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OVERALL CONCLUSION
The Sheriff’s Office established many effective practices to oversee and manage overtime. Yet, overtime expenditures regularly exceeded general fund budgeted amounts due to a variety of factors both within and outside the control of the Sheriff’s Office.

AUDIT PURPOSE
To evaluate the use of overtime in the Sheriff’s Office, overtime trends and administration, and alternative approaches that could be adopted to manage overtime costs within budget constraints.

BACKGROUND
- Effective January 1, 2009, the Correction’s Bureau was placed within the Sheriff’s Office.
- The Sheriff’s Office maintains two separate budgets, one for Law Enforcement and one for Corrections.
- In 2015 the Sheriff’s Office was appropriated approximately 728 authorized full-time equivalent positions (FTEs).
- The Sheriff’s Office combined total modified operating budget was $114.1 million, of which $5.5 million was budgeted for overtime expenditures in 2015.
- From 2010 to 2015, overtime hours worked has increased approximately 19 percent from nearly 94,000 hours to nearly 112,000.

KEY FACTS & OBSERVATIONS
In 2015, the Sheriff’s Office actual general fund overtime expenditures exceeded the general fund modified overtime budget by $545,690. Several factors contributed to increased overtime expenditures over the audit period. Specifically:

- Several Law Enforcement workload indicators, including uniform crime reporting data, dispatch calls, and population served, continued to increase while staffing resources declined.
- Known overtime obligations, such as those related to contract services, were not always budgeted for, and actual overtime expenditures were not always accurately recorded in the fiscal system.
- High Corrections Deputy vacancy rates throughout the audit period.
- Amendments to labor union agreements, including retroactive salary increases, Corrections turnover pay, and increased Corrections leave allowances, contributed to increased overtime.
- Several one-time events, including implementation of a new information system and a natural disaster, caused one-time increases in overtime.

KEY RECOMMENDATIONS
To enhance its oversight and management of overtime expenditures, the Sheriff’s Office should:

- Work with County Finance to ensure amounts reflected as overtime expenditures are accurate in the County financial system, and system-generated reports are available to reduce existing manual processes.
- Request budget appropriation for contract services overtime that is sufficient to meet contractual obligations, and reflect the full financial impact of negotiated salary and benefit increases, including the impact on overtime expenditures.
- Ensure Correction’s overtime data is consistently categorized and captured. This data should be used by Sheriff’s Office management to track and analyze overtime, making adjustments to scheduling and use of resources where necessary.
- Continue current efforts to ensure Corrections Deputy vacancies are filled in a timely manner, reducing the need for overtime to meet workload created by vacancies.
- Negotiate with Correction’s Labor Unions to execute amendments to the labor agreement to (1) allow management the flexibility to adjust shift durations to respond to changing needs in workload; and (2) build turnover into the regular shift schedule paid at a straight time rate, while ensuring total hours worked are within the parameters required by FLSA.
A. Introduction and Background

The Snohomish County Sheriff’s Office (Sheriff’s Office) is responsible for both law enforcement activities and operating the two County detention facilities. With a mission to provide safe communities through dedicated and professional services, the Sheriff’s Office serves a jurisdiction with a population of roughly 377,000\(^1\) as well as other regions within the County for which it provides contract law enforcement.

Prior to 2009, the Sheriff’s Office and Corrections Bureau were managed under two different elected officials, with Law Enforcement activities under the purview of the elected Sheriff and the Corrections Bureau under the purview of the County Executive. In November 2008, the County Council placed the Corrections Bureau within the Sheriff’s Office effective January 1, 2009. As of 2015, the Sheriff’s Office was appropriated approximately 728 authorized full-time equivalent positions (FTEs). As shown in Figure 1, 350 FTEs were dedicated to law enforcement activities, including patrol, special operations, and administration, herein referred to as “Law Enforcement.” In addition to serving unincorporated areas of the County, Law Enforcement also includes contract services provided to certain municipalities and legal entities within the County, including Paine Field, Community Transit, local schools (as school resource officers), and County building security services including courthouse security. In 2015, approximately 75 of 350 authorized law enforcement FTEs were dedicated solely to providing contract services. The Corrections Bureau (Corrections) was appropriated approximately 378 FTEs, which are responsible for the intake and secure detention of inmates and others detained at the County jail.

Figure 1. Snohomish County Organizational Chart (As of 2015)

---

\(^1\) Source: Washington Association of Sheriffs and Police Chiefs.
The Sheriff’s Office maintains two separate budgets for Law Enforcement and Corrections operations. In 2015, the Sheriff’s Office had a combined total modified operating budget of $114.1 million, of which $5.5 million, or 5 percent, was budgeted for overtime expenditures intended to cover costs associated with essential services, holiday and leave coverage, Corrections turnover provisions, emergency response services, and other priority staffing needs that require employees to work beyond normal shift schedules. Figure 2 illustrates the adopted and modified overtime budgets for the audit period, including the distinct appropriations for Law Enforcement and Corrections operations. During the audit period, the adopted overtime budget was increased through mid-year adjustments in all but one year (2011).

Figure 2. Sheriff’s Office Overtime Budget, 2010 – 2015

Adopted Budget

Modified Budget

As shown in Figure 3, the overtime hours worked has increased approximately 19 percent between 2010 and 2015, from nearly 94,000 hours in 2010 to nearly 112,000 in 2015.

Figure 3. Sheriff’s Office Actual Overtime Hours, 2010 – 2015 (in Thousands)

Source: Corrections Overtime Detail file and Law Enforcement Management Database
The Sheriff’s Law Enforcement and Corrections operations are not only budgeted separately, but they are also managed in distinct ways. This includes:

- The Sheriff’s Office employs different practices and systems to track, manage, and monitor the usage of overtime between Law Enforcement and Corrections.

- Separate labor union agreements between Corrections and Law Enforcement personnel include different requirements and restrictions that impact the management and control of overtime.

- Shift durations and bid processes differ between the two.

While this audit evaluated overtime usage within Law Enforcement and Corrections, including employing similar methods (B. Scope and Methodology), the differences highlighted above impact processes employed to budget, monitor, schedule, and control overtime. Therefore, the observations and recommendations contained in this report are discussed in the following two sections: Law Enforcement (C. Law Enforcement Observations and Conclusions) and Corrections (D. Corrections Observations and Conclusions).
B. Scope and Methodology

On February 10, 2016, the Snohomish County Council passed Motion No. 16-038 directing Council staff to issue a notice to proceed to the Office of the Performance Auditor to complete a performance audit of overtime in the County Sheriff’s Office (Audit Topic A.2 in the 2016 Audit Plan, Motion No. 15-493). The scope of this audit included an evaluation of the use and control of overtime in the Sheriff’s Office from 2010 through 2015, including assessing overtime trends and management’s oversight and administration of overtime, as well as identifying alternative approaches to manage overtime costs. To meet this objective, the Sjoberg Evashenk Consulting (SEC) audit team performed the following procedures:

B.1 Interviewed key Sheriff’s Office personnel to determine the approach used by the Sheriff’s Office to develop staffing plans, allocate resources, and administer overtime.

B.2 Reviewed pertinent laws, regulations, human resources rules, ordinances, and labor union agreements relating to overtime and employee rights within the County, as well as the recently completed staffing study of patrol commissioned by the Sheriff’s Office.

B.3 Analyzed changes in demographics and workload indicators for Snohomish County and the Sheriff’s Office over the audit period, including population, crime rates, calls for service, and average daily population for the County jail.

B.4 Analyzed overtime budget-to-actual expenditure trends during the audit period. For the Corrections Bureau, we also reviewed overtime usage from January through May 2016 to assess the impact of recent staffing changes and scheduling adjustments on overtime.

B.5 Performed statistical analysis, using ordinary least squares regression, on available monthly metrics to identify which factors were most likely to impact overtime usage.

B.6 Conducted benchmarking of peer law enforcement and corrections labor union agreements to identify scheduling practices and provisions related to overtime. This included the following counties: King County, Multnomah County, Pierce County, Spokane County, and Sacramento County.

B.7 Reviewed controls for overtime usage and costs and evaluated whether controls provide management with reasonable assurance that overtime is necessary, properly authorized, and documented. In addition, assessed whether management reports provided sufficient information needed to actively monitor and control overtime expenditures.

B.8 Tested 40 overtime expenditures during the audit period, including 20 Law Enforcement and 20 Corrections, to assess whether established overtime control and policies were followed and expenditures supported.

Audit fieldwork was performed between April 1 and June 30, 2016. On August 1, 2016 the Office of the Performance Auditor provided the County Sheriff with a draft of this report and, on August 3, 2016, discussed the report findings and recommendations in an exit conference with representatives of the Sheriff’s Office. Responses and input provided by the Sheriff’s Office were considered and incorporated where applicable in the final report. Sheriff’s Office
management was in agreement with the conclusions and recommendations of this report. The Sheriff’s formal response to the recommendations contained in this report is included in Appendix B.

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

As of April 2015, slightly less than half of the 728 FTEs appropriated to the Snohomish County Sheriff’s Office (Sheriff’s Office), 350 FTEs, were dedicated to Law Enforcement. Law Enforcement operations are divided into three bureaus: Administrative Services, Operations (Patrol and Contract Operations), and Staff Services (Special Operations and Investigations). Each bureau is commanded by a bureau chief that reports to the Undersheriff and Sheriff.

- **Administrative Services Bureau**: Staff are generally non-sworn employees that provide administrative functions, such as support staff, records management, training, financial management, and human resources. Staff generally work eight-hour shifts five days per week. According to 2015 management reports, roughly 11 percent of the total Law Enforcement overtime expenditures were attributed to the Administrative Services Bureau.

- **Operations Bureau**: Operations Bureau includes Patrol and Contract Operations. Staff in this bureau are generally sworn personnel. According to 2015 management reports, roughly 58 percent of the total Law Enforcement overtime expenditures were attributed to the Operations Bureau.

**Figure 4. Snohomish County Sheriff’s Office Patrol Precincts**

- **Patrol**: Patrol beats cover all unincorporated areas of Snohomish County and are divided into three precincts, as shown in Figure 4. Patrol personnel work three 12-hour shifts, including day shift, swing shift, and night shift, with a rotating schedule of four days on-duty, three days off-duty, then three days on-duty, four...
days off-duty. Law Enforcement personnel either work the first half of the week (Sunday through Tuesday) and every other Wednesday, or the second half of the week (Thursday through Saturday) and every other Wednesday.

- **Contract Operations:** The Sheriff’s Office also provides law enforcement services to several municipalities through exclusive and regional contracts, including Sultan, Gold Bar, and Index in the East Precinct; and Granite Falls and Darrington in the North Precinct. The deputies assigned to regional contract areas also spend a portion of their time patrolling and responding to calls in unincorporated areas outside contract municipal boundaries.

In addition to these five municipalities, the cities of Stanwood and Snohomish have exclusive contracts with the Sheriff’s Office, which include a full-time lieutenant that acts as chief of police within the cities, and oversee several full-time deputies fully dedicated to each city. As mentioned earlier, the Sheriff’s Office also provides contract services to other entities within the County; such as, Paine Field and Community Transit.

- **Staff Services Bureau:** This bureau includes two distinct divisions that serve both unincorporated and contract jurisdictions within the County.

  - **Investigations Division:** Provides investigative law enforcement services, including homicide, cold cases, sex crimes, and computer forensics.

  - **Special Operations Division:** Provides specialized law enforcement services, including Special Weapons and Tactics, school resource officers, marine unit, air operations, and other services.

According to 2015 management reports, roughly 30 percent of the total Law Enforcement overtime expenditures were attributed to the Staff Services Bureau.

Law Enforcement has established many best practices to oversee and manage its usage of overtime. Despite these practices, Law Enforcement actual overtime general fund expenditures generally exceeded budgeted amounts. As discussed in the following sections, the audit found that a combination of one-time events, salary increases, and increased workload contributed to the increased overtime expenditures experienced during the audit period. The audit also identified several areas related to the establishment of overtime budgets and recording of expenditures, where improvements are warranted.

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**Law Enforcement General Fund Overtime Expenditures Exceeded Appropriations**

Law Enforcement overtime expenditures are funded through both the general fund (which includes contract city reimbursements) and grant-related special revenue funds. Figure 5 depicts
the County’s Law Enforcement overtime budget appropriations, modified budget appropriations, and actual expenditures during the audit period. Between 2010 and 2015, the Law Enforcement general fund overtime budget appropriations remained relatively constant, decreasing approximately 4 percent, from $1.7 million in 2010 to $1.6 million in 2015. Despite decreases in budgetary appropriations for overtime, Law Enforcement general fund and special revenue overtime expenditures generally increased each year.

Figure 5. Law Enforcement Budget-to-Actual Expenditure\(^2\), 2010 – 2015

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Adopted Overtime Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$1,706,690</td>
<td>$1,491,440</td>
<td>$1,677,430</td>
<td>$1,478,086</td>
<td>$1,478,086</td>
<td>$1,487,159</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>$1,437,000</td>
<td>$708,748</td>
<td>$764,320</td>
<td>$1,087,947</td>
<td>$1,287,911</td>
<td>$768,404</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,143,690</td>
<td>$2,190,188</td>
<td>$2,441,750</td>
<td>$2,566,033</td>
<td>$2,765,997</td>
<td>$2,255,563</td>
</tr>
<tr>
<td><strong>Modified Overtime Budget</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$1,706,690</td>
<td>$1,440,440</td>
<td>$1,768,277</td>
<td>$1,578,086</td>
<td>$1,623,876</td>
<td>$1,633,011</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>$1,437,000</td>
<td>$389,481</td>
<td>$764,320</td>
<td>$1,087,947</td>
<td>$1,307,411</td>
<td>$768,404</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,143,690</td>
<td>$1,829,921</td>
<td>$2,532,597</td>
<td>$2,666,033</td>
<td>$2,931,287</td>
<td>$2,401,415</td>
</tr>
<tr>
<td><strong>Actual Overtime Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>$1,536,525</td>
<td>$1,368,105</td>
<td>$1,772,172</td>
<td>$2,005,755</td>
<td>$1,942,497</td>
<td>$1,975,020</td>
</tr>
<tr>
<td>Special Revenue</td>
<td>$371,388</td>
<td>$262,778</td>
<td>$227,747</td>
<td>$255,113</td>
<td>$454,719</td>
<td>$475,188</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,907,913</td>
<td>$1,630,883</td>
<td>$1,999,918</td>
<td>$2,260,868</td>
<td>$2,397,216</td>
<td>$2,450,208</td>
</tr>
</tbody>
</table>

Source: Adopted Budgets and Overtime Report Generated from the County’s Financial System

Although total overtime expenditures were generally within the total overtime budget appropriation, with the exception of 2015, reviewing overtime in total can be misleading. Specifically, because the Sheriff’s Office has had fluctuating grant awards over the years, the Sheriff’s Office has maintained special revenue budget amounts at levels sufficient to account for potential grant awards, not actual grant awards, resulting in generally inflated amounts to provide flexibility and to account for potential additional grant awards. Funds can only be expended up-to the total amount awarded. For this reason, we reviewed budget-to-actual overtime expenditures for the general fund separately from special revenue.

Law Enforcement general fund overtime expenditures were within budget for only two of the six years under review, 2010 and 2011. While expenditures exceeded budgeted amounts, according to the Sheriff’s Office, it was able to shift funding from other budget line items to cover expenses for three of the four years when actual expenditures were greater. According to the Sheriff’s Office it moved funding from the salaries budget line and from salary savings.

Further, while total overtime expenditures increased by more than 28 percent from 2010 to 2015, overtime hours increased at a slower rate of nearly 23 percent over the same period. Specifically, as shown in Figure 6, overtime hours increased from more than 34,200 hours to nearly 42,100 hours over the audit period.

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\(^2\) Actual Overtime Expenditures from the County Financial System net miscoded specialty pay expenditures.
During the audit period there were a variety of factors that contributed to overtime usage. Some factors had a one-time impact on overtime, while others will continue to impact overtime in the future. Below we provide some of the one-time reasons for increased overtime expenditures:

- **Natural disaster:** In 2014, the County experienced the Oso mudslide; resulting in an additional $144,693 in overtime expenditures. These expenditures were recorded in the special revenue overtime line item and, according to management, were reimbursed by the Federal Emergency Management Agency.

- **New World Systems (NWS) training:** Beginning in 2012, Law Enforcement began the implementation of a new computer aided dispatch system, NWS. According to management and overtime reports, system training and deployment contributed to at least $66,200 of overtime expenditures, which consists of nearly 3 percent of the nearly $2.5 million in overtime expenditures experienced in 2015. According to the Sheriff’s Office, a grant was used to cover a portion of these overtime expenditures. According to 2012 Council presentations, the Sheriff’s Office anticipated such an impact to its overtime budget.

- **Retroactive salary increases:** Retroactive salary increases outpaced budgeted amounts. In October 2013, Snohomish County agreed to two retroactive salary increases dating back to April 1, 2012 and 2013 for personnel covered by the Deputy Sheriff’s Association. These retroactive salary increases resulted in more than $124,000 in prior-year overtime expenditures in 2013, or over 5 percent of the total general fund overtime expenditures in 2013. In addition, effective April 1, 2014, a third salary increase went into effect. From October 31, 2013 to April 1, 2014, Deputy and Sergeant salaries increased by more than 8 percent. During the 2013 budget process, the Sheriff’s Office raised concern that the cost of living adjustment contingency line item was not funded in the budget, and requested that any negotiations that had a financial impact come with requisite funding and not out of existing budgets. Yet, County Ordinance Number 13-
113, which provided additional funding for the retroactive salary increases, did not reflect itemized funding for the related increased overtime and employee benefit expenditures.

In addition to these one-time costs, overtime costs for holiday overtime will also continue to increase. Although Law Enforcement has established a process to track and manage holiday overtime, as salaries and years of service increase, so will the amount of holiday overtime expenditures. During the audit period, holiday overtime expenditures increased from nearly $632,000 in 2010 to nearly $715,000 in 2015, an increase of about $83,000 or 13 percent. In 2015, holiday overtime expenditures represented approximately 29 percent of total overtime expenditures.

C.2 A Combination of Reductions in Law Enforcement Staffing Levels and Increased Workload Contributed to Increased Overtime Trends

The County experienced significant revenue challenges over the past several years, which resulted in county-wide budget reductions and mandatory salary savings. According to the Sheriff’s Office, when it reduced general fund staffing costs, these cuts were taken from non-contract and non-grant funded positions. Specifically, a reduction in contract services would also require a reduction in the associated revenue. Further, grant special projects were funded with non-general fund dollars and not impacted by general fund reductions.

Figure 7. Law Enforcement Contract FTE vs. Non-Contract FTE\(^3\), 2010 – 2015

As Figure 7 illustrates, Law Enforcement experienced an overall reduction to total staffing and staff available for County law enforcement activities. From 2010 to 2015, the total Law Enforcement FTEs declined modestly, from 358 FTE in 2010 to 350 FTEs in 2015, and the Law Enforcement general fund overtime budget appropriation also slightly declined, decreasing

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\(^3\) Total Full-Time Equivalents (FTE) reported do not include unfunded positions, numbers rounded.
approximately 4 percent—from approximately $1.7 million in 2010 to about $1.6 million in 2015.

At the same time, the number of positions dedicated to contract services increased about 27 percent, from just over 59 FTE in 2010 to 75 FTE in 2015, while non-contract FTEs declined 8 percent during the same period, from 299 FTE in 2010 to 275 FTE, as illustrated in Figure 7. Staff assigned to contract services and grant funded projects are generally limited to serving municipalities and other special jurisdictions and projects to which they are assigned.

These two factors—the overall decrease in Law Enforcement resources and a shift toward increased contract services—resulted in a decrease of 24 FTEs that could be fully dedicated to law enforcement activities in unincorporated areas of Snohomish County.

According to the Sheriff’s Office, the costs of providing contract services, including any related overtime expenditures, are reimbursed and do not negatively impact the County general fund. While providing these services reduces the overall financial impact on the County general fund, it also affects the number of staff available to meet the workload demands of Snohomish County’s unincorporated areas, and the percent of overtime budget available for non-contract services. In 2015, contract overtime expenditures represented over 21 percent of general fund overtime expenditures, as shown in Figure 8.

**Figure 8. Law Enforcement General Fund Overtime Expenditures vs. Contract Overtime Expenditures (in Millions), 2010 – 2015**

![Figure 8](source: County Finance Report, Contract documents, and Grant expenditures reported by Sheriff’s Office Records)

Despite this, the County has experienced an increase in key law enforcement workload indicators—including population growth, calls for service, and crime rates—suggesting a need for increased Law Enforcement resources. The population within the Sheriff’s Office jurisdiction grew each year between 2010 and 2015. As shown in Figure 9, the population served by the Sheriff’s Office grew by nearly 11 percent over the six-year period; faster than the jurisdiction
The County population increased by nearly 45,500, or almost 7 percent, from 2010 to 2015—a faster rate than the nearly 5 percent state-wide population growth rate during the same period.

**Figure 9. Population Changes, 2010 – 2015**

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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Snohomish County Sheriff's Office Jurisdiction</td>
<td>304,660</td>
<td>308,020</td>
<td>312,030</td>
<td>316,110</td>
<td>327,340</td>
<td>337,275</td>
<td>32,615</td>
<td>10.7%</td>
</tr>
<tr>
<td>King County Sheriff's Office Jurisdiction</td>
<td>343,885</td>
<td>285,760</td>
<td>256,220</td>
<td>253,585</td>
<td>252,545</td>
<td>253,775</td>
<td>(90,110)</td>
<td>-26.2%</td>
</tr>
<tr>
<td>Pierce County Sheriff's Office Jurisdiction</td>
<td>380,490</td>
<td>372,545</td>
<td>376,390</td>
<td>378,930</td>
<td>382,405</td>
<td>386,485</td>
<td>5,995</td>
<td>1.6%</td>
</tr>
<tr>
<td>Snohomish County</td>
<td>694,960</td>
<td>700,430</td>
<td>706,198</td>
<td>713,486</td>
<td>723,986</td>
<td>740,424</td>
<td>45,464</td>
<td>6.5%</td>
</tr>
<tr>
<td>King County</td>
<td>1,955,910</td>
<td>1,966,075</td>
<td>1,986,814</td>
<td>2,007,082</td>
<td>2,042,795</td>
<td>2,078,701</td>
<td>122,791</td>
<td>6.3%</td>
</tr>
<tr>
<td>Pierce County</td>
<td>808,230</td>
<td>795,245</td>
<td>801,287</td>
<td>806,513</td>
<td>812,855</td>
<td>821,688</td>
<td>13,458</td>
<td>1.7%</td>
</tr>
<tr>
<td>Washington State-Wide</td>
<td>6,732,630</td>
<td>6,767,490</td>
<td>6,824,584</td>
<td>6,883,768</td>
<td>6,969,573</td>
<td>7,063,070</td>
<td>330,440</td>
<td>4.9%</td>
</tr>
</tbody>
</table>

Source: Washington Association of Sheriffs and Police Chiefs (WASPC)

In addition, dispatch calls increased over the audit period. There are two types of dispatch calls, 911 emergency calls and patrol self-initiated calls. The first, 911 calls, are citizen calls for service and are reactive in nature, requiring patrol to respond to an incident; whereas the second, self-initiated, are proactive calls based on patrol crime analysis and problem identification.

**Figure 10. Dispatch Call Volumes, 2010 – 2015**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Contract Law Enforcement</td>
<td>911</td>
<td>114,654</td>
<td>109,879</td>
<td>114,406</td>
<td>117,394</td>
<td>121,875</td>
<td>125,502</td>
<td>10,848</td>
</tr>
<tr>
<td>Self-Initiated</td>
<td>100,973</td>
<td>104,229</td>
<td>109,041</td>
<td>100,293</td>
<td>90,030</td>
<td>84,103</td>
<td>(16,870)</td>
<td>-16.7%</td>
</tr>
<tr>
<td>Contract Law Enforcement</td>
<td>911</td>
<td>10,388</td>
<td>17,022</td>
<td>18,733</td>
<td>19,406</td>
<td>23,388</td>
<td>23,780</td>
<td>13,392</td>
</tr>
<tr>
<td>Self-Initiated</td>
<td>15,857</td>
<td>19,405</td>
<td>18,774</td>
<td>16,768</td>
<td>21,958</td>
<td>18,168</td>
<td>2,311</td>
<td>14.6%</td>
</tr>
<tr>
<td>Total Law Enforcement</td>
<td>911</td>
<td>125,042</td>
<td>126,901</td>
<td>133,139</td>
<td>136,800</td>
<td>145,263</td>
<td>149,282</td>
<td>24,240</td>
</tr>
<tr>
<td>Self-Initiated</td>
<td>116,830</td>
<td>123,634</td>
<td>127,815</td>
<td>117,061</td>
<td>111,988</td>
<td>102,271</td>
<td>(14,559)</td>
<td>-12.5%</td>
</tr>
<tr>
<td>Total</td>
<td>241,872</td>
<td>250,535</td>
<td>260,954</td>
<td>253,861</td>
<td>257,251</td>
<td>251,553</td>
<td>9,681</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Source: Dispatch Call Reports provided by the Sheriff’s Office
As illustrated in Figure 10, the total number calls increased by 4 percent from 2010 to 2015, from nearly 242,000 in 2010 to nearly 252,000 in 2015. Most of this increase can be attributed to increased 911 and self-initiated calls for contract law enforcement services. At the same time, although the number of 911 calls increased for non-contract law enforcement by nearly 11,000, or nearly 10 percent, from 2010 to 2015, the number of self-initiated calls significantly declined by nearly 17,000, or almost 17 percent, over the same period.

### Figure 11. Snohomish County Uniform Crime Reporting, 2010 – 2015

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Criminal Homicide</td>
<td>4</td>
<td>3</td>
<td>8</td>
<td>4</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>25.0%</td>
</tr>
<tr>
<td>Forcible Rape</td>
<td>77</td>
<td>60</td>
<td>45</td>
<td>44</td>
<td>62</td>
<td>79</td>
<td>2</td>
<td>2.6%</td>
</tr>
<tr>
<td>Robbery</td>
<td>98</td>
<td>89</td>
<td>75</td>
<td>73</td>
<td>91</td>
<td>109</td>
<td>11</td>
<td>11.2%</td>
</tr>
<tr>
<td>Burglary</td>
<td>1,772</td>
<td>2,063</td>
<td>2,174</td>
<td>1,881</td>
<td>2,175</td>
<td>1,920</td>
<td>148</td>
<td>8.4%</td>
</tr>
<tr>
<td>Larceny / Theft</td>
<td>2,979</td>
<td>3,119</td>
<td>2,820</td>
<td>2,656</td>
<td>3,551</td>
<td>3,579</td>
<td>600</td>
<td>20.1%</td>
</tr>
<tr>
<td>Motor Vehicle Theft</td>
<td>694</td>
<td>637</td>
<td>797</td>
<td>836</td>
<td>1,171</td>
<td>939</td>
<td>245</td>
<td>35.3%</td>
</tr>
</tbody>
</table>

Source: Snohomish County Uniform Crime Reporting Provided by the Sheriff’s Office (2009-2012 and 2015) and WASPC (2013 and 2014)

As illustrated in Figure 11 above, crime rates in Snohomish County for each of the federal Uniform Crime Report (UCR) Part I index crimes increased from 2010 to 2015. Notably there were significant increases in larceny/theft and motor vehicle theft, which increased by over 20 percent and more than 35 percent respectively.

According to the Sheriff’s Office, in an effort to ensure workload demands were met, deputies were required to respond to more calls and spend less time on-site at the incident scene. Although Law Enforcement has implemented practices to control overtime, when combined with reductions in non-contract staffing and increased workload, with this increase in demand Law Enforcement is faced with the possibility of reducing the level of service provided to the public, hiring additional staff, or increasing the use of overtime. The latter two will increase County general fund costs.

This is consistent with a January 2016 staffing study of Patrol operations, which identified similar patterns in workload and made several recommendations to adjust shift schedules, beat configurations, and staffing resources. For instance, the study recommended that the East Precinct adjust the current 12-hour swing shift from starting at 12:00 PM to starting at 9:00 AM to better align resources with workload; reallocating staffing resources between precincts; and modifying the mix between reactive and proactive law enforcement activities. Towards this end, the study recommended that the Sheriff’s Office increase its Patrol staffing levels by 44 sworn FTEs. While the Sheriff’s Office indicated that it was in the process of implementing the shift and beat adjustments recommended, increasing Patrol staffing levels would require additional authorized positions and requisite funding.
Ultimately, increases in overtime usage are the result of increasing demands on Law Enforcement and declining resources. At the same time, this audit identified areas where continued improvements in the management and control of overtime usage can be achieved.

### C.3 The Sheriff’s Office Has Implemented Many Effective Practices to Oversee Law Enforcement Overtime Usage; However, Continued Improvements Are Warranted

The Sheriff’s Office has implemented many effective practices to oversee, monitor, and control its usage of overtime in Law Enforcement. The audit found that Law Enforcement had established formal, documented policies and procedures related to overtime, management overtime reporting and trend analysis, and reasonable controls to review and approve overtime expenditures. At the same time, the audit also identified several areas where improvements should be made to ensure overtime expenditures are accurately reported to County officials; budgeted amounts appropriately reflect contractual requirements; and information systems are fully utilized. In the following sections we provide a discussion of the current controls and practices in place as well as areas where improvements are warranted.

Generally, overtime is generated when a need is identified by management or when a shift is extended due to additional time needed to complete a call to which a deputy responded. Some of the practices employed include:

- **Supervisory review and approval of overtime requests:** When overtime is worked, staff must complete an “Additional Compensation Request” form that must be reviewed and approved by the respective supervisor. According to the Sheriff’s Office, prior to approving the “Additional Compensation Request” necessary to pay the overtime, the supervisor verifies the reason for overtime. Testing of 20 Law Enforcement overtime expenditures, found that all twenty were appropriately approved, included the reason for the overtime expenditure, and amounts reported as paid in the financial system were supported.

- **Triage process to identify the response level needed and available resources:** According to the Sheriff’s Office, it has implemented a triage process to identify response levels needed and other on-duty resources available prior to using overtime; and, whenever feasible, training is assigned during normal shifts to reduce overtime hours.

- **Compensatory time off in lieu of overtime pay:** Law Enforcement implemented a practice to allow staff to earn compensatory time off in lieu of paying overtime at the time overtime is incurred. Compensatory time off can be scheduled at a later date where the leave will not negatively impact staffing resources and does not immediately impact budgetary costs for overtime. According to the Sheriff’s Office, it has established a policy that limits employees from accruing more than 60 compensatory hours at any given time, reducing the risk of large compensatory balances accrued. When an employee
separates from the Sheriff’s Office, it must pay accrued compensatory time. From 2010 through 2015, the Sheriff’s Office paid nearly $7,400 for compensatory time accrued.

- **Monthly overtime management reports and trend analyses**: Throughout the audit period, Law Enforcement employed management overtime reports to track budget-to-actual overtime expenditures, identify trends, and identify causes for overtime. This includes establishing overtime budgets at the bureau, division, and functional level—enabling Law Enforcement to track more precise drivers for overtime and better ensure accountability.

  During monthly command staff meetings, management uses these reports as a tool to discuss budget-to-actual overtime expenditures, drivers of overtime, and ways to better utilize resources. According to the Sheriff’s Office, it also recently implemented a practice that requires the unit supervisor to give a presentation during the command staff meeting if actual overtime expenditures are nearing the budgeted amount to explain the factors that led to the increased overtime.

While the audit identified many good practices and controls, it also identified several areas where improvements could be made to further enhance its oversight and management of overtime and ensure accurate, reliable data is reported to both Sheriff’s Office management and County officials, including the Executive Office and County Council. As discussed below, the audit revealed several areas where enhancements could occur, including system generated overtime reports, improved budgeting practices for contract services overtime, and better utilization of scheduling software. Specifically, the audit noted the following areas where improvements should be made:

- **Non-overtime expenditures miscoded to the overtime account**: Overtime expenditures reported in the County financial system included unrelated expenditures, such as longevity pay, shift differential pay, and specialty pay. According to the Sheriff’s Office, the County financial system is a separate system than its payroll system; some specialty pay expenses are coded to the wrong accounts in the County financial system when information from the payroll system is migrated to the County financial system.

  Figure 12 shows the variance between system generated overtime expenditure reports and actual overtime expenditures once other expenditures are filtered. For instance, in 2015, County budget-to-actual reports state that the Sheriff’s Office exceeded its general fund overtime budget by $405,994; however, this analysis revealed that $64,000 of this amount was the result of inconsistencies between actual general fund overtime expenditures and County budget-to-actual reports, suggesting that budget-to-actual reports overstated overtime expenditures.
As a result, amounts reported from the County financial system to both Sheriff’s Office and County officials are overstated. According to the Sheriff’s Office, it is aware of this issue and has recently begun working with County Finance to establish a process to re-code non-overtime expenditures to the appropriate account.

In addition to the miscoding identified above, the audit also noted another instance that impacted the accuracy of overtime expenditures reports. Specially, the special revenue overtime expenditures reported in the 2014 Sheriff’s Office budget-to-actual report did not include a journal entry for overtime expenditures related to the Oso mudslide; as a result, overtime expenditures were under-reported by approximately $81,000 in the Sheriff’s Office 2014 budget-to-actual report. According to the Sheriff’s Office, the expenditures were accurately reflected in the overall County budget-to-actual report.

- Overtime expenditures recorded in the County financial system are not linked to the functional area or cost component: Since the County financial reports are not accurate and do not provide cost accounting information, the Sheriff’s Office established a separate Access database. Information from employee timesheets and payroll records are manually uploaded into this database, and used to generate monthly overtime reports needed by management to track and oversee overtime. While this database provides the necessary information required by management, it is time intensive to update and maintain the database.

A best practice, where feasible, is to implement a cost accounting system that provides a connection between specific costs and services provided. While the County uses cost accounting for positions fully dedicated to contract services, adjustments are not made to account for non-contract staff working overtime related to various contracts. To identify all contract-related costs and to reconcile its contracts each year, the Sheriff’s Office must use a combination of its Law Enforcement Access database and financial reports. If the Sheriff’s Office used cost accounting for all overtime hours worked, it would be able to

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4 Actual Overtime Expenditures from the County Financial System net miscoded specialty pay expenditures.
produce system-generated reports that could reduce the need for manual processes and reduce the manual budget-to-actual expenditure tracking. Because of this, the Sheriff’s Office should consider working with County Finance to determine the feasibility of implementing a costs accounting system.

- **Budgeting for contract services should be improved:** The modified budget appropriation for contract services overtime was consistently less than the amount required to meet contractual obligations. As shown in Figure 13, in 2015, the modified budget appropriation for contract services was nearly $287,000 less than the amount needed. According to the Sheriff’s Office, this budget line item was understated from 2013 forward.

  **Figure 13. Modified Budget Appropriation for Contract Services Overtime vs. Overtime Per Contracts, 2010 – 2015**

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Modified Contract Overtime Budget</td>
<td>$217,790</td>
<td>$100,540</td>
<td>$213,177</td>
<td>$87,343</td>
<td>$110,693</td>
<td>$131,709</td>
<td>-39.5%</td>
</tr>
<tr>
<td>Overtime per Contracts</td>
<td>$230,044</td>
<td>$227,412</td>
<td>$292,843</td>
<td>$290,517</td>
<td>$382,919</td>
<td>$418,476</td>
<td>81.9%</td>
</tr>
<tr>
<td>Variance</td>
<td>($12,254)</td>
<td>($126,872)</td>
<td>($79,666)</td>
<td>($203,174)</td>
<td>($272,226)</td>
<td>($286,767)</td>
<td></td>
</tr>
</tbody>
</table>

*Source: County Modified Adopted Budget and Law Enforcement Contracts Provided by the Sheriff’s Office*

In 2012 the Sheriff’s Office entered into a contract with the City of Snohomish to provide contract law enforcement services. The contract included $115,455 for overtime in 2012 increasing to $129,651 for overtime in 2015. According to the Sheriff’s Office this additional overtime was included in the correct budget line item for the 2012 budget; however, in subsequent years it was coded to the “extended shift” budget line item. This resulted in an understated overtime budget line item and overstated extended shift budget line item. According to the Sheriff’s Office, it is working with the County to correct the error for the 2017 budget. The Sheriff’s Office should assess its historical overtime usage for contractual services and ensure the budget appropriation is sufficient to meet its contractual obligations.

- **Actively utilizing scheduling software could further enhance overtime management:** The Sheriff’s Office uses scheduling software, Telestaff, to schedule regular shift assignments for Law Enforcement, but schedules in Telestaff may not always be updated to reflect schedule changes. According to the Sheriff’s Office, when initially implemented, all deputies and supervisors were required to use the system for scheduling overtime. However, after the new computer aided dispatch system, NWS, was procured, the Sheriff’s Office did not require staff to consistently use Telestaff during the NWS implementation. According to Sheriff’s Office staff, Law Enforcement staff and management did not always update Telestaff to reflect changes in shifts. As a result, we
are told, supervisors communicate directly with other supervisors to fill shifts, rather than relying on the scheduling system, which resulted in manual processes to identify available staffing resources. While the audit did not identify any abuse of overtime usage, this system is a tool that could help the Sheriff’s Office better manage and oversee its staffing resources.

C.4. Conclusions and Recommendations

To enhance its oversight and management of overtime, the Sheriff’s Office should:

C.4.a. Work with County Finance to:

(1) Either establish a process to reclassify and move miscoded expenditures from the overtime account to the appropriate account or fix the errors that occur during the data migration from the payroll system to the County financial system.

(2) Implement cost accounting by functional area for overtime expenditures to allow the Sheriff’s Office to generate system reports that can be used by Sheriff’s Office management, both Law Enforcement and Corrections, to track and manage overtime expenditures with little-to-no manual processes.

C.4.b. Require staff to consistently use Telestaff, including updating staff schedules and availability.

C.4.c. Request budget appropriation for contract services overtime that are sufficient to meet contractual obligations.

C.4.d. Work with the County to ensure budget appropriations reflect the full financial impact of negotiated salary and benefit increases, including the impact on overtime expenditures.
D. Corrections Bureau Audit Observations and Conclusions

In April 2015, the Corrections Bureau (Corrections) had 378 authorized FTEs, slightly more than half of the 728 total FTEs in the Sheriff’s Office. The main function of Corrections is the intake and detention of both pre-trial detainees and inmates sentenced on criminal matters in the County Jail. Corrections Deputies also supervise inmates in the work and education release program. These inmates are housed in the community corrections facility and are allowed to leave the facility to attend school or work.

The County jail is comprised of two correctional facilities. Inmates in the jail are housed in discrete modules staffed with mandatory corrections deputy-to-inmate ratios that vary depending on the facility and module. These posts are referred to as “Mandatory Posts.” At the older facility, the maximum ratio is one deputy to 79 inmates per module and at the new facility the maximum ratio is one deputy to 64 inmates per module. More restrictive corrections deputy-to-inmate ratios are required for special housing such as discipline, medical watch, and psychiatric. Corrections deputies have other duties, such as booking, classroom, laundry, kitchen, visitation, and break relief, these posts are referred to as “Extra Posts” and are staffed to meet demand. Deputies working these posts are referred to as “Response Escort Officers.”

During the audit period, there were several major events, including merging into the Sheriff’s Office in 2010, multiple labor union settlement agreements and amendments, and an overhaul of Corrections Health Care practices, as shown in Figure 14 that impacted Corrections operations.

**Figure 14. Major Events Impacting Corrections**

Below we provide a brief discussion of these major events:

- **Labor settlement agreements and agreement amendments:** In December 2009, the County authorized 12 additional FTEs for Corrections to ensure adequate staffing to provide staff breaks. In addition, from 2010 to 2012 there were three labor settlements resulting in turnover pay paid at an overtime rate. Further, in January 2014 retroactive pay increases went in to effect, resulting in an emergency appropriation for the 2013 budget to cover prior year expenditures impacted by the increased salaries.
• **National Institute of Corrections (NIC) review:** In 2013 the Sheriff’s Office requested NIC review its operations in response to an unusually high number of inmate deaths. The NIC review identified inadequate medical staffing, jail overcrowding, and the lack of an evidence-based healthcare policy and procedure manuals. Based on this review, the Sheriff’s Office decided to reduce its inmate average daily population (ADP) while Corrections worked to resolve issues identified by the review.

In 2014, the Sheriff’s Office implementing booking restrictions, such as medical and mental health restrictions, to reduce the number of at risk inmates, as well as the reduction of contracted beds. As illustrated in Figure 15 below, from 2010 to 2015, ADP declined—with the most significant decline occurring from 2014 to 2015.

![Figure 15. County Jail Average Daily Population, 2010 – 2015](image)

<table>
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<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Snohomish County Jail</td>
<td>1,162</td>
<td>1,198</td>
<td>1,179</td>
<td>1,169</td>
<td>1,028</td>
<td>940</td>
<td>(222)</td>
</tr>
</tbody>
</table>

*Source: Data Provided by the Sheriff’s Office*

While ADP declined from 2010 to 2015, we did not identify a strong relationship between ADP and hours of overtime worked. As mentioned earlier, regardless of whether there are 2 or 64 inmates in a module, Corrections is required to meet mandatory corrections deputy-to-inmate ratios. According to the Sheriff’s Office, there would need to be significant reductions in ADP to close additional modules in order for there to be a noticeable impact on staffing and overtime resources dedicated to the jails.

Over the audit period, Corrections overtime expenditures consistently exceeded budgeted amounts. The audit found that a combination of retroactive salary increases; high corrections deputy vacancy rates; and limited management oversight contributed to these overages. Further, the audit identified labor provisions that limited management’s ability to control some costs. In the following sections we provide a discussion of the factors impacting overtime overages as well as improvements recently implemented by the Sheriff’s Office that appear to be resulting in a reduction of the usage of overtime in 2016.

**D.1 Overtime Expenditures Regularly Exceeded the Overtime Budget**

During the audit period, with the exception of 2011, actual Corrections overtime expenditures consistently exceeded appropriations, as illustrated in Figure 16. Overtime expenditures

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5 Analysis based on an ordinary least squares linear regression and Pearson’s coefficient analysis.
increased from more than $2.6 million in 2010 to nearly $3.3 million in 2015, an increase of 24 percent.

Figure 16. Corrections Budget-to-Actual, 2010 – 2015

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adopted Overtime Budget</td>
<td>$2,321,006</td>
<td>$2,330,409</td>
<td>$1,680,409</td>
<td>$1,694,163</td>
<td>$1,694,163</td>
<td>$1,840,651</td>
</tr>
<tr>
<td>Modified Overtime Budget</td>
<td>$2,565,740</td>
<td>$2,330,409</td>
<td>$1,905,169</td>
<td>$2,479,585</td>
<td>$1,694,163</td>
<td>$3,058,651</td>
</tr>
<tr>
<td>Overtime Expenditures</td>
<td>$2,634,064</td>
<td>$2,127,206</td>
<td>$2,523,247</td>
<td>$3,194,323</td>
<td>$2,840,753</td>
<td>$3,262,332</td>
</tr>
<tr>
<td>Over/(Under)</td>
<td>$68,324</td>
<td>($203,203)</td>
<td>$618,078</td>
<td>$714,738</td>
<td>$1,146,590</td>
<td>$203,681</td>
</tr>
</tbody>
</table>

Source: Budget Versus Actual Reports provided by Sheriff’s Office

At the same time, total overtime hours increased, as shown in Figure 17. While overtime costs increased by nearly 24 percent, Corrections overtime hours only increased by nearly 17 percent from about 59,700 overtime hours in 2010 to more than 69,700 hours in 2015.

Figure 17. Corrections Overtime Hours per Year, 2010 – 2015

![Overtime Hours Chart]

Source: Overtime Detail Reports Provided by Sheriff’s Office

This audit revealed several factors that contributed to this steady increase in overtime usage. Some factors were outside the direct control of the Sheriff’s Office. These include:

- **Retroactive salary increases**: In December 2013, Snohomish County agreed to two retroactive pay increases dating back to January 1, 2012 and January 1, 2013 for the Corrections Deputies Guild. In addition, effective January 1, 2014, a third salary increase went into effect. From December 20, 2013 to January 1, 2014, Corrections Deputy salaries increased by more than seven percent. County Ordinance Number 13-113, which
provided additional funding for the retro-active salary increases, and also provided an additional $785,422 for Corrections overtime.

- **High Corrections Deputy vacancy rates:** From 2010 through 2015, Corrections experienced varied vacancy rates, generally averaging nine Corrections Deputy vacancies per month, as shown in Figure 18. In 2012 in response to a county-wide attrition management reduction, Corrections held 13 Correction Deputy positions vacant in January 2012, with a target of keeping an average of six Correction Deputy positions vacant throughout the year. While this was intended to produce a salary savings of $540,000, carrying an average of 10 Correction Deputy vacancies in 2012 resulted in an operational shortage of staff. The costs of overtime for these shortages was estimated by the Sheriff’s Office to be approximately $740,000.

  **Figure 18. Corrections Deputy Vacancies by Month, January 2010 – June 2016**

![Figure 18. Corrections Deputy Vacancies by Month, January 2010 – June 2016](image)

Source: Corrections Bureau Vacancy Reports provided by Sheriff’s Office

Our analysis, using least squares regression and Pearson’s coefficient, confirmed that there is a statistically significant relationship between Corrections Deputy vacancies and usage of overtime. According to the model, each additional Corrections Deputy vacancy per month is predicted to increase overtime usage by about 123 hours in that month.6

- **Overtime information was not consistently captured and could not be used by management to make staffing decisions:** Prior to 2014, the overtime reasons were not recorded consistently or by functional area. For example, if two corrections deputies were

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6 Each predicted change in overtime assumes holding all other variables constant.
absent from their scheduled post, the supervisor may have attributed the reason for overtime as “vacation” while another may have attributed the overtime to “sick leave,” rather than identifying the functional area where the post was filled. Additionally, according to the Sheriff’s Office, some overtime categories such as “double” or “triple” did not provide useful data that could be used by management to assess trends and reasons for overtime. A similar issue was identified during a prior Correction’s Overtime Audit report issued in 2000, at which time Correction’s management recognized that it did not have the resources to adequately track overtime trends.

The lack of a standard practice for classifying reasons for overtime limited management’s ability to use the data to make staffing and resource decisions and analyze trends. To address this issue, in 2014, the Sheriff’s Office began working to improve how overtime data is classified and implemented practices to identify trends and drivers of overtime.

- **New World Systems (NWS) training:** Similar to Law Enforcement, in 2015 Corrections also incurred overtime expenditures related to the implementation of NWS. According to management overtime reports, NWS training and deployment contributed to at least $278,000 of overtime expenditures in 2015; almost 9 percent of the total Corrections overtime expenditures for the year.

In addition, several other factors not easily controlled by management will continue to impact overtime. Specifically, a number of employment provisions negotiated by the County limited Sheriff’s Office management’s ability to minimize overtime. Specifically, the following two provisions related to turnover pay and an additional vacation leave per shift impact hours of overtime consumed as well as the costs of overtime pay:

- **Turnover pay:** In the past, the Sheriff’s Office did not pay Corrections staff for time related to shift turnover. In 2010 the Sheriff’s Office reached a settlement agreement which required payment for the 10-minutes of turnover time for all Corrections Deputy shifts; in 2011 and 2012 turnover pay settlements were reached for correction lieutenants, sergeants, and support staff. Per the Corrections Deputy labor union agreement, the 10-minute turnover pay must be at one and half times the employees hourly rate. Just in the two years 2014 and 2015, Corrections has paid $762,885 in turnover pay. The amount grew from nearly $353,000 in 2014 to more than $410,000 in 2015, an increase of over 16 percent. In 2015, overtime hours related to turnover represented over 12 percent of the total overtime hours. According to the Sheriff’s Office, while additional turnover pay overtime expenditures were initially funded in the 2011 budget, these expenditures were not budgeted for in subsequent years. In 2016, turnover pay expenditures were funded in the budget. As a result, overtime budget available for all other overtime unrelated to turnover pay was reduced, leaving less overtime hours available to meet staffing needs created by corrections deputy vacancies.

While Corrections staff must be compensated for the time worked during the turnover between shifts, the pay does not have to be at the overtime rate. The Sheriff’s Office
Corrections Deputies, Sergeants and Lieutenants are considered Exempt, under the Federal Labor Standards Act (FLSA) Section 7(k). Per the FLSA Section 7(k) exemption law enforcement employees are not required to be compensated with overtime pay for hours under 171 in a 28-day work period. Paying overtime for hours less than 171 in the 28-day work period is up to the discretion of the agency and/or agreements with labor unions. Hours worked over 171 in the 28-day period shall be paid at the overtime rate of one and a half the hourly rate. Other counties, such as King County and Multnomah County, have built turnover time into the regular shifts. Specifically, in King County the ten-minute turnover time is part of the normal shift which creates a standard 40-hour and 50-minute work week. The 50 minutes over 40 hours is paid at straight wage rate per overtime exemption FLSA Section 7(k). Similarly, the Multnomah Corrections Deputies labor agreement includes a 15-minute briefing period as part of the regular workweek which is paid at a straight time rate.

Based on this audit, Sjoberg Evashenk recommends that the County negotiate with labor representatives to implement turnover pay paid at a straight-time rate, consistent with other jurisdictions and FLSA. This could result in cost savings of over $100,000 each year. The County would still incur some expenditures for turnover, but these would be charged against the salaries budget line item instead of the overtime budget line item.

- **Additional vacation leave per shift**: As part of the 2010-2014 Corrections Deputy labor agreement, ratified in 2013, the County agreed to an additional Corrections Deputy, per shift, to be authorized to take vacation leave. According to the Sheriff’s Office internal estimates, this additional vacation could result in over $350,000 additional overtime expenditures each year. Our analysis predicts that for each additional 100 hours of leave taken per month by staff, overtime is likely to increase by about 22 hours. If each additional authorized vacation shift was utilized, the model predicts that there would be, on average, an additional 160 hours\(^7\) of overtime compared to a month were the additional vacation was not utilized at all. This additional time off would either need to be filled with overtime or additional staff.

Furthermore, the audit noted that management is limited to the types of adjustments it can make when scheduling employees. Specifically, all corrections staff (Deputies, Sergeants, Lieutenants, and support staff) work eight hour shifts as defined in their respective labor agreement. Having defined shift schedules in the labor union agreements, limits management’s ability to adjust shift lengths to meet workload demand and resolve potential staffing issues. Without this flexibility, management may need to use overtime to meet workload demands, when shift adjustments could reduce the need for overtime.

\(^7\) The predicted range at the 95 percent confidence interval would be between 62 and 259 hours per month. The regression model used in our analysis is not necessarily robust enough to determine appropriate staffing levels; rather, it is illustrative of the relationship between leave and overtime use.
We found that labor agreements for corrections deputies in other counties, such as King County, Spokane County, Multnomah County, and Sacramento County, provide management with the flexibility to make adjustments where needed. For instance, all four counties labor agreements for corrections deputies describe the normal workweek as five eight-hour days or four ten-hour days. The Spokane County agreement also includes twelve-hour shifts in the description of regular hours of work. By including additional shift durations, these agreements allow management to make shift duration adjustments where needed.

Adjustments to each of these factors would require the County to negotiate changes to the Corrections labor union agreements.

D.2 Recent Reductions in Vacancies and Changes to Overtime Management Appear to Have Reduced Corrections Overtime Usage

In the last two years of the audit period, Corrections management began reviewing its operations to identify areas where it could better manage resources and reduce the usage of overtime. The following adjustments were made either at the end of the audit period or after the audit period:

- **Consolidating extra posts:** At the end of 2015, Corrections management reviewed its historical methodology for assigning posts and shift bid availability. Based on this assessment, in 2016, after commencement of this audit, several extra posts were consolidated to ensure all Response Escort Officers assigned to extra posts were being fully maximized during their shift.

- **Reduced shift bid availability:** In 2016, management limited shift bid availability to reduce the risk of unfilled night and swing shifts. According to the Sheriff’s Office, management recognized that the number of relief factor shifts available during day shift, impacted staff shift bids. As a result, all available day shifts were filled first, leaving unfilled shifts in the night and swing shifts. In 2015, overtime related to swing and night shift mandatory posts represented nearly 37 percent of the total overtime hours.

- **Using available staffing resources:** In 2015, Corrections implemented practices to use staff on regular shifts to fill needs, rather than overtime, whenever feasible. For instance, if a staffing need is identified in one of the mandatory positions in the jail modules and the work release program has additional corrections deputies available, staff are temporarily reassigned for their shift to fill the immediate need, rather than calling-in or providing a shift extension for an additional corrections deputy.

- **Reduction of Corrections Deputy vacancies:** The Sheriff’s Office has worked to reduce the number of Corrections Deputy vacancies. During the first half of 2016, Corrections reduced the average number of Corrections Deputy vacancies to four, as shown in Figure 18. According to the Sheriff’s Office, there has been a concerted effort to ensure vacant Corrections Deputy positions are advertised and filled as soon as possible.
Actively monitoring overtime usage and holding management accountable: As mentioned earlier, since 2014 the Sheriff’s Office has been working to improve the consistency of overtime data and has been changing the classifications for overtime to align with functional areas. With these changes, the Sheriff’s Office has also began holding management more accountable for overtime usage and has been closely monitoring budget-to-actual overtime hours each month to identify drivers for overtime.

A review of overtime hours from January through June 2016 found that these changes appear to be having a positive impact on reducing overtime usage and costs. As shown in Figure 19, if the Corrections overtime trends for the first half of 2016 continue to progress at the same rate for the rest of the year, actual overtime hours are estimated to total approximately 52,015 hours in 2016, which is within the 56,400 budgeted hours for year.

Figure 19. 2016 Overtime Hours vs. 5-Year Overtime Trend

D.3 Conclusions and Recommendations

To improve its oversight and management of overtime usage, the Sheriff’s Office should:

D.3.a. Continue efforts to ensure overtime data is consistently categorized and captured. This data should be used by Sheriff’s Office management to track and analyze overtime, making adjustments to scheduling and use of resources where necessary.
D.3.b. Continue current efforts to ensure Corrections Deputy vacancies are filled in a timely manner, reducing the need for overtime to meet workload created by vacancies.

D.3.c. Negotiate with Correction’s Labor Unions to execute amendments to the labor agreement to (1) allow management the flexibility to adjust shift durations to respond to changing needs in workload; and (2) build turnover into the regular shift schedule paid at a straight time rate, while ensuring total hours worked each month are less than 171 hours in a 28-day work period as required by FLSA.
## Appendix A – Summary of Recommendations and Corrective Action Plan

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Page</th>
<th>Responsible Entity</th>
<th>Priority</th>
<th>Entity’s Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.4.a Work with County Finance to: (1) Either establish a process to reclassify and move miscoded expenditures from the overtime account to the appropriate account or fix the errors that occur during the data migration from the payroll system to the County financial system. (2) Implement cost accounting by functional area for overtime expenditures to allow the Sheriff’s Office to generate system reports that can be used by Sheriff’s Office management, both Law Enforcement and Corrections, to track and manage overtime expenditures with little-to-no manual processes.</td>
<td>19</td>
<td>Sheriff’s Office and County Finance</td>
<td>B</td>
<td>We are in agreement with this recommendation. 1) The Sheriff’s Office and County Finance have developed reports and procedures to properly classify payroll transactions in the general ledger. Transactions will be correct 2016 going forward. 2) We will explore cost accounting features within our financial system to reduce manual process for reporting overtime expenditures.</td>
</tr>
<tr>
<td>C.4.b Require staff to consistently use Telestaff, including updating staff schedules and availability.</td>
<td>19</td>
<td>Sheriff’s Office</td>
<td>C</td>
<td>We agree that a shared staff schedule will improve staffing efficiency and are working on a scheduling solution to deploy in 2017.</td>
</tr>
<tr>
<td>C.4.c Request budget appropriation for contract services overtime that are sufficient to meet contractual obligations.</td>
<td>19</td>
<td>Sheriff’s Office</td>
<td>B</td>
<td>We are in agreement with this recommendation. Overtime budgets will be modified during cost accounting implementation.</td>
</tr>
<tr>
<td>C.4.d Work with the County to ensure budget appropriations reflect the full financial impact of negotiated salary and benefit increases, including the impact on overtime expenditures.</td>
<td>19</td>
<td>Sheriff’s Office County Executive Office</td>
<td>C</td>
<td>We are in agreement with this recommendation.</td>
</tr>
<tr>
<td>Recommendation</td>
<td>Page</td>
<td>Responsible Entity</td>
<td>Priority</td>
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<tr>
<td>D.3.a</td>
<td>Continue efforts to ensure overtime data is consistently categorized and captured. This data should be used by Sheriff’s Office management to track and analyze overtime, making adjustments to scheduling and use of resources where necessary.</td>
<td>28</td>
<td>Sheriff’s Office</td>
<td>B</td>
</tr>
<tr>
<td>D.3.b</td>
<td>Continue current efforts to ensure Corrections Deputy vacancies are filled in a timely manner, reducing the need for overtime to meet workload created by vacancies.</td>
<td>28</td>
<td>Sheriff’s Office</td>
<td>B</td>
</tr>
<tr>
<td>D.3.c</td>
<td>Negotiate with Correction’s Labor Unions to execute amendments to the labor agreement to (1) allow management the flexibility to adjust shift durations to respond to changing needs in workload; and (2) build turnover into the regular shift schedule paid at a straight time rate, while ensuring total hours worked each month are less than 171 hours in a 28-day work period as required by FLSA.</td>
<td>28</td>
<td>Sheriff’s Office County Executive Office</td>
<td>B</td>
</tr>
</tbody>
</table>

**A – High Priority**: The recommendation pertains to a high priority conclusion or observation. Due to the seriousness or significance of the matter, immediate management attention and appropriate corrective action is warranted.

**B – Medium Priority**: The recommendation pertains to a moderately significant conclusion or observation. Reasonably prompt corrective action should be taken by management to address the matter. Recommendation should be implemented no later than six months.

**C – Low Priority**: The recommendation pertains to a conclusion or observation of relatively minor significance or concern. The timing of any corrective action is left to management's discretion.

**N/A**: Not Applicable
Appendix B – Sheriff’s Office Response

The Snohomish County Sheriff’s Office is committed to the mission of “Community First” and to serving the residents of Snohomish County. That commitment requires our vigilant oversight and prudent financial management of the resources we are allocated. Our agency’s greatest asset is our employees and we do not take lightly the responsibility of deploying staff resources in a way that benefits those we serve.

As Sheriff, I value the thorough review this audit team has performed. Their persistence in data collection and analysis, and the professionalism of the team assigned to the project has resulted in a document that identifies the core challenges our agency faces. This staffing study addresses opportunities for improvement while recognizing the many investments and adjustments we have made in recent months to streamline our staffing and expenditure patterns.

We intend to fully explore the audit team’s recommendations while encouraging solutions through leadership and collaboration. We will also continue to build on the success we have already achieved in this great agency.