

---

**SHERIFF OVERTIME**  
LEJ07-0002-1999



Snohomish County  
Performance Audit Division

---

# Final Report

**Issued to:**

**SHERIFF'S OFFICE**

**October 17, 2000**

**Issued By:**

**Performance Audit Division**



## Snohomish County

---

### **Auditor's Office** *Performance Audit Division*

**Bob Terwilliger**  
*County Auditor*

**Carolyn Ableman**  
*Chief Deputy Auditor*

October 17, 2000

Performance Audit Committee Members:

M/S #505  
3000 Rockefeller Avenue  
Everett, WA 98201-4059  
(425) 388-3006  
FAX (425) 259-2777

This report presents the results of our audit of Sheriff's Office overtime. The primary objectives of the project, as documented in the approved work plan, were to determine if overtime policies are documented and consistently applied, determine to what extent overtime is needed to augment staffing levels to meet service demands and analyze specifically what types of activities are charged to overtime.

Our approach was to evaluate whether controls are adequate to provide reasonable assurance that necessary overtime is properly authorized and documented. We also analyzed department records to see if there was any evidence that overtime rates had any apparent impact on health and safety issues. To obtain background information, we interviewed the Sheriff's department managers and, to understand how other municipalities manage overtime, we talked with King County and the cities of Seattle and Bellevue. Finally, to develop a perspective from the deputies, we performed a limited observation (ride along) with a regularly scheduled Sheriff's deputy.

We found that while data on overtime expenditures was routinely collected and internal controls are reasonable, there exists opportunities for improvements in the areas of analysis and scheduling of certain discretionary overtime activities. Such improved control could reduce costs without interfering with the essential duties of the deputies. We found no evidence of adverse health and safety impacts due to overtime levels.

We developed seven recommendations which address overtime policies, data gathering and analysis, internal controls and resource allocation. Through improved scheduling resulting from improved data collection and analysis, we estimate the potential for annual cost savings/avoidance to be approximately \$370,000. Most of this would come from improved oversight of discretionary overtime expenditure and not from reductions in essential service levels through necessary overtime. To fully implement these recommendations, the Department may need to reallocate some staff resources to better collect, manage and disseminate information.

We wish to acknowledge the efforts of Sheriff Rick Bart and his staff, who despite their workload pressures, provided data and access to records in support of the project. They were committed to developing a factual picture of their overtime situation and were motivated to make extra efforts.

Reviews such as these help develop new management tools and are important in helping county managers address ongoing law and justice system management challenges. The project audit team was lead by Martin T. Standel and included support from Steven Torrence.

Dean L. Ritchhart  
Performance Audit Manager



## *Executive Summary*

### **BACKGROUND**

As an ongoing process, the Performance Audit Division conducts risk assessments to identify and prioritize potential areas for review which, if approved by the Performance Audit Committee, are subsequently incorporated in our annual audit plan. During April 1999, the Performance Audit Division conducted a risk assessment analysis of County overtime. This analysis was limited to quantifying overtime hours and dollars growth rates for the 5-year period 1993 – 1998.

During their September 3, 1999 regular meeting, the Performance Audit Committee concurred with the Performance Auditor's risk assessment and authorized reviews of overtime for the Correction's, Sheriff's Office and Public Work's departments.

Authority to review a specific area is through Performance Audit Committee approval of submitted projects. Upon approval, the project is incorporated into the annual audit plan. More detailed risk assessments are performed, along with development of a detailed audit plan, which includes scope and methodology. The goal is to develop a plan that ultimately answers questions identified by the Performance Audit Committee during its project approval.

Sheriff's Office project questions for which the Performance Audit Committee requested answers are as follows:

- On what staffing standards is the study based?
- To what extent are overtime practices determined by the collective bargaining agreement?
- Have health and safety incidents increased in the Sheriff's Office due to overtime?
- Is overtime being distributed equally?
- Is overtime the most cost-effective method for meeting the staffing needs of the County?

Audit objectives were to determine:

- If overtime policies are documented and consistently applied.
- To what extent is overtime needed to provide appropriate staffing levels?
- To what extent is overtime needed to provide adequate patrol and security standards?
- To what extent is overtime used for meeting, training, sick leave and other related matters?
- Alternative strategies to overtime planning and management.

The scope of the audit included the period January 1, 1996 to December 31, 1999.

## **APPROACH**

We reviewed the Sheriff's Office controls for overtime. Specifically we evaluated whether the Department's controls are adequate to provide reasonable assurance that overtime is necessary, properly authorized and documented. In addition, we evaluated the Department's internal controls and management reporting process to determine if they provide the necessary control elements.

In conducting this review, we interviewed the Sheriff's Department management, and talked with King County, and the cities of Bellevue and Seattle for background information. We also observed the Sheriff's operation by riding along during a regularly scheduled Sheriff patrol deputy shift.

Our review first looked at the policies and procedures used by the Sheriff's Office as well as the provisions of the County agreement with the Snohomish County Deputy Sheriff's Association pertaining to granting and authorizing overtime. This included the specific union agreement as it applied to minimum hours earned for specific overtime. We also reviewed the Fair Labor Standards Act (29 C.F.R.) as it impacts overtime. In addition, we examined the Sheriff's Office Corona Staffing Model, the model's inputs, drivers and outputs as it relates to minimum staffing levels required to meet shift extensions and call backs.

Using statistical sampling, we sampled the Sheriff's Office Additional Compensation Request forms for 1998 – 1999. We also created a database using 100% of all "Additional Compensation Request" forms for January 2000, tested internal controls, and identified areas for improvement. Based upon our testing and sampling, we scheduled out overtime usage for court time, call backs, and shift extension. We further divided callbacks and shift extensions into categories such as training, meetings, events, manpower, and etc.

Finally, using analytical methods to review first quarter 2000 data, we projected overtime expenditures and segregated them into discretionary and non-discretionary dollars.

## ***Findings***

Through management reports, managers measure their performance compared to predetermined criteria. Without proper and timely information, management oversight is sharply constrained and this can result in few or no internal controls. It is management's responsibility to oversee Department operations, but in order to carry out this responsibility, management needs to have the resources necessary to develop, implement and measure expected performance criteria.

## **STAFFING**

Each year during the budget process, the Sheriff's Office reviews their mission requirements, current staffing and projected future needs. To assist in that review, the Department primarily uses Corona, a computerized staffing model, which identifies staffing needs by hour, based on service requirements previously agreed upon between the Sheriff's and Executive's Offices. Using the completed analysis as their baseline, the Sheriff's Office submits their budget request.

In turn, County management reviews these individual requests and considering next year's projected funds, needs, and priorities, approves, denies or modifies individual staff or expense line items. During last year's 2000 budget cycle, the Sheriff's Office requested 31.5 new deputies and the County approved 5. Recently, the Sheriff's Office found some incorrect and missing input data, and after updating the Corona Model for 2001, determined they now need a total of 40.5 deputies (Year 2000 requirement of 31.5 deputies, plus 9 additional for 2001). (See Section D – Corona Staffing Projections)

Between 1996 and 2000, the Sheriff's Office increased their FTE's by 58 or 24 percent (includes FTEs for contract services). However, Commissioned Officers increased at a rate of 6 to 1 for support staff. While the County approved 3 support staff for 2000, the County's emphasis has been to support additional costs for deputies. This emphasis is potentially causing an imbalance between support staff and Commissioned Officers, and contributes to the Department's declining ability to develop useful information and meaningful management reports from their existing data process.

The rationale used by County management and the Sheriff's Office in supporting the Department's continued staffing increases is that overtime will be minimized through more efficient management and proper staffing levels. In general, this cause and effect relationship holds true for many County Departments, but the unique nature of Sheriff's operations, which must consider contractual union agreements, and external demands such as court appearances, mandatory training, and citizens' service requirements, has demonstrated the opposite.

## **FAIR LABOR STANDARDS ACT**

The Fair Labor Standards Act (FLSA) governs when, where and how overtime must be paid. As stated in 29C.F.R. , §785.11 – "Employees who, with the knowledge or acquiescence of their employer, continue to work after their shift is over, albeit voluntarily, are engaged in compensable working time. The reason for the work is immaterial; as long as the employer "suffers or permits" employees to work on its behalf, proper compensation must be paid."

In essence, overtime is self-initiated. Under the current environment, without specific "do's and don'ts", opportunities for individual overtime misuse increase. This in turn intensifies the need



for management to have the necessary resources to assess, monitor and measure usage against established criteria.

## **YEAR 2000 OVERTIME PROJECTIONS**

Overtime, based on first quarter 2000 actual data, is projected to be \$2,354,319 vs. the Department's initial adopted budget of \$1,806,027. Our projection considered the one-time impact for Y2K, and first quarter numbers were adjusted to eliminate or minimize all overtime costs associated to Y2K. This projection represents an increase over budget by 30 percent. (The Sheriff's Office concurs with our projection.) On an FTE basis, projected overtime for 2000 is estimated to be \$7,770 vs. \$6,801 for 1999. Lastly, using FTE as the base, overtime is projected to increase 13 percent over 1999 actuals which includes the additional staffing of 8 FTE's (5 deputies and 3 support staff).

The Sheriff's Office currently requires each individual to submit an "Additional Compensation Request" form each day their duties require additional or contractual overtime payments. These forms are collected by the accounting section and are used as data inputs for individual overtime payments. This form is currently being revised so the individual claiming overtime identifies overtime information in greater detail. However, the Sheriff currently does not have the available resources or proficiency to convert the raw data to meaningful information.

Two numerical measurements used by the Department to document increased staffing needs are "Calls for Service" (CFS) and population growth within County unincorporated areas. These two elements are also used as input for the Sheriff's Corona staffing model.

## **CORONA STAFFING PROJECTIONS**

The Corona staffing model used by the Sheriff's Office for their 2000 budget staffing request was developed in conjunction with constraints established by representatives from the County Executive, County Council, Sheriff's Office and SCDSA staffing formula committee.

The Corona Staffing model output identifies staffing levels needed to meet projected service levels based upon various inputs. This staffing level represents a "goal" staffing solution based on the model's inputs. While the model does project a "goal" staffing level to meet agreed upon quality of service parameters, there are additional variables (manpower, financial resources, available equipment and overtime requirements) that need to be considered. Those intangibles make it extremely difficult for Corona, or any model, to project actual staffing needs. However, it is a good starting point for informative discussion.

In the memorandum, dated August 3, 1999, the Sheriff's Office states..."In reviewing the document and as we have pointed out previously, please keep in mind that the Corona staffing model is dynamic. The additional resources we have been provided the past two years have made a difference, and brought us closer to the targets. There has also been substantial



growth in both population and calls for service in that same two years which has offset some of the gains.” The Corona model was updated for the period April 1, 1999 – March 21, 2000, and the results show a shortfall of 40.5 deputies. (The updated model does not include the 5 additional deputies authorized during 2000.)

## **REQUESTS FOR OVERTIME DUE TO MANPOWER SHORTAGES**

During the first quarter of 2000, the Sheriff’s Office incurred 24,500 overtime hours. Of this amount, the Department identified 1,834 hours due to manpower shortages. Manpower shortages as defined by the Sheriff’s Office represent the difference between minimum staffing level by precinct and physical staffing available for that watch.

Using the first quarter actuals, historical first quarter trends in relationship to the full year, and discounting for Y2K, we projected the Department would incur 96,577 overtime hours during 2000. These are paid hours, and assuming each paid hour equals 0.667 worked hours, the 96,577 paid hours should equal 64,385 worked hours. In actuality, this is not the case. Because of union contractual terms, our analysis indicates that actual paid overtime hours relative to actual hours worked is 1.72 times straight time, not the assumed 1.5. (See page 3, Section 2 – Callback and Court Appearance)

## **DISCRETIONARY AND NON DISCRETIONARY HOURS**

The Sheriff’s Office mission requires that the citizens of Snohomish County can expect reasonable response times and that the average citizen can state they daily live or work in a safe environment. To meet this need, the Sheriff’s Office seeks and hires professional men and women to perform the required duties. These individuals are asked to use their professional judgement and adhere to union agreements when overtime is being used.

While it is virtually impossible to specifically classify overtime into many individual categories, we developed an approach that attempted to classify the Departments overtime into the following discretionary and non-discretionary categories.

Discretionary	57%
Non Discretionary	43%

The Sheriff’s first quarter data identifies shortages due to manpower of 7%, which computes out to 4,507 hours. Using statistical sampling, our own analysis identifies manpower requirements to be closer to 12% or 7,730 hours (95% Confidence, Precision plus or minus 10%). Assuming the standard of 1,750 hours of available time, per deputy per year, the number of additional deputies needed range between 3 and 5. With proper scheduling, the new deputies being hired during 2000 should eliminate this portion of the Department’s overtime. However, patrol manpower shortages only represents, at a maximum, 12% of overtime usage. The other 88%



are used to meet non-discretionary needs such as court, emergency call outs, court time and vacation, and all other discretionary hours.

## **INTERNAL CONTROL CONCERNS**

We also performed a standard internal control test for employee and supervisor signatures on employee overtime request forms. We used statistical sampling to test 1998 – 1999 forms and scheduled out 100 percent of all January 2000 forms. Based on our sample (1998 – 1999), we projected “Additional Compensation Requests” were not signed by a first-level supervisor 19 percent of the time. However, 93 percent were signed at a higher level and our scheduling out of January 2000 forms showed a not-signed rate of 11 percent. The form as it currently exists, has space for the employee and three levels of supervisors to sign. Our test data 1998 –1999 showed that of the three levels for approval, 1% were signed by all three levels, 21% were signed by two and 93% were signed by one. Multiple signatures on an overtime form do not insure proper oversight. First line supervisors perform that oversight. (See recommendation 6.)

## **HEALTH AND SAFETY CONCERNS**

We found no evidence overtime impacted the health and safety of individual deputies.

## **COMPARATIVE STATISTICS**

Snohomish County is the third largest County in the state and among the fastest growing. This accelerated growth places the County in the unenviable position of playing “catch up” regarding staffing. However, when trying to place the Sheriff’s service delivery in this context, we found the following two comparative statistics, the “Commissioned Officers per 1000 Population (unincorporated area)” and the “Crime Index”.

While these statistics provide a baseline for comparison, it must be noted the Sheriff’s Office has grown from a relatively small, easily managed professional organization to a large, regional service provider, and these statistics are only for information purposes.

Sheriff’s Office deputies have increased by 21 FTE between 1998 – 1999. This increase resulted in the number of Commissioned Offices per 1000 population (unincorporated) to decrease from 1:1426 (1998) to 1:1346 (1999) a decrease of 6 percent.

The other statistic “Crime Rate” is based on the “Crime Index”. The definition of each is quoted from the Washington State Uniform Crime Reports. “The crime index is a basic measure of crime which can be used for comparing the extent of crime among cities, counties and states of similar size. The index is simply the total number of certain offenses that occur in a given area in a given calendar period. The crime rate is based on the index, but adjusts the index for variances in population by indicating the number of index offenses for each 1,000 persons. This





means that comparisons may be made among several areas with different population or within one area with different population over a period of time, without the information being biased by population difference.”

Snohomish County’s Crime Index has been decreasing over the past several years. The index for 1999 was 23.3, down from 26.2 in 1998. This reduction represents a decrease of over 11 percent. At the same time "Calls for Service" have increased 13.8%. (See Exhibit 10, page 14)

## ***Recommendations***

Our recommendations fall within the areas of communication, information data collection, improved management internal control process, and deputy scheduling. To fully implement these recommendations, the Department’s may need to reallocate resources to better manage, collect and disseminate information.

We recommend the Department improve its understanding of staffing levels or needs by precinct and watch. This understanding needs to consider deputy training, vacation, and sick time needs. We recommend the Sheriff’s Office establish and articulate Department overtime standards and criteria. In that regard, we recommend they be more consistent and explicit as to what criterion is acceptable and not acceptable. We recommend the Department explore all avenues, which improves internal and external communication, and which minimizes overtime use. We recommend they consider reevaluating their current resources allocation between Commissioned Officers and support staff so better management tools and reporting might be provided. Lastly we recommend the Department review internal controls and management reporting so they have reasonable assurances that overtime funds are expended efficiently and consistently with Department/County policies.

### **A. SCHEDULING PROCESS**

Expenditures for overtime in the Snohomish County’s Sheriffs Office between 1996 - 2000 are projected to increase over 196 percent. Our review indicates that while there are several primary causes for this growth, including the facts high incidences of overtime are essential to “police work” and largely necessary, they do not necessarily explain completely the causes for overtime’s growth rate.

Over the past years, the Sheriff’s commissioned and non-commissioned staff has expanded to meet increasing service needs requested by the County’s growing unincorporated population. However, the combinations of increased population, density and calls for service have grown even more dramatically.



- In 1996, the Sheriff's Office had a total of 245 FTE's of which 175 were Commissioned Officers. The Adopted 2000 budget identifies 303 FTE's of which 225 are Commissioned Officers. This represents a 24 percent growth in total FTE's.
- In 1996, calls for service were 171,644, and our projection for 2000 is 245,391. This represents a growth of 43 percent.
- In 1996, unincorporated population stood at 272,310, and our projection for 2000 is 298,677. This represents a growth of 10 percent.
- There are more people living in a decreasing unincorporated area causing population density to increase. Over the same period, the County's total population has grown from 538,100, to a 2000 projection of 598,907. This represents a growth of 11 percent.
- Our analysis and the Department's own records show overtime hours required to meet minimum patrol staffing will range between a minimum of 7 percent (4,507 hours) and a maximum of 23 percent (14,808 hours). This translates to an FTE shortage of 3 - 8 patrol deputies. The cost to support this staffing shortage when associated only to overtime premium (amount over straight time) would range between \$54,000 -\$177,000 per year.

While the Department has begun to develop several new and additional approaches to manage their overtime, the Department currently lacks detailed overtime budgets, detailed management reporting and an analytical process to estimate overtime usage and its subsequent comparison to actuals.

The Corona Model, which shows resource requirements for specific input service goals, does not provide adequate information to determine how limited resources should be allocated. In addition, improvements are needed in the overtime authorization process. Absent of controls, and the inability to schedule for maximum efficiency impairs management's control process.

**Recommendation 1:** We recommend the Department consider establishing a formal scheduling process using resources and skills necessary to provide management the tools necessary to meet service demands with minimal overtime needs. At a minimum, this unit should have the tools necessary to identify actual service goal outputs to compare against the Corona's agreed upon input drivers.

**Recommendation 2:** We recommend patrol deputy FTE count be increased to minimize the premium overtime pay attributed to manpower shortages if, after the addition of the 5 FTE approved in the adopted 2000 budget, manpower shortages still exist. (Consideration should include training and equipment costs).



## **B. OVERTIME STANDARDS AND CRITERIA**

The Fair Labor Standards Act (FLSA) governs when, where and how overtime must be paid. As stated in 29C.F.R. , §785.11 – “Employees who, with the knowledge or acquiescence of their employer, continue to work after their shift is over, albeit voluntarily, are engaged in compensable working time. The reason for the work is immaterial; as long as the employer “suffers or permits” employees to work on its behalf, proper compensation must be paid.”

However, FLSA also states in 29C.F.R. , §785.13 **Duty of Management** “In all such cases it is the duty of management to exercise its control and see that the work is not performed if it does not want it performed. It cannot sit back and accept the benefits without compensating for them. The mere promulgation of a rule against such work is not enough. Management has the power to enforce the rule and must make every effort to do so”.

We project that for 2000, the Sheriff’s Office will incur overtime expense of over \$2.3 million. We developed the **broad categories** of discretionary and non-discretionary. Using the discretionary category only, we project savings of between 5 and 20 percent if more formalized overtime standards and criteria are developed and articulated.

Savings in Discretionary Overtime:	5%	10%	15%	20%
Potential Savings	\$67,473	\$134,945	\$202,418	\$269,891

**Recommendation 3:** We recommend the Sheriff’s Office develop formalized standards and criteria pertaining to overtime usage and to articulate standards more explicit and consistently as to what is appropriate and inappropriate overtime use.

## **C. COMMUNICATIONS INTERNAL AND EXTERNAL**

Our review divided overtime into two broad, discretionary and non-discretionary categories; discretionary was 57 percent and non-discretionary was 43 percent. Exclusive of manpower shortages, court time is the largest component within the non-discretionary category. Better communication between the courts and the department may result in reduction of court time by the deputies. The Department also tries to schedule training to best fit the needs of the Department and its deputies. However, improved polices and confirmation follow-up may also reduce overtime.

We project that improved communications with the courts and Corrections, and better internal scheduling with confirmation should result in savings of non-discretionary overtime between 5 and 10 percent.

Savings in Non-Discretionary Overtime:	5%	6%	8%	10%
Potential Savings	\$50,243	\$60,292	\$80,389	\$100,487



**Recommendation 4:** We recommend effort and resources be allocated to design, improve and implement better communication processes between the Sheriff's Office, Courts, and Corrections, along with better internal scheduling and confirmation processes; all with the intent to minimize overtime needs.

**Recommendation 5:** We recommend the Sheriff's Office enter in discussion with the Finance Department to formally breakout Holiday costs from the overtime cost category. This will allow a truer picture of actual overtime costs associated with providing police services.

## **D. RESOURCE ALLOCATION - COMMISSIONED & SUPPORT**

Staffing levels within the support functions appear to be disproportionately low considering the growth in Commissioned Officers. Commissioned Officers have been added at a ratio of 6 to 1.

- Since 1996, the Sheriff's Office will have added 50 Commissioned Officers and only 8 support staff. However, the ratio of support staff to Commissioned Officers will increase from 2.5 in 1996 to 2.9 during 2000 with the addition of three personnel.

Performance measurements and criteria encourage accountability by providing information regarding resource use. These measurements are most effective when they are useful, relevant, and current. A more representative overview of department efficiency should include such a group of related measurements. Performance measurements as they relate to management, generally translate to increased internal reporting and allow management to implement better internal controls.

**Recommendation 6:** We recommend the Department review their support staff function requirements and staffing needs in light of an expanding Commissioned Officer base and consider increasing resources to better serve management's increased information needs.

## **E. INTERNAL CONTROLS AND MANAGEMENT REPORTING**

We also performed a standard internal control test for employee and supervisor signatures on employee overtime request forms. We used statistical sampling to test 1998 – 1999 forms and scheduled out 100 percent of forms from January 2000. Based on our sample (1998 – 1999), we projected "Additional Compensation Requests" were not signed by a first-level supervisor 19 percent of the time. However, 93 percent were signed at a higher level and our scheduling out of January 2000 forms showed a not-signed rate of 11 percent. The form as it currently exists, has space for the employee and three levels of supervisors to sign.

**Recommendation 7:** We recommend the number of Signature Approval lines be reduced from the current four to two. The only lines needed are one for the Employee and another for the employee's Manager/Supervisor to approve.



# Table of Contents

Management Letter .....	i
Executive Summary .....	ii
<b>I. INTRODUCTION .....</b>	<b>1</b>
A. Organizational Background .....	1
B. Overtime Policy and Regulations .....	2
1. Overtime Compensation .....	3
2. Call-Back and Court Appearances .....	3
3. Holidays .....	3
4. Hours of Work .....	3
C. Overtime Expenditures .....	4
D. Sheriff Staffing .....	8
<b>II. QUESTIONS, RISK, OBJECTIVES, SCOPE AND APPROACH .....</b>	<b>9</b>
A. Audit Committee Questions .....	9
B. Risk Assessment .....	9
C. Audit Objectives & Scope .....	10
D. Approach .....	10
<b>III. AUDITING STANDARDS, &amp; PUBLIC INFORMATION .....</b>	<b>11</b>
A. Auditing Standards, Authority .....	11
B. Public Information .....	11
<b>IV. FINDINGS .....</b>	<b>12</b>
A. Staffing .....	12
B. Fair Labor Standards Act .....	13
C. Year 2000 Overtime Projections .....	13
D. Corona Staffing Projections .....	15
E. Requests for Overtime Due to Manpower Shortages .....	16
F. Discretionary vs. Non Discretionary Hours .....	17
G. Internal Control Concerns .....	18
H. Health and Safety Concerns .....	18
I. Comparative Statistics .....	18
<b>V. CONCLUSIONS .....</b>	<b>20</b>
A. Management Practices .....	20
B. Audit Committee Questions .....	20



<b>VI. Recommendations</b> .....	22
A. Scheduling Process .....	22
B. Overtime Standards and Criteria.....	23
C. Communications Internal and External .....	24
D. Resource Allocation – Commissioned & Support .....	25
E. Internal Controls and Management Reporting .....	25
<b>VII. Responses</b> .....	26
A. Sheriff’s Office .....	26
B. Executive's Office .....	27

## *Table of Exhibits*

Exhibit 1	Sheriff Overtime .....	4
Exhibit 2	Overtime Dollars by Program .....	5
Exhibit 3	Overtime per FTE .....	6
Exhibit 4	Sheriff’s Office – Actual vs. Budgeted Overtime .....	6
Exhibit 5	Overtime Hours/Dollars and Commissioned Officers .....	7
Exhibit 6	Overtime Expenditures (Sheriff’s Office & Finance Department.....	7
Exhibit 7	Sheriff’s Office – Commissioned Officers .....	8
Exhibit 8	Staffing Commissioned and Support Staff .....	12
Exhibit 9	Comparison of Overtime per FTE 1996 – 2000 (est.) .....	14
Exhibit 10	Calls for Service and Unincorporated Population .....	14
Exhibit 11	Corona Staffing Projections for 2001 Budget Process .....	15
Exhibit 12	Projection of Year 2000 Overtime by Category .....	16
Exhibit 13	Breakdown Between Discretionary and Non-Discretionary .....	17
Exhibit 14	Commissioned Officers per 1000 Population (Unincorporated Area) ...	19
Exhibit 15	Crime Rate per 1000 Population .....	19



# ***I. Introduction***

As an ongoing process, the Performance Audit Division conducts risk assessments to identify and prioritize potential areas for review which, if approved by the Performance Audit Committee, are subsequently incorporated in our annual audit plan. During April 1999, the Performance Audit Division conducted a risk assessment analysis of County overtime. This analysis was limited to quantifying overtime hours and dollars growth rates for the 5-year period 1993 – 1998.

Three departments (Corrections, Sheriff and Public Works) collectively incurred the largest County overtime expense. Since 1993, the combined actual overtime for these departments increased over 400%, from \$1.1 million (1993) to \$5.1 million (1998) with an annual growth rate in excess of 35%. While the trend for 2000 (Adopted Budget) initially showed a slowing of this growth rate, the level of overtime expenditures was sufficiently high to merit detailed review and analysis.

During their September 3, 1999 regular meeting, the Performance Audit Committee concurred with the Performance Auditor's risk assessment and authorized reviews of overtime for the Correction's, Sheriff's Office and Public Work's departments.

## **A. ORGANIZATIONAL BACKGROUND**

The Snohomish County Sheriff's Office was established in 1861 (the same year the County was formed), as a full service police agency. Responsibilities, workload and staffing needs have grown with the County's population and significantly impacted the growth of the department's budget. For example, in 1982 the budget was \$5.8 million when the Sheriff served around 200,000 citizens in unincorporated area. The Adopted Budget for 2000 is in excess of \$31 million and the Sheriff serves more than 299,000 citizens in 1,940 square mile geographic area.

This dramatic budget increase resulted from increased service demands driven by the County's increased population, its density, and State legislative requirements. Until September 15, 1982, the Sheriff was also responsible for the County's jail operations, but this changed with approval of Ordinance No. 82.097, which created the Department of Corrections.

The County Sheriff is an elected official of Snohomish County and operates the department with a budget proposed by the County Executive and adopted by the County Council. Legal authority is derived from the State Constitution. Under State Law, the Sheriff's Office is required to service all of the County unincorporated areas along with providing regional services to:

- Municipalities
- Special districts
- Other entities (through interlocal agreements)

Legislative authority, which governs Sheriff's operation, is detailed in various state laws (RCW's - Revised Code of Washington). For example, the following identifies a partial list of applicable statutes and acts:

- RCW 2.08 - Superior Courts
- RCW 4.14, 4.44 – Enforcement of Order – Courts
- RCW 5.56 – Witnesses
- RCW 6.17, 6.19, 6.21, 6.32 – Enforcement of Criminal and Civil Codes
- RCW 7.08, 7.36, 7.40, 7.42, 7.48, 7.64 – Enforcement of Court Orders

Currently the department is organized into three main functional areas:

- **Bureau of Operations:** responsible for two precincts and the Investigations Division. Services include all patrol services (traffic, forest, bike, and contract), K-9, gambling, vice, and drug investigation, and community service officers (including school programs).
- **Bureau of Support Services:** responsible for Technical Services, Personnel, and Special Operations. Services include search and rescue, emergency response, animal control, technical support services, evidence, records and judicial services, quartermaster (equipment issue), planning, and new hire training.
- **Division of Administrative Services:** responsible for budgets, internal investigations and contract services. Services include all management services (budgeting, internal affairs, fleet maintenance, accreditation, and facilities) and contract services.

## **B. OVERTIME POLICY AND REGULATIONS**

The majority of all Sheriff's Office staffing is covered by two contract agreements and the Snohomish County Deputy Sheriff's Association represents all commissioned officers. These current agreements expired March 31, 2000, and new contacts are still under negotiation; one agreement covers deputies through sergeants and the other covers lieutenants and captains. The existing labor agreements between the Snohomish County and Snohomish County Deputy Sheriff's Association have significant impacts on hours of work, overtime, callback, court time and standby-pay requirements.

All aspects of these areas are addressed in Article 5 of the contract agreements between the County and the Sheriff's Association, and are listed as follows (Deputies and Sergeants shown):

5.1	Hours of Work	5.2	Overtime
5.3	Callback	5.4	Court Time
5.4.1	Vacation Call Back	5.5	Stand-by
5.6	Shift Differential	5.7	On-Call



Some specific overtime aspects are noted below:

## **1. Overtime Compensation**

When staff elects to work overtime in excess of their normal shift, they may request to be paid overtime at one and one-half times their base rate or they elect to receive compensatory time at the same rate of one and one-half hours per hour. Overtime shall be paid in increments of thirty minutes. Also overtime is to be based on the “major portion”, thus fifteen minutes is compensated at thirty minutes at overtime rates or forty five minutes of comp time.

## **2. Callback and Court Appearances**

If an individual has completed his/her shift, left the premises, and is subsequently called back to work he/she is entitled to overtime. Compensation will be for actual hours worked at the appropriate rate with a minimum of three hours (4.5 hours of straight pay). The current contract states...”Except for emergency situations, the employee shall be required to perform solely that specific assignment for which he was called out. Time worked directly adjacent to a shift will not be considered a callback.”

## **3. Holidays**

The contract states...”when an employee’s regularly scheduled days off fall on an observed holiday, the Employer shall provide holiday time off in an amount of time equal to the number of hours regularly worked or pay at the employee’s option an amount equal to the amount the employee earns in his regularly scheduled working day”.

## **4. Hours of Work**

One agreement identifies a 28-day work period (Section 5.1.2) which cannot exceed 160 hours (Section 5.1.3) and this creates 13 work periods per year to reach annual hours of 2,080. Overtime must be paid for any work in excess of these provisions (Section 5.2) and callback is paid at a minimum of 3 hours (Section 5.3). This minimum also applies to Officer Court Time during off-duty hours (Section 5.4). However, commissioned officers are actually classified within the County’s payroll system as salaried and their monthly salary is based on 173.33 hours per month. Thus, overtime is only computed and paid on callbacks, court time, shift extensions and holidays. This variance with the contract does not impact the method and amount of overtime earned by the Department.

The Sheriff’s Office incurs overtime for a variety of reasons. Some of the more frequent causes of overtime are:

- End-of-Shift Extensions
- Court Appearances

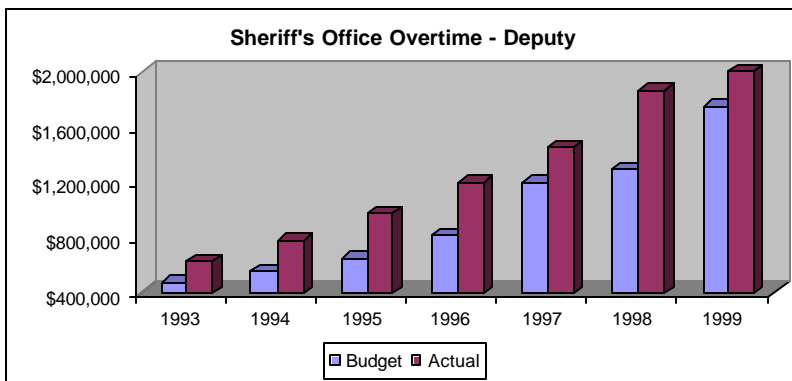
- Investigation Follow-up
- Training/Meeting
- Standby
- Planned Events

While high occurrences of overtime are intrinsic to law enforcement and to a large extent unavoidable, it is management's responsibility to establish criteria, gather data and review compliance to established policies. Currently the Department does not have established criteria or a management reporting process to ensure policy/criteria compliance.

### C. OVERTIME EXPENDITURES

Due to the nature of its mission, organizational size and service demands necessary to meet a 24-hour, 7-day-a-week (24/7) operation, the Sheriff's Department incurs overtime. Management's responsibility is to meet these requirements with maximum cost efficiency. The following Exhibits show overtime growth and expenditures within the Sheriff's Office:

**Exhibit 1 - Sheriff Overtime**



Sheriff's overtime has increased each year under review. While the 2000 budget indicates a reduction in both total dollars and dollars per FTE, our projection shows the growth trend continuing. (See Section C under Findings).



## Exhibit 2 - Overtime Dollars by Program

Program	#	1998 Actual			1999 Actual		
		FTE	Per FTE	Overtime	FTE	Per FTE	Overtime
Administration/Boating Safety	110	4	\$ 13,361	\$ 53,442	4	\$ 14,219	\$ 56,875
Admin Services	111	8	\$ 3,505	\$ 28,040	9	\$ 3,725	\$ 33,521
Sheriff Operations Admin	113	1	\$ 4,016	\$ 4,016	1	\$ 22,937	\$ 22,937
Sheriff Staff Srvc Admin	114	3	\$ -	\$ -	3	\$ -	\$ -
Investigation	121	22	\$ 6,700	\$ 147,406	22	\$ 10,980	\$ 241,567
Patrol	122	139	\$ 7,808	\$ 1,085,261	144	\$ 5,744	\$ 827,119
Special Unit/Drug Buy	123/142	4	\$ 11,060	\$ 44,240	4	\$ 20,594	\$ 82,375
Gambling Tax Enfor	125	6	\$ 7,118	\$ 42,705	6	\$ 6,381	\$ 38,285
Narcotics Task Force/II	126/127	3	\$ 7,329	\$ 21,987	3	\$ 7,326	\$ 21,977
School Resource Program	128	9	\$ 5,009	\$ 45,083	9	\$ 8,745	\$ 78,709
Law Enforcement - Contract	132	7	\$ 6,486	\$ 45,405	19	\$ 14,491	\$ 275,334
Training	140	3	\$ 3,318	\$ 9,954	3	\$ 4,833	\$ 14,498
Traffic Policing	170	8	\$ 7,542	\$ 60,337	8	\$ 8,946	\$ 71,566
Collision Investigations	175	7	\$ -	\$ -	12	\$ 10,165	\$ 121,981
Records	192	40	\$ 1,735	\$ 69,399	41	\$ 1,652	\$ 67,720
Community Services	195	1	\$ 8,413	\$ 8,413	1	\$ -	\$ -
Search and Rescue	520	2	\$ 8,307	\$ 16,614	2	\$ 10,651	\$ 21,301
Animal Control	930	4	\$ 8,478	\$ 33,912	4	\$ 9,600	\$ 38,401
Total		271	\$ 6,333	\$ 1,716,214	295	\$ 6,828	\$ 2,014,166

Source: Sheriff's Office, Adopted Budget and SFG

### Notes:

- Administration does not have any overtime, and Boating Safety is manned by Sheriff deputy volunteers, and costs are reimbursed by the State.
- Overtime for Patrol (largest single group per FTE) decreased from 1998 to 1999.
- Animal Control staffing was decreased from 8 to 4 FTE since 1993.
- Records identifying overtime expenditures differ between the Sheriff and Finance (see page 7). Using the Sheriff's data, overtime per FTE would equal \$6,909, not \$6,333 as identified by Finance (see page 13).
- Total overtime dollars include associated holiday costs which are estimated to be up to 26% of the total dollars. Inclusion of Holiday costs overstates the actual dollars used to meet mission needs. (see recommendation 5, page 25).

While the overtime budgeted for 2000 shows a decline in overtime costs per full time equivalent (FTE), our projections based on the year's first quarter data, indicate an increase is likely to occur by year end (see Findings Section). The envisioned budget reduction was partly based on the County's addition of new Commissioned Officers. However, due to contractual (union) agreements and operational necessity, overtime increases continue. The following exhibit shows Sheriff's Office overtime per FTE:



### Exhibit 3 - Overtime per FTE

Program	1998 Actual		1999 Actual		2000 Budget	
	FTE	Overtime Per FTE	FTE	Overtime Per FTE	FTE	Overtime Per FTE
Administration/Boating Safety	4	\$ 13,361	4	\$ 14,219	4	\$ 14,907
Admin Services	8	\$ 3,505	9	\$ 3,725	9	\$ 3,889
Sheriff Operations Admin	1	\$ 4,016	1	\$ 22,937	1	\$ 30,000
Sheriff Staff Svcs Admin	3	\$ -	3	\$ -	3	\$ -
Investigation	22	\$ 6,700	22	\$ 10,980	22	\$ 5,682
Patrol	139	\$ 7,808	144	\$ 5,744	149	\$ 6,376
Special Unit/Drug Buy	4	\$ 11,060	4	\$ 20,594	4	\$ 25,100
Gambling Tax Enfor	6	\$ 7,118	6	\$ 6,381	6	\$ 7,500
Narcotics Task Force/II	3	\$ 7,329	3	\$ 7,326	3	\$ 8,667
School Resource Program	9	\$ 5,009	9	\$ 8,745	9	\$ 6,667
Law Enforcement - Contract	7	\$ 6,486	19	\$ 14,491	19	\$ 6,316
Training	3	\$ 3,318	3	\$ 4,833	3	\$ 5,000
Traffic Policing	8	\$ 7,542	8	\$ 8,946	8	\$ 6,875
Collision Investigations	7	\$ -	12	\$ 10,165	12	\$ 5,000
Records	40	\$ 1,735	41	\$ 1,652	44	\$ 1,477
Community Services	1	\$ 8,413	1	\$ -	1	\$ -
Search and Rescue	2	\$ 8,307	2	\$ 10,651	2	\$ 12,500
Animal Control	4	\$ 8,478	4	\$ 9,600	4	\$ 8,750
Total	271	\$ 6,333	295	\$ 6,828	303	\$ 5,960

Source: Sheriff's Office,  
Adopted Budget and SFG

Each year the Sheriff's Office originally submits their expected overtime budget, which reflects projected overtime, based on past usage. This budget request is either accepted or changed during the budget process. In the recent past, the Department's original overtime requests have been modified as reflected in the initial adopted budget, but actual overtime expenditures have been greater than either the original, adopted or modified budget amounts.

### Exhibit 4 - Sheriff's Office – Actual vs. Budgeted Overtime

Overtime	1996	1997	1998	1999
Initial Adopted Budget	\$ 814,050	\$ 1,203,550	\$ 1,297,098	\$ 1,751,841
Modified Budget	\$ 814,050	\$ 1,203,550	\$ 1,310,826	\$ 1,856,434
Actual	\$ 1,202,169	\$ 1,451,185	\$ 1,872,222	\$ 2,006,288
% of Actual to Budget	148%	121%	144%	115%

Source: Actual Data per Sheriff's Office, Budgeted Data per Finance Department.

The Sheriff's Office currently identifies and collects overtime data into the following categories:

- Court Overtime
- Non-Court Overtime
  - Shift Extension
  - Call Back
  - Standby
- Holiday Time

The following chart identifies Overtime Hours (hours paid would equal overtime hours times 1.5), Dollars and FTE's (Commissioned Officers) between 1993 and 1999.

**Exhibit 5 – Overtime Hours/Dollars and Commissioned Officers**

Year	OT Hours	OT Dollars	Commissioned Officers
1993	22,161	\$ 627,147	166
1994	25,472	\$ 785,111	172
1995	30,821	\$ 975,352	174
1996	38,448	\$1,202,169	175
1997	43,382	\$1,451,185	181
1998	54,413	\$1,872,222	199
1999	56,425	\$2,006,288	220

Source: Data provided by Sheriff's Office

**Notes:**

- In 1997, 1998 and part of 1999, input of holiday hours for pay was paid from regular salaries as opposed to overtime. Holiday hours are currently entered as overtime pay.

These figures differ from SFG, the County's accounting and financial management system. Reasons for the differences are:

- SFG is a relatively new system, becoming operational in mid 1997
- The Sheriff's Office agreement for handling holiday pay
- The County's payroll process which is a real time instead of a lag system

**Exhibit 6 – Overtime Expenditures (Sheriff's Office & Finance Department (SFG))**

Year	Finance SFG	Sheriff's Office	Difference
1997	\$ 1,328,247	\$ 1,451,185	\$ 122,938
1998	\$ 1,716,214	\$ 1,872,222	\$ 156,008
1999	\$ 2,014,166	\$ 2,006,288	\$ (7,878)
2000 Budget	\$ 1,806,027	\$ 1,806,027	
first Qtr 2000	\$ 588,433	\$ 588,338	\$ (95)

The Sheriff's Office and the Finance Department have been working to reconcile the input and data collection processes. Reviewing first quarter 2000 expenditures of overtime within the Sheriff's and Finance Departments indicate a net difference of only \$95 dollars.

## D. SHERIFF STAFFING

The Department's number of Commissioned Officers steadily increased over the past years. In 1996 the number of Commissioned Officers stood at 175, and by 1999, the number increased to 220. The 2000 Adopted Budget authorizes 5 additional Commissioned Officers beginning April 1, 2000. Once these 5 Officers are included, the Sheriff's Office Commissioned Officers count will total 225 or an increase of over 28 percent since 1996 (See footnotes). However, support staff numbers have remained relatively static.

### **Exhibit 7 - Sheriff's Office - Commissioned Officers**

	1996	1997	1998	1999
Deputies	140	146	162	182
Sergeants	22	22	23	24
Lieutenants	5	5	6	6
Captains	3	3	3	3
Administration	5	5	5	5
<b>Total</b>	<b>175</b>	<b>181</b>	<b>199</b>	<b>220</b>

**Source: Data provided  
by Sheriff's Office**

### **Notes:**

- Of the Sheriff's Office Commissioned Deputies, 12 are committed to contracts (Darrington and Stanwood) and all direct costs are funded and paid (reimbursed) by the effected city.
- FTE increases between 1996 – 2000 (Budgets) were adjusted to eliminate staffing for interlocal agreements. Adjusting for interlocal agreements, staffing has increased for commissioned FTEs 21.7 percent.

## ***II. Questions, Risk, Objectives, Scope, and Approach***

The following section outlines the process used by the Performance Audit Division to conduct its Sheriff's Office overtime review.

Authority to review a specific area is through Performance Audit Committee approval of submitted projects. Upon approval, the project is incorporated into the annual audit plan. More detailed risk assessments are performed, along with development of a detailed audit plan, which includes scope and methodology. The goal is to develop a plan that ultimately answers questions identified by the Performance Audit Committee during its project approval.

### **A. AUDIT COMMITTEE QUESTIONS**

- On what staffing standards is the study based?
- To what extent are overtime practices determined by the collective bargaining agreement?
- Have health and safety incidents increased in the Sheriff's Office due to overtime?
- Is overtime being distributed equally?
- Is overtime the most cost-effective method for meeting the staffing needs of the County?

### **B. RISK ASSESSMENT**

Risk Assessment is an audit responsibility and is the act or practice of identifying the risk drivers and their magnitude. It requires the auditor to review and identify risks that may adversely affect a department or organization. The risk assessment process requires a disciplined approach and enhances the audit process by identifying, analyzing, and assessing the likelihood of risk occurrence and consequences; estimating an organization's assessed risk exposure and possible impacts; and determining an acceptable risk level. As a component of pre-audit analysis, risk assessment uses previous audits and planning assessments to rank risk impact of a department or organization.

Our pre-project risk assessment of the Sheriff's Office was deemed high.

Between 1993 and 1998:

- Sheriff overtime hours increased 146%
- Sheriff overtime dollars increased 199%
- Sheriff deputy staffing increased 19%
- Deputy response requirements have been increasing

## **C. AUDIT OBJECTIVES & SCOPE**

Audit objectives were to determine:

- If overtime policies are documented and consistently applied.
- To what extent is overtime needed to provide appropriate staffing levels?
- To what extent is overtime needed to provide adequate patrol and security standards?
- To what extent is overtime used for meeting, training, sick leave and other related matters?
- Alternative strategies to overtime planning and management.

The scope of the audit included the period January 1, 1996 to December 31, 1999.

## **D. APPROACH**

We reviewed the Sheriff's Office controls for overtime. Specifically we evaluated whether the Department's controls are adequate to provide reasonable assurance that overtime is necessary, properly authorized and documented. In addition, we evaluated the Department's internal controls and management reporting process to determine if they provide the necessary control elements.

In conducting this review, we interviewed the Sheriff's Department management, and talked with King County, and the cities of Bellevue and Seattle for background information. We also observed the Sheriff's operation by riding along during a regularly scheduled Sheriff patrol deputy shift.

Our review first looked at the policies and procedures used by the Sheriff's Office as well as the provisions of the County agreement with the Snohomish County Deputy Sheriff's Association pertaining to granting and authorizing overtime. This included the specific union agreement as it applied to minimum hours earned for specific overtime. We also reviewed the Fair Labor Standards Act (29 C.F.R.) as it impacts overtime. In addition, we examined the Sheriff's Office Corona Staffing Model, the model's inputs, drivers and outputs as it relates to minimum staffing levels required to meet shift extensions and call backs.

Using statistical sampling, we sampled the Sheriff's Office Additional Compensation Request forms for 1998 – 1999. We also created a database using 100% of all "Additional Compensation Request" forms for January 2000, tested internal controls, and identified areas for improvement. Based upon our testing and sampling, we scheduled out overtime usage for court time, call backs, and shift extension. We further divided callbacks and shift extensions into categories such as training, meetings, events, manpower, and etc.

Finally, using analytical methods to review first quarter 2000 data, we projected overtime expenditures and segregated them into discretionary and non-discretionary dollars.



## ***III. Auditing Standards, & Public Information***

### **A. AUDITING STANDARDS, AUTHORITY**

Snohomish County Code (Chapter 2.700.020) states all performance audits and or reviews are conducted in accordance with government auditing standards. Per Division policy, this review adhered to Government Accounting Office Standards concerning procedures to develop findings and for communicating results with responsible managers and officials.

According to GAO Standards, a finding or set of findings is complete to the extent that the objectives are satisfied and the report clearly relates those objectives to the finding elements. Unlike a financial audit finding, a review finding is a statement that a condition exists. This may not necessarily imply a problem or that some corrective action must be implemented.

We conducted our review in accordance with generally accepted auditing standards and the Government Auditing Standards issued by the Comptroller General of the United States (1994 Revision). Those standards required we plan and perform the review to obtain reasonable assurance the Sheriff's Department provides critical financial management and operational controls and oversight.

### **B. PUBLIC INFORMATION**

This report is intended initially to provide information to the County Executive, County Council, and to Department Directors. All of this report is a matter of public record and distribution should not be limited. **However, confidential information is not public record and shall not be distributed.** Information extracted from this report may also serve as a method to disseminate information to the public as a reporting tool to help citizens assess government operations. All audit division reports are reviewed internally by responsible managers and officials and their formal written responses are incorporated into final reports as both a policy of the Performance Audit Committee and government auditing standards (GAO Standard 7.38).

## ***IV. Findings***

Through management reports, managers measure their performance compared to predetermined criteria. ***Without proper and timely information, management oversight is sharply constrained and this can result in few or no internal controls.*** It is management's responsibility to oversee Department operations, but in order to carry out this responsibility, management needs to have the resources necessary to develop, implement and measure expected performance criteria.

### **A. STAFFING**

Each year during the budget process, the Sheriff's Office reviews their mission requirements, current staffing and projected future needs. To assist in that review, the Department primarily uses Corona, a computerized staffing model, which identifies staffing needs by hour, based on service requirements previously agreed upon between the Sheriff's and Executive's Offices. Using the completed analysis as their baseline, the Sheriff's Office submits their budget request.

In turn, County management reviews these individual requests and considering next year's projected funds, needs, and priorities, approves, denies or modifies individual staff or expense line items. During last year's 2000 budget cycle, the Sheriff's Office requested 31.5 new deputies and the County approved 5. Recently, the Sheriff's Office found some incorrect and missing input data, and after updating the Corona Model for 2001, determined they now need a total of 40.5 deputies (Year 2000 requirement of 31.5 deputies, plus 9 additional for 2001). (See Section D – Corona Staffing Projections)

#### **Exhibit 8 – Staffing Commissioned and Support Staff**

	1996	1997	1998	1999	2000
<b><u>Sheriff Office Staffing</u></b>					
Commissioned Officers	175	181	199	220	225
Support Staff	70	71	72	75	78
Total	245	252	271	295	303

<b><u>Growth Rate (1996 - 2000)</u></b>	
Commissioned Officers	29%
Support Staff	11%
Total	14%

Source: 1996 - 1999 data provided by Sheriff's Office "A County at Risk".  
Year 2000 from Adopted Budget



**Note:** The number of Commissioned Officers differs based on the source. The Sheriff's Office "County at Risk" identifies 220, at the end of 1999. The 2000 Adopted Budget states on page 296..."An additional 5 Deputies/Sergeants added 4/1/2000." This would translate to the numbers identified in Exhibit 8, however, the Sheriff's Office also states that for 2000, the numbers for 2000 are 223 Commissioned Officers and 80 support staff.

Between 1996 and 2000, the Sheriff's Office increased their FTE's by 58 or 24 percent (includes FTEs for contract services). However, **Commissioned Officers increased at a rate of 6 to 1 for support staff.** While the County approved 3 support staff for 2000, the County's emphasis has been to support additional costs for deputies. This emphasis is potentially causing an imbalance between support staff and Commissioned Officers, and contributes to the Department's declining ability to develop useful information and meaningful management reports from their existing data process.

The rationale used by County management and the Sheriff's Office in supporting the Department's continued staffing increases is that overtime will be minimized through more efficient management and proper staffing levels. In general, this cause and effect relationship holds true for many County Departments, but **the unique nature of Sheriff's operations, which must consider contractual union agreements, and external demands such as court appearances, mandatory training, and citizens' service requirements, has demonstrated the opposite.**

## **B. FAIR LABOR STANDARDS ACT**

The Fair Labor Standards Act (FLSA) governs when, where and how overtime must be paid. As stated in 29C.F.R. , §785.11 – "Employees who, with the knowledge or acquiescence of their employer, continue to work after their shift is over, albeit voluntarily, are engaged in compensable working time. The reason for the work is immaterial; as long as the employer "suffers or permits" employees to work on its behalf, proper compensation must be paid."

**In essence, overtime is self-initiated.** Under the current environment, without specific "do's and don'ts", opportunities for individual overtime misuse increase. This in turn intensifies the need for management to have the necessary resources to assess, monitor and measure usage against established criteria.

## **C. YEAR 2000 OVERTIME PROJECTIONS**

**Overtime, based on first quarter 2000 actual data, is projected to be \$2,354,319 vs. the Department's initial adopted budget of \$1,806,027.** Our projection considered the one-time impact for Y2K, and first quarter numbers were adjusted to eliminate or minimize all overtime costs associated to Y2K. This projection represents an increase over budget by 30 percent. (The Sheriff's Office concurs with our projection.) On an FTE basis, projected overtime for 2000



is estimated to be \$7,770 vs. \$6,801 for 1999. Lastly, using FTE as the base, overtime is projected to increase 13 percent over 1999 actuals which includes the additional staffing of 8 FTE's (5 deputies and 3 support staff).

**Exhibit 9 – Comparison of Overtime per FTE 1996 – 2000 (est.)**

<u>Year</u>	<u>Paid OT</u>	<u>FTE</u>	<u>OT/FTE</u>
1996	\$ 1,202,169	245	\$ 4,907
1997	\$ 1,451,185	252	\$ 5,759
1998	\$ 1,872,222	271	\$ 6,909
1999	\$ 2,006,288	295	\$ 6,801
2000 Budget	\$ 1,806,027	303	\$ 5,960
2000 Projection*	\$ 2,354,319	303	\$ 7,770

Source: Data for 1996 - 1999 provided by Sheriff's Office. Budget data by Finance

The Sheriff's Office currently requires each individual to submit an "Additional Compensation Request" form each day their duties require additional or contractual overtime payments. These forms are collected by the accounting section and are used as data inputs for individual overtime payments. This form is currently being revised so the individual claiming overtime identifies overtime information in greater detail. However, ***the Sheriff currently does not have the available resources or proficiency to convert the raw data to meaningful information.***

Two numerical measurements used by the Department to document increased staffing needs are "Calls for Service" (CFS) and population growth within County unincorporated areas. These two elements are also used as input for the Sheriff's Corona staffing model.

**Exhibit 10 – Calls for Service and Unincorporated Population**

<u>Year</u>	<u>Paid OT</u>	<u>CFS</u>	<u>Pop</u>
1996	\$ 1,202,169	171,644	272,310
1997	\$ 1,451,185	189,380	275,738
1998	\$ 1,872,222	203,583	282,041
1999	\$ 2,006,288	231,767	290,240
2000 Budget	\$ 1,806,027	245,391	299,000
2000 Projection*	\$ 2,354,319	245,391	299,000

Source: Data for 1996 - 1999 provided by Sheriff's Office.

Budget data by Finance

Growth Rate Budget (1993 - 2000)

43%

10%

\* **Note:** See page 13, Section C - YEAR 2000 OVERTIME PROJECTIONS

## D. CORONA STAFFING PROJECTIONS

The Corona staffing model used by the Sheriff's Office for their 2000 budget staffing request was developed in conjunction with constraints established by representatives from the County Executive, County Council, Sheriff's Office and SCDSA staffing formula committee.

**The Corona Staffing model output identifies staffing levels needed to meet projected service levels based upon various inputs.** This staffing level represents a "goal" staffing solution based on the model's inputs. While the model does project a "goal" staffing level to meet agreed upon quality of service parameters, there are additional variables (manpower, financial resources, available equipment and overtime requirements) that need to be considered. Those intangibles make it extremely difficult for Corona, or any model, to project actual staffing needs. However, it is a good starting point for informative discussion.

In the memorandum, dated August 3, 1999, the Sheriff's Office states..."In reviewing the document and as we have pointed out previously, please keep in mind that the Corona staffing model is dynamic. The additional resources we have been provided the past two years have made a difference, and brought us closer to the targets. There has also been substantial growth in both population and calls for service in that same two years which has offset some of the gains." The Corona model was updated for the period April 1, 1999 – March 21, 2000, and the results show a shortfall of 40.5 deputies. (The updated model does not include the 5 additional deputies authorized during 2000.)

### Exhibit 11 – Corona Staffing Projections for 2001 Budget Process

Precinct	Response Time (min)	% Time Units Busy	Non Directed Work Time (min)	Officers to Meet Criteria	Current Staffing	Model Needed Staffing
North	7.0	25%	18	74.0	78.0	21.0
South	4.5	25%	18	76.0	56.5	19.5
East	14.0	25%	18	25.0	With North	With North
Totals				175.0	134.5	40.5

Source: Sheriff's Office - Memorandum dated June 8, 2000.

The model results (April 1, 1999 – March 21, 2000), which use various inputs to determine staffing goals to meet agreed upon requirements, only provide a "goal". The model's output identifies minimum staffing-level goals needed to meet the model's input drivers. Current Sheriff overtime usage does not support the Corona model's "goal" staffing level. The 40.5 deputies, suggested by the Corona model "goal" are only required if the Sheriff is to meet agreed upon but arbitrary service levels. **At present, hours classified as manpower shortages equate to 3 - 8 full-time patrol deputies.**

## E. REQUESTS FOR OVERTIME DUE TO MANPOWER SHORTAGES

During the first quarter of 2000, the Sheriff's Office incurred 24,500 overtime hours. Of this amount, the Department identified 1,834 hours due to manpower shortages. Manpower shortages as defined by the Sheriff's Office represent the difference between minimum staffing level by precinct and physical staffing available for that watch.

Sheriff's Office patrol staffing minimums are set for each precinct and when necessary, overtime is used to meet these minimum levels.

<u>Location</u>	<u>Day</u>	<u>Swing</u>	<u>Graveyard</u>	<u>Supervisor</u>
South County	6	9	6	1 per shift
North County	6	6	5	1 per shift
East County	4	4	3	1 per shift

**Note:** These numbers do not include personnel needed to staff the several contracts through interlocal agreements.

Using the first quarter actuals, historical first quarter trends in relationship to the full year, and discounting for Y2K, we projected the Department would incur 96,577 overtime hours during 2000. These are paid hours, and assuming each paid hour equals 0.667 worked hours, the 96,577 paid hours should equal 64,385 worked hours. In actuality, this is not the case. ***Because of union contractual terms, our analysis indicates that actual paid overtime hours relative to actual hours worked is 1.72 times straight time, not the assumed 1.5.*** (See page 3, Section 2 – Callback and Court Appearance)

### Exhibit 12 – Projection of Year 2000 Overtime by Category

	<u>Hours</u>	<u>Percent</u>	<u>OT \$</u>
	<u>Paid</u>	<u>Breakdown</u>	<u>Projected</u>
Court	4,829	5%	\$ 117,716
Holiday	16,418	17%	\$ 400,234
Shift Ext.	24,144	25%	\$ 588,580
Callback	39,597	41%	\$ 965,271
Manpower Shortage	11,589	12%	\$ 282,518
Total	96,577	100%	\$ 2,354,319

Source: Analytical using first Qtr actual data

The Sheriff's first quarter data identifies shortages due to manpower of 7%, which computes out to 4,507 hours. Using statistical sampling, our own analysis identifies manpower requirements to be closer to 12% or 7,730 hours (95% Confidence, Precision plus or minus 10%). Assuming the standard of 1,750 hours of available time, per deputy per year, the number of additional

deputies needed range between 3 and 5. With proper scheduling, the new deputies being hired during 2000 should eliminate this portion of the Department's overtime. However, patrol manpower shortages only represents, at a maximum, 12% of overtime usage. The other 88% are used to meet non-discretionary needs such as court, emergency call outs, court time and vacation, and all other discretionary hours.

## **F. DISCRETIONARY AND NON DISCRETIONARY HOURS**

The Sheriff's Office mission requires that the citizens of Snohomish County can expect reasonable response times and that the average citizen can state they daily live or work in a safe environment. To meet this need, the Sheriff's Office seeks and hires professional men and women to perform the required duties. These individuals are asked to use their professional judgement and adhere to union agreements when overtime is being used.

*While it is virtually impossible to specifically classify overtime into many individual categories, we developed an approach that attempted to classify the Departments overtime into the following discretionary and non-discretionary categories.*

<b>Discretionary</b>	<b>57%</b>
<b>Non Discretionary</b>	<b>43%</b>

### **Exhibit 13 – Breakdown Between Discretionary and Non-Discretionary**

	Discretionary	
	Yes	No
Administration	16%	0%
Call Out	0%	1%
Court	0%	8%
Event	4%	0%
Investigation	0%	6%
K-9	0%	4%
Manpower	0%	23%
Meetings	7%	0%
On Call	0%	1%
Shift Extension	12%	0%
Training	18%	0%
Total	57%	43%

**Source:** Sheriff Office provided Data

This category breakdown was developed using results from 100% sampling of January 2000 data coupled with statistical sampling results from testing 1998 – 1999 data. Our statistical sample provides a 95% confidence with a precision of plus or minus 10 percent. Non-discretionary overtime requirements include such categories as court time, minimum precinct

staffing, call outs for emergencies, mandatory training, staff meetings, and normal shift extensions to meet mission/safety needs. Discretionary categories include administrative duties and manpower shortages, but can also include meeting, timing of training and shift extensions. (There is no easy method to classify overtime into either discretionary or non-discretionary many uses can fall into either category.)

## **G. INTERNAL CONTROL CONCERNS**

We also performed a standard internal control test for employee and supervisor signatures on employee overtime request forms. We used statistical sampling to test 1998 – 1999 forms and scheduled out 100 percent of all January 2000 forms. Based on our sample (1998 – 1999), we projected “Additional Compensation Requests” were not signed by a first-level supervisor 19 percent of the time. However, 93 percent were signed at a higher level and our scheduling out of January 2000 forms showed a not-signed rate of 11 percent. The form as it currently exists, has space for the employee and three levels of supervisors to sign. ***Our test data 1998 –1999 showed that of the three levels for approval, 1% were signed by all three levels, 21% were signed by two and 93% were signed by one.*** Multiple signatures on an overtime form do not insure proper oversight. First line supervisors perform that oversight. (See recommendation 6.)

## **H. HEALTH AND SAFETY CONCERNS**

We found no evidence overtime impacted the health and safety of individual deputies.

## **I. COMPARATIVE STATISTICS**

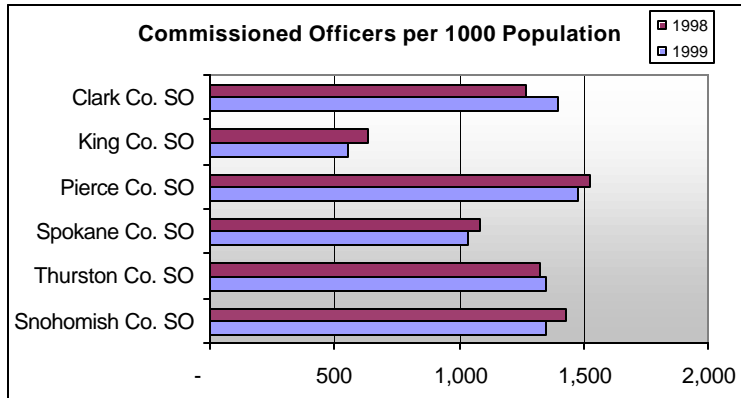
Snohomish County is the third largest County in the state and among the fastest growing. This accelerated growth places the County in the unenviable position of playing “catch up” regarding staffing. However, when trying to place the Sheriff’s service delivery in this context, we found the following two comparative statistics, the “Commissioned Officers per 1000 Population (unincorporated area)” and the “Crime Index”.

The two standard Performance Auditing techniques used in comparing entities are “best practices” and “benchmarking”. While each has merits and shortfalls, neither provides management a “magic bullet” answer to the question, “are we the best we can be and are we using our resources to the maximum?” However, these two techniques do help give an unbiased picture.

While these statistics provide a baseline for comparison, it must be noted the Sheriff’s Office has grown from a relatively small, easily managed professional organization to a large, regional service provider, and these statistics are only for information purposes.



### Exhibit 14 – Commissioned Officer per 1000 Population (Unincorporated Area)



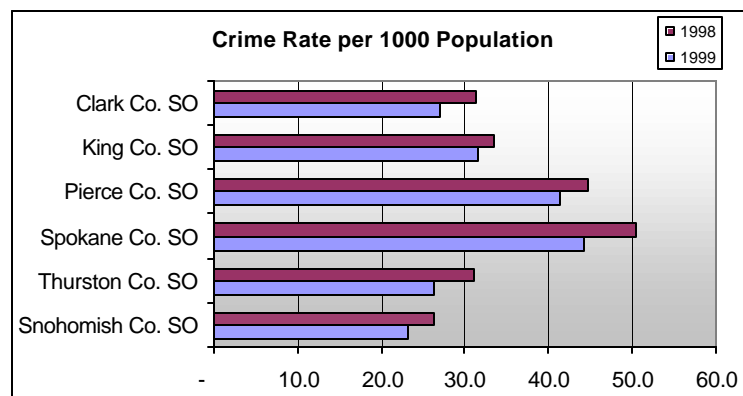
Sheriff’s Office deputies have increased by 21 FTE between 1998 – 1999. This increase resulted in the number of Commissioned Officers per 1000 population (unincorporated) to decrease from 1:1426 (1998) to 1:1346 (1999) a decrease of 6 percent.

Source: Crime in Washington Annual Report - 1998/1999, Table 15.

The other statistic “Crime Rate” is based on the “Crime Index”. The definition of each is quoted from the Washington State Uniform Crime Reports. “The crime index is a basic measure of crime which can be used for comparing the extent of crime among cities, counties and states of similar size. The index is simply the total number of certain offenses that occur in a given area in a given calendar period. The crime rate is based on the index, but adjusts the index for variances in population by indicating the number of index offenses for each 1,000 persons. This means that comparisons may be made among several areas with different population or within one area with different population over a period of time, without the information being biased by population difference.”

### Exhibit 15 – Crime Rate per 1000 Population

Snohomish County’s Crime Index has been decreasing over the past several years. The index for 1999 was 23.3, down from 26.2 in 1998. This reduction represents a decrease of over 11 percent. At the same time "Calls for Service" have increased 13.8%. (See Exhibit 10, page 14)



Source: Crime in Washington Annual Report - 1998/1999, Table 7.

## ***V. Conclusions***

### **A. MANAGEMENT PRACTICES**

We conclude management has not currently identified and established reasonable guidelines or criteria to manage the Department's discretionary overtime. This is partly due to limited support staff and the subsequent inability to generate critical management reports. Hence, expanding resources to allow better data collection and reporting should allow management the tools; to improve internal controls and subsequently achieve cost savings.

Further this lack of critical information and support staff impact current overtime requirements. With expanded management reporting and adding needed resources, better tools could be developed to optimally schedule deputies, identify needs by watch, and minimize overtime usage for training and other discretionary requirements.

### **B. AUDIT COMMITTEE QUESTIONS**

#### **On what staffing standards is the study based?**

While we reviewed the Corona Staffing Model and precinct minimum staffing needs, we did not use either one. After our initial review and testing, we recognized that neither the Corona staffing standards nor identified manpower shortages were the key overtime driver. However, we concluded the lack of allocated resources within the scheduling and data collection units hinders information flow to management and limits improved control over the Department's discretionary overtime.

#### **To what extent are overtime practices determined by the collective bargaining agreement?**

The majority of all Sheriff's Office staffing is covered by contract agreements with the Snohomish County Deputy Sheriff's Association. The existing labor agreements between the two have significant impacts on hours of work, overtime, callback, court time and standby-pay requirements.

#### **Have health and safety incidents increased in Sheriff Office due to overtime?**

We found no evidence overtime impacted the health and safety of individual deputies.

**Is overtime being distributed equally?**

The present Sheriff's Office environment requires mandatory overtime when minimum staffing levels are required, and this percentage ranges between 7 and 12 percent. The majority of overtime becomes self-initiated, and as a result, the question of overtime being distributed equally is not considered a significant factor.

**Is overtime the most cost-effective method for meeting staffing needs of the County?**

Overtime can be extremely cost-effective, and in the Sheriff's Office, mission requirements do justify overtime. We project that manpower shortages in the Sheriff's Office will constitute less than 20% of overtime requirements for the year 2000. Where overtime is used strictly for manpower shortages (difference between available FTE's and precinct minimums), additional FTE's should be hired. Analytical analysis identifying both cost savings and numbers should be validated prior to request for staff increases.

The Sheriff's Office primarily uses overtime to meet discretionary type requirements. However, using better overtime control criteria through enhanced reporting and data collection, we estimate the Department has the potential to save between \$67,000 and \$270,000 per year. Savings projections are based only using only the 57 percent of overtime we classified as discretionary. This projection assumes a potential efficiency of between 5 and 20 percent through better internal controls applied only to the Department's discretionary overtime (see recommendations).

Improved scheduling and better communications internally and externally could also be improved. If improved communications and scheduling were developed and implemented, the savings potential increases by an additional 5 to 10 percent.

## ***VI. Recommendations***

Our recommendations fall within the areas of communication, information data collection, improved management internal control process, and deputy scheduling. To fully implement these recommendations, the Department's may need to reallocate resources to better manage, collect and disseminate information.

We recommend the Department improve its understanding of staffing levels or needs by precinct and watch. This understanding needs to consider deputy training, vacation, and sick time needs. We recommend the Sheriff's Office establish and articulate Department overtime standards and criteria. In that regard, we recommend they be more consistent and explicit as to what criterion is acceptable and not acceptable. We recommend the Department explore all avenues, which improves internal and external communication, and which minimizes overtime use. We recommend they consider reevaluating their current resources allocation between Commissioned Officers and support staff so better management tools and reporting might be provided. Lastly we recommend the Department review internal controls and management reporting so they have reasonable assurances that overtime funds are expended efficiently and consistently with Department/County policies.

### **A. SCHEDULING PROCESS**

Expenditures for overtime in the Snohomish County's Sheriffs Office between 1996 - 2000 are projected to increase over 196 percent. Our review indicates that while there are several primary causes for this growth, including the facts high incidences of overtime are essential to "police work" and largely necessary, they do not necessarily explain completely the causes for overtime's growth rate.

Over the past years, the Sheriff's commissioned and non-commissioned staff has expanded to meet increasing service needs requested by the County's growing unincorporated population. However, the combinations of increased population, density and calls for service have grown even more dramatically.

- In 1996, the Sheriff's Office had a total of 245 FTE's of which 175 were Commissioned Officers. The Adopted 2000 budget identifies 303 FTE's of which 225 are Commissioned Officers. This represents a 24 percent growth in total FTE's.
- In 1996, calls for service were 171,644, and our projection for 2000 is 245,391. This represents a growth of 43 percent.



- In 1996, unincorporated population stood at 272,310, and our projection for 2000 is 298,677. This represents a growth of 10 percent.
- There are more people living in a decreasing unincorporated area causing population density to increase. Over the same period, the County's total population has grown from 538,100, to a 2000 projection of 598,907. This represents a growth of 11 percent.
- Our analysis and the Department's own records show overtime hours required to meet minimum patrol staffing will range between a minimum of 7 percent (4,507 hours) and a maximum of 23 percent (14,808 hours). This translates to an FTE shortage of 3 - 8 patrol deputies. The cost to support this staffing shortage when associated only to overtime premium (amount over straight time) would range between \$54,000 -\$177,000 per year.

While the Department has begun to develop several new and additional approaches to manage their overtime, the Department currently lacks detailed overtime budgets, detailed management reporting and an analytical process to estimate overtime usage and its subsequent comparison to actuals.

The Corona Model, which shows resource requirements for specific input service goals, does not provide adequate information to determine how limited resources should be allocated. In addition, improvements are needed in the overtime authorization process. Absent of controls, and the inability to schedule for maximum efficiency impairs management's control process.

**Recommendation 1:** We recommend the Department consider establishing a formal scheduling process using resources and skills necessary to provide management the tools necessary to meet service demands with minimal overtime needs. At a minimum, this unit should have the tools necessary to identify actual service goal outputs to compare against the Corona's agreed upon input drivers.

**Recommendation 2:** We recommend patrol deputy FTE count be increased to minimize the premium overtime pay attributed to manpower shortages if, after the addition of the 5 FTE approved in the adopted 2000 budget, manpower shortages still exist. (Consideration should include training and equipment costs).

## **B. OVERTIME STANDARDS AND CRITERIA**

The Fair Labor Standards Act (FLSA) governs when, where and how overtime must be paid. As stated in 29C.F.R. , §785.11 – “Employees who, with the knowledge or acquiescence of their employer, continue to work after their shift is over, albeit voluntarily, are engaged in compensable working time. The reason for the work is immaterial; as long as the employer “suffers or permits” employees to work on its behalf, proper compensation must be paid.”

However, FLSA also states in 29C.F.R. , §785.13 **Duty of Management** “In all such cases it is the duty of management to exercise its control and see that the work is not performed if it does not want it performed. It cannot sit back and accept the benefits without compensating for them. The mere promulgation of a rule against such work is not enough. Management has the power to enforce the rule and must make every effort to do so”.

We project that for 2000, the Sheriff’s Office will incur overtime expense of over \$2.3 million. We developed the **broad categories** of discretionary and non-discretionary. Using the discretionary category only, we project savings of between 5 and 20 percent if more formalized overtime standards and criteria are developed and articulated.

Savings in Discretionary Overtime:	5%	10%	15%	20%
Potential Savings	\$67,473	\$134,945	\$202,418	\$269,891

**Recommendation 3:** We recommend the Sheriff’s Office develop formalized standards and criteria pertaining to overtime usage and to articulate standards more explicit and consistently as to what is appropriate and inappropriate overtime use.

### **C. COMMUNICATIONS INTERNAL AND EXTERNAL**

Our review divided overtime into two broad, discretionary and non-discretionary categories; discretionary was 57 percent and non-discretionary was 43 percent. Exclusive of manpower shortages, court time is the largest component within the non-discretionary category. Better communication between the courts and the department may result in reduction of court time by the deputies. The Department also tries to schedule training to best fit the needs of the Department and its deputies. However, improved polices and confirmation follow-up may also reduce overtime.

We project that improved communications with the courts and Corrections, and better internal scheduling with confirmation should result in savings of non-discretionary overtime between 5 and 10 percent.

Savings in Non-Discretionary Overtime:	5%	6%	8%	10%
Potential Savings	\$50,243	\$60,292	\$80,389	\$100,487

**Recommendation 4:** We recommend effort and resources be allocated to design, improve and implement better communication processes between the Sheriff’s Office, Courts, and Corrections, along with better internal scheduling and confirmation processes; all with the intent to minimize overtime needs.



**Recommendation 5:** We recommend the Sheriff's Office enter in discussion with the Finance Department to formally breakout Holiday costs from the overtime cost category. This will allow a truer picture of actual overtime costs associated with providing police services.

## **D. RESOURCE ALLOCATION - COMMISSIONED & SUPPORT**

Staffing levels within the support functions appear to be disproportionately low considering the growth in Commissioned Officers. Commissioned Officers have been added at a ratio of 6 to 1.

- Since 1996, the Sheriff's Office will have added 50 Commissioned Officers and only 8 support staff. However, the ratio of support staff to Commissioned Officers will increase from 2.5 in 1996 to 2.9 during 2000 with the addition of three personnel.

Performance measurements and criteria encourage accountability by providing information regarding resource use. These measurements are most effective when they are useful, relevant, and current. A more representative overview of department efficiency should include such a group of related measurements. Performance measurements as they relate to management, generally translate to increased internal reporting and allow management to implement better internal controls.

**Recommendation 6:** We recommend the Department review their support staff function requirements and staffing needs in light of an expanding Commissioned Officer base and consider increasing resources to better serve management's increased information needs.

## **E. INTERNAL CONTROLS AND MANAGEMENT REPORTING**

We also performed a standard internal control test for employee and supervisor signatures on employee overtime request forms. We used statistical sampling to test 1998 – 1999 forms and scheduled out 100 percent of forms from January 2000. Based on our sample (1998 – 1999), we projected "Additional Compensation Requests" were not signed by a first-level supervisor 19 percent of the time. However, 93 percent were signed at a higher level and our scheduling out of January 2000 forms showed a not-signed rate of 11 percent. The form as it currently exists, has space for the employee and three levels of supervisors to sign.

**Recommendation 7:** We recommend the number of Signature Approval lines be reduced from the current four to two. The only lines needed are one for the Employee and another for the employee's Manager/Supervisor to approve.

## **VII. Responses**



### **SNOHOMISH COUNTY SHERIFF'S OFFICE**

*Pride in Service to Our Community*

**R. R. "Rick" Bart**  
*Sheriff*

September 12, 2000

Martin T. Standel  
Performance Auditor  
Performance Audit Division

Dear Mr. Standel:

I wish to thank you and your staff for the tremendous work that has gone into the *Sheriff's Overtime Report*. Your efforts over the past year have shown how complex the issue of overtime in the Sheriff's Office has become.

Even though we may disagree on some aspects of the Overtime Report, we agree with your report on its overall assessment of the overtime issues within the Sheriff's Office. We also agree with your findings as an accurate risk assessment of our overtime. We accept your overtime report and respect your findings and recommendations contained therein.

Thank you again for your time and efforts, and for keeping the process open to staff for input and discussion.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rick Bart", with a long, sweeping underline that extends to the right.

R. R. "RICK" BART  
Snohomish County Sheriff





Robert J. Drewel  
County Executive

MEMORANDUM

To: Dean Ritchhart, Performance Audit Manager

From: Robert J. Drewel, County Executive *Bob Drewel*  
Margery Hite, Executive Director *Margery Hite*

Date: October 4, 2000

Re: Sheriff's Overtime Audit

M/S #407  
3000 Rockefeller Avenue  
Everett, WA 98201  
(425) 388-3460  
FAX (425) 388-3434  
TTY/TDD (425) 388-3700  
county.executive@co.snohomish.wa.us  
www.co.snohomish.wa.us

**EXECUTIVE RESPONSE**

Overtime expenditures by the Sheriff's Office represent a major part of the budget. In 2000, the Budget and Finance Department estimates that the Sheriff's Office will spend 2.2 million in overtime. This audit marks the beginning of a laudable effort to analyze and contain overtime costs in the Sheriff's Office.

However, we have questions concerning the premises as well as the conclusions of this audit which we feel need to be answered before any recommendations can be reached. These questions are addressed to two main areas – assumptions about the need for overtime; and assumptions about the disadvantages of overtime.

**Need for Overtime**

The decision to segregate overtime into "discretionary" and "non-discretionary" is central to the analysis conducted here. It forms the basis for the recommendations regarding reduction of overtime and replacing some ("manpower shortage") overtime with new FTEs. Yet the basis on which overtime is deemed "discretionary" or "non-discretionary" does not appear to correlate to a Sheriff's decision on how staff will be used, or to actual needs of the department.

The Sheriff's Office records overtime under five categories: court, holiday, shift extension, callback and manpower shortage. The breakdown between discretionary and non-discretionary overtime was created by the audit team, and suggests that the audit singles out optional overtime. However, this is not the case. As a result, the creation of discretionary/non-discretionary categories raises more questions than it answers.

- For example, "administration" is deemed "discretionary". "Administration" overtime may also include time required for a deputy to respond to discipline and/or participate

in internal investigations. If so, these activities often require off-shift reporting, but are not “discretionary” within the ordinary meaning of the word.

- Shift extensions, by Sheriff’s Office definition, are the times that an officer needs to extend his or her shift in order to conclude an arrest or call which began during his or her regular shift. For example, a day-shift officer who makes a DUI stop at 3:30 pm and is scheduled to go off-shift at 4:00 pm, will have to extend his or her shift to conclude the arrest and any booking. Yet, according to the audit, shift extensions are “discretionary” overtime.
- Training is required on a regular basis to assure that officers are familiar with the current state of law and practice. This is important for safety and for liability concerns. Yet this study calls training “discretionary”. The study does not distinguish between training to meet minimum standards and training for skill enhancement. We suggest that “training” should not be assumed to be “discretionary” without further analysis of the costs and benefits associated with reduced training.
- On the other hand, K-9 overtime is considered “non-discretionary” by the auditors. The K-9 unit is not legally mandated and has, in fact, not always been in operation. Why is this “non-discretionary”?

The study acknowledges that the audit team created the categories but does not explain why or how certain activities fall into one or the other.

***The terms “discretionary” and “non-discretionary” suggest that one kind of work is optional and the other is not. However, there is no analysis showing the basis for such a conclusion, nor was the management of the Sheriff’s Office involved in the creation of this distinction. Indeed, as shown in the examples above, the categories do not equate to optional vs. mandatory at all. The terms are misleading, at the least.***

### **Assumptions about the Advantage to Reducing Overtime**

Overtime, even paid at time and a half, is often the most cost-effective way to handle the need for extra hours of work. Overtime is more flexible than bringing on a new employee, in that an existing employee is already trained and can readily perform just those hours needed when a sudden or short-term need arises. It is often also a way to bring experienced rather than new deputies to a law enforcement situation. In addition, hourly wage is not the only cost associated with a new deputy (see description below). A new employee receives a benefit package in addition to his wage, while an existing employee gets time and a half in wages but no increase in medical/dental and other benefits. This study does not appear to consider the possible advantages to using overtime but presumes that overtime should be avoided in all situations. Further analysis should be done to test this hypothesis.

In particular, the study proposes a swap between overtime dollars and new FTEs, and recommends adding 3-8 new patrol deputy positions. However, it is not clear that adding positions will reduce overtime. In fact, the opposite may be the case.

- The Sheriff's Office (see attached e-mail) states that it cannot swap overtime for FTEs. Overtime is generated by the nature of the work, much of which is due to all the factors other than manpower shortage that are listed in the audit.
- The Finance Department estimates that a deputy sheriff generates an average of \$9,100 in overtime per year. At that rate, the addition of 3 deputies would cost \$27,300 in overtime (as against the estimated savings of \$54,000 in the audit); and (for 8 deputies) \$72,800 in overtime compared to projected savings of \$177,000 for manpower coverage. These are additional costs, not savings.
- In addition, it is not apparent that the manpower shortages listed by the audit were in units of time which a deputy may be scheduled to work. If the shortages were in increments of 2-4 hours, hiring more deputies would not solve the problem. Shifts are scheduled in 8, 10, or 12 hour blocks. Moreover, to the extent that the manpower shortages were generated by sick leave, a regular deputy could not be scheduled to cover this unforeseen eventuality, either. This study does not show what periods of manpower shortages the new deputies would be expected to cover and whether, in fact, regular employees could even cover all the manpower shortages.
- The audit does not appear to account for the manpower shortages created by the delay in filling vacancies for budgeted positions in the Sheriff's Office. It takes, on average, nine months to bring on a new deputy (including screening, polygraph, background check, training commission mandatory training, and on-the-job training). In 1998, there were 6.17 vacancies in deputy positions; in 1999, there were 6.50 vacancies. To the extent these vacancies created manpower shortages, those shortages will be covered as the sheriff is able to fill the vacancies and put the officers on independent status.
- Additional costs associated with hiring a new deputy have not been itemized. These include: car, uniform, medical screening and evaluation (estimated at \$35,766). The total cost of the first year deputy is estimated at \$103,289. The car cost is not annual, of course, but should be included if cost savings are expected.

## **Summary**

In summary, this is a very interesting audit of a very important subject. However, we suggest that further analysis of the points listed above would improve the product and ensure that any recommendations were in fact well founded.

attachment: 10/3/00 e-mail from Randy Nichols to Margery Hite

-----Original Message-----

**From:** Nichols, Randy  
**Sent:** Tuesday, October 03, 2000 3:02 PM  
**To:** Hite, Margery  
**Subject:** Sheriff's Overtime

There has been the suggestion that if this Office added deputies then our overtime would be more manageable.

*Unfortunately, it isn't that simple.* We work 24/7 in a large county with two patrol precincts, plus an investigations unit that suffers frequent call outs. Our people are spread across geography and shifts. We need a minimum number of people on each shift to insure there is adequate backup. Since we are spread out, our overtime for staffing shortages is too often hard to anticipate. A sickness here, a vacation, a training there, and we get below minimums and have to call someone in. Often we hold over someone from the prior shift and call someone early from the next shift, to fill the hole.

*Adding people does give us more cushion to meet minimum staffing.* But to have a significant impact we would have to add enough people to all the shifts (6 crews) to create significant cushion. We can't anticipate when specialty call outs (like ERT, Dive, etc.) for major incidents will occur, further depleting shifts and requiring overtime for people called in to work to fill the holes that are created when the specialist respond to the incident.

*But inversely, more staffing creates additional overtime.* As we add people, they create their *own* overtime. Those same deputies make arrests resulting in shift extensions and court time. Those same additional deputies would require more support staff to enter their reports and take care of their equipment and fiscal needs. In essence, these new people also create the need for additional logistics support. They need to be supervised, managed, supplied, and maintained.  
I hope this helps to clarify.