela ; Samuel Gonzalez ; Veronica A. Gomez ; Maria Paredes ; Martin Aleman ; Rebekah Alvarez ; Laura Recio ; Arianni C. Becerra ; Ramiro Mozqueda, Jr. ; Guillermo Walls ; Erika Martinez ; Oda Garcia ; Gilbert Garcia III ; SanJuana D. Villarreal ; Rogelio Mercado

Subject: Payroll/Execu-time

Good Afternoon Supervisors and Chiefs,

As today is payroll, we are still seeing many issues within the Execu-time system. As you all know, it is the responsibility of supervisors and chiefs to ensure we abide by normal business hours (making exceptions when needed) and taking the appropriate amount of time off during lunch breaks.

I need 100% support in maintaining clean and accurate timecards that abide by City Policy. We will be monitoring this from administration and will bring this to your attention, written if needed.

Should you have any questions, please ask Duvina Duran.

Regards,

City of Laredo Health Department



Public Health

Richard A. Chamberlain, DrPH(c), MPH, RS

Health Director

Pronouns: he, him, his

City of Laredo Health Department

A: 2600 Cedar Ave. Laredo, Texas 78040

P: (956) 795-4918 | M: (956) 267-3767

F: (956) 726-2632 | E: rchamberla@ci.laredo.tx.us

www.CityofLaredoHealth.com



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CITY OF LAREDO POLICE DEPARTMENT



"Proudly serving and protecting the citizens of Laredo"



Chief Claudio Treviño, Jr.

Assistant Chief Manuel J. Maciel
Deputy Chief Ricardo Gonzalez

Assistant Chief Miguel A. Rodriguez, Jr.
Deputy Chief Enedina R. Martinez

To: Ms. Elia Y. Rodriguez, Interim Internal Auditor

From: Leticia Garcia, Finance/Personnel Supervisor

Thru: Claudio Treviño Jr., Chief of Police

Date: April 8, 2021

Re: **Response to Compliance Audit-Compensatory Time- Laredo Police Department**



Dear Ms. Medellin,

Below please find the Laredo Police Department's response to the Compensatory Time (Payroll) Compliance Audit requested on April 6, 2021. The original audit was conducted on March 15, 2021.

Finding # 1 / Observation / Response

All supervisors within the City of Laredo Police Department are responsible for managing their own respective divisions which includes the employees that they supervise and the function of their job requirements. Directives are given to their subordinates as to what work hours are allowed for them to work. These directives remain in place until changes are made. The directive given is their pre-authorization. Employee # 5655 is a custodian and currently they are allowed to punch in early in order to disinfect their areas before other office employees arrive to their stations. Employee # 6426 works with state and federal grant programs and is allowed compensatory time if overtime is not allowed. This employee is pre-approved to work hours above the normal 40-hour work week. These programs can be very demanding and are of high importance to the City of Laredo. An example during this current fiscal year overtime was halted from October 1, 2020 up until last month. During this period compensatory time work was allowed. Last month overtime has been allowed with a budgetary limit that is not to be exceeded. Last year overtime was allowed from October 1, 2019 up until the month of February 2020. Compensatory time worked was allowed after February of 2020. Due to the COVID-19 pandemic there was an exception to overtime worked for some essential employees such as custodial staff that assisted to sanitize and disinfect our offices. All employees are given directives that are followed on a yearly basis.

Finding # 2 / Observation / Response

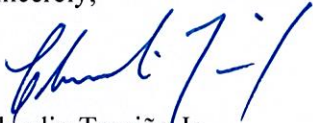
Both employees selected for the Laredo Police Department are sworn police officers. All sworn personnel are under the Collective Bargaining Agreement Contract that the City of Laredo signed with the Laredo Police Officers Association (LPOA). During this COVID-19 pandemic it has been crucial to keep boots on the ground. Throughout the fiscal year there have been many special assignments due to the existing pandemic. Even during a normal year most police officers are in a use or lose of their annual leave. Sworn police supervisors have the discretion to approve or deny personal leave request depending on the demand for community services.

Finding # 3 / Observation / Response

Employees and supervisors will be advised to review approvals biweekly in order to comply with the City of Laredo's policies and procedures. All employees need to be responsible for assigned duties. In addition, periodically reminders will be sent out via e-mail before payroll is closed.

Thank you, please feel free to call me if you have any questions.

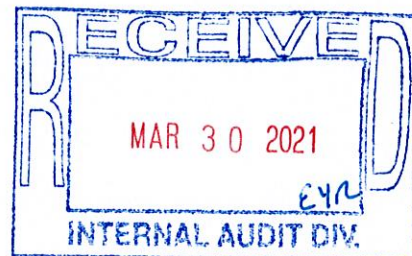
Sincerely,

A handwritten signature in blue ink, appearing to read "Claudio Treviño Jr.", with a stylized flourish at the end.

Claudio Treviño Jr.
Chief of Police

Memo

To: Elia Rodriguez, Interim Internal Auditor
From: Yvette Limon, Bridge Director *Y. Limon*
Date: March 30, 2021
Re: Compensatory Time (Payroll) Compliance Audit



On March 15, 2021, the City’s Internal Audit Staff conducted a Compensatory Time (Payroll) Compliance audit for pay period #19, which began on August 23, 2020 and ended on September 5, 2020. Noted below is the response to the audit findings.

Response Finding # 1

The Bridge Department needs to provide service to all customers crossing on a daily basis. When Bridge employees are out due to annual leave, compensatory time leave, sick leave or vacant positions, Bridge operations may require that we call off duty employees or retain current employees to cover a shift or part of a shift, which in turn may cause employees to accrue compensatory time. Otherwise, being short staffed, would create an impact to the wait times of our bridge customers. In this pay period, the Bridge Director approved compensatory time for employee #7716 and #8597 due to coverage needed for the operations of the Bridge. Employee #7716 worked several additional shifts during PP19 due to supervisors out during this time from COVID-19, SIP Leave and pre-approved leave. Employee #8597 worked an extra shift reason being that two collectors were out on leave (COVID-19) and another one called in sick. Shift Supervisors will remind employee #7452 and #8597, along with the entire Bridge staff, to follow their schedule and not deviate from it unless management requires a change to the employee schedule. Shift Supervisors will also monitor employee clock in/out time punches in order to comply with City’s Payroll Policies and Procedures.

Response Finding # 2

The Bridge Department experienced a catastrophic system failure in July and employee #8312 assisted by re-establishing the customer AVI accounts. Therefore employee was not able to take leave within the four (4) pay periods. Management will be reviewing and closely monitoring this issue and taking proper measures to adhere to Audit Department recommendations. However, allowing the employees to use compensatory time accrued within four pay periods is not always possible due to leave requests and vacant positions.

Response Finding #3

Immediate supervisors and payroll clerk will remind employee #6595, 9245 and all staff to approve their time card before the deadline of 8:00 a.m. Monday morning of payroll week. The Bridge payroll clerk will run weekly reports to verify if the supervisor and employee has approved their time card. This in turn will make sure the Bridge Department stays in compliance with the City's Payroll Policies and Procedures.

APPENDIX B
INTERNAL AUDIT STAFF ACKNOWLEDGMENT

Elia Y. Rodriguez, Interim Internal Auditor

Bianca V. Medellin, Auditor I