



# **Corrective Action Plan Follow-up Review: Overtime Payments Investigation**

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## **Final Follow-up Report**

**Audit Plan Code: 21-14**

Seven (7) of the nine (9) corrective action plan (CAP) activities were implemented by management to address the findings and recommendations in the original investigation report.

The activities implemented were sufficient to address the findings and recommendations in the original investigation report. As such, this report represents the close-out of this CAP.



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## Abbreviations

CAP	Corrective Action Plan
EPISD	El Paso Independent School District
HR	Human Resources
IIA	Institute of Internal Auditors



# Follow-up Review

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## Background

The Institute of Internal Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing, Performance Standard 2500 - Monitoring Progress, require we "...establish and maintain a system to monitor the disposition of results communicated to management." Internal Audit has established the Corrective Action Plan (CAP) process to meet this requirement. The process includes monitoring and reporting whether management has implemented corrective actions to address audit findings and recommendations.

Internal Audit issued the Overtime Payments Investigation Report (original investigation report) to District management and leadership on November 14, 2019. We performed the investigation as part of the Board-approved 2019-2020 Internal Audit Plan. The objective of the investigation was to determine the validity of the complaint that alleged an hourly sergeant of the El Paso Independent School District Police Services Department falsified overtime. The scope was limited to time worked adjustments for the sergeant in question made between January 2019 and May 2019, which resulted in overtime pay.

Our investigation found records available were not sufficient to substantiate the sergeant falsified overtime. However, we noted deficiencies in the overtime reporting and approval processes in the department.

The original investigation report included five (5) findings, one (1) observation, and five (5) recommendations. For reference, we provided a summary of the original investigation report results in **Exhibit A**. District management and administration agreed with our recommendations and developed a CAP with nine (9) activities to address the findings.

## Objective and Scope

The objective and scope of this follow-up review was to determine whether management implemented the nine (9) CAP activities or took other actions to address the five (5) findings, one (1) observation, and five (5) recommendations outlined in the original investigation report.

## Methodology

To achieve our follow-up review objective, we:

- Held meetings and communicated with persons responsible for carrying out the CAP activities.
- Reviewed supporting documentation maintained by management as evidence of completion of the CAP activities provided to Internal Audit.

## Inherent Limitations

This follow-up review was limited in scope covering only the actions taken by management to address the original investigation findings, observation, and recommendations stated in the Objective and Scope section of this report. No representations of assurance are made to other areas or periods not covered by this follow-up review.



## Summary of Results

CAP Activities	Implemented	Overall CAP Status
9	7	Closed

Management implemented seven (7) of the nine (9) activities in the CAP. Two activities related to performing a cost-benefit analysis were not implemented. Management decided to (i) rely on a prior analysis in lieu of performing another one, (ii) not move supervisors to the night shifts, and (iii) seek funding for more personnel and supervisors for the evening and graveyard shifts in the future. The activities implemented were sufficient to address the findings, observation, and recommendations in the original investigation report. As such, this report represents the close-out of the CAP.

## Original Recommendations and Status of CAP Activities

The original recommendations, the person responsible, and the status of the CAP activities are outlined below:

1

**Original Recommendation:** “We recommend the Chief of Police, in consultation with Human Resources and Payroll departments, clearly define what constitutes a callback and court date/appearance and compensate according to federal/state wage and hour laws. The callback reporting process and definitions should be outlined in the EPISD Police Services Department’s Standard Operating Procedures Manual. Once finalized, all police personnel should receive training on the new/updated process. Supervisors should be knowledgeable of the process for their monitoring duties.”

**Management and Leadership Response:** Agreed with the recommendation and incorporated into the CAP as activities 1, 3, and 4.

**Activity 1:** “The Chief of Police, in consultation with Human Resources and Payroll departments, will clearly define what constitutes a callback and court date/appearance and compensate according to federal/state wage and hour laws.”

**Activity 3:** “The callback reporting process and definitions will be outlined in the EPISD Police Services Department’s Standard Operating Procedures Manual.”

**Activity 4:** “All police personnel will receive training on the new/updated overtime approval process and definitions. Supervisors should be knowledgeable of the process for their monitoring duties.”

**Person Responsible:** Interim Chief of Police – Police Services Department

**Status of Activities:** Implemented

2

**Original Recommendation:** “Due to the unpredictability and nature of law enforcement operations, there are instances when it is not feasible for hourly police officers to complete the Authorization to Work Overtime form and obtain prior approval before working overtime.

As such, we recommend the Chief of Police work with the Policy and HR Departments to determine whether the current overtime pre-approval requirements outlined in Board Policy and local guidelines are suitable for hourly police officers. The goal is to update/create a policy that

would increase compliance by hourly police officers while maintaining the appropriate controls for the overtime request process. If deemed necessary to update Board policy, management shall ensure all other local policies and guidelines, including the EPISD Police Services Department's Standard Operating Procedures Manual, are in alignment with such policy."

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**Management and Leadership Response:** Agreed with the recommendation and incorporated into the CAP as activity 5.

**Activity 5:** "Chief of Police will work with the Policy and HR Departments to determine whether the current overtime pre-approval requirements outlined in Board Policy and local guidelines are suitable for hourly police officers."

**Person Responsible:** Interim Chief of Police – Police Services Department

**Status of Activity:** Implemented

3

**Original Recommendation:** "The Chief of Police should clearly outline the overtime approval process in the EPISD Police Services Department's Standard Operating Procedures Manual. The process should clearly outline the roles and responsibilities of police personnel involved in the timekeeping, monitoring/review, and approval process.

All police personnel should receive training on the overtime approval process. Supervisors should be closely familiar with the entire process to ensure it is applied consistently and appropriately as part of their monitoring duties."

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**Management and Leadership Response:** Agreed with the recommendation and incorporated into the CAP as activities 2, 4, and 6.

**Activity 2:** "Chief of Police will clearly outline the overtime approval process in the EPISD Police Services Department's Standard Operating Procedures Manual."

**Activity 4:** "All police personnel will receive training on the new/updated overtime approval process and definitions. Supervisors should be knowledgeable of the process for their monitoring duties."

**Activity 6:** "Define the roles and responsibilities of police personnel involved in the timekeeping, monitoring/review, and approval process."

**Person Responsible:** Interim Chief of Police – Police Services Department

**Status of Activities:** Implemented

4

**Original Recommendation:** "We recommend the Chief of Police perform a cost-benefit analysis of having supervisor(s) on-duty during night shifts versus off-duty supervisors available via phone call/text to offer assistance. The Chief of Police should consult with the Budget and Finance Departments as needed to complete the analysis.

We also recommend the Chief of Police implement the results of the analysis if changes (i) are deemed beneficial to the mission of the department, (ii) can be accomplished in a fiscally responsible manner, and (iii) are approved by the Superintendent."

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**Management and Leadership Response:** Agreed with the recommendation and incorporated into the CAP as activities 7 and 8.

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**Activity 7:** “A cost-benefit analysis will be performed on having supervisor(s) on duty during night shifts versus off-duty supervisors available via phone call/text to offer assistance. The Chief of Police will consult with Budget and Finance Departments as needed to complete the analysis.”

**Activity 8:** “The results of the cost-benefit analysis will be implemented if they (i) are deemed beneficial to the mission of the department, (ii) can be accomplished in a fiscally responsible manner, and (iii) are approved by the Superintendent.”

**Person Responsible:** Interim Chief of Police – Police Services Department

**Status of Activities:** Not implemented. Management decided to (i) rely on a prior analysis in lieu of performing another one, (ii) not move supervisors to the night shifts, and (iii) seek funding for more personnel and supervisors for the evening and graveyard shifts in the future.

## 5

**Original Recommendation:** “We recommend the Chief of Police, in consultation with Human Resources, determine if any action is warranted against the sergeant for not completing the required form prior to the overtime being worked.”

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**Management and Leadership Response:** Agreed with the recommendation and incorporated into the CAP as activity 9.

**Activity 9:** “The Chief of Police, in consultation with Human Resources, will determine if any action is warranted against the sergeant for not completing the required form prior to the overtime being worked.”

**Person Responsible:** Interim Chief of Police – Police Services Department

**Status of Activity:** Implemented

## Exhibit A – Summary of Original Audit Results

Finding	Finding Summary
1	We confirmed there was contact between the sergeant in question and other EPISD police officers on the dates and near the times reported in his/her overtime documentation in approximately 98% of the cases.
2	<p>Records available do not fully support the total length of time reported as overtime by the sergeant. However, we cannot rule out the possibility the sergeant made additional phone calls or texts to outside agencies or police officers and/or performed social media research on his/her personal digital device(s), as the sergeant stated.</p> <p>In addition, it appears the Police Services Department had an unwritten practice to report time spent on callbacks and/or court dates/appearances.</p>
3	We determined 16 out of 46 (35%) work descriptions submitted by the sergeant for overtime worked do not appear to be critical law enforcement matters. These represent 30.2 overtime hours reported by the sergeant.
4	We confirmed the sergeant submitted overtime adjustments for times when police officers, s/he claimed to have contacted, were “not on the clock,” as stated in the complaint. However, there is phone record evidence to support there was communication between the sergeant in question and the police officers for the overtime adjustments. We found a matching phone call/text in all cases (13) where the sergeant mentioned contacting an off-duty police officer.
5	The sergeant did not obtain supervisor approval on the District’s Authorization to Work Overtime Request form prior to working the overtime as required for all hourly employees.

Observation	Observation Summary
1	Supervisors interviewed stated there are no supervisors on-duty for police officers working the night shift(s). In our analysis of overtime for the fiscal year 2018-2019, the top three overtime earners were hourly police supervisors. In total, three police supervisors earned approximately \$37,000 in overtime.



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