



City of Phoenix

**Mission Statement**

To improve the quality of life in Phoenix through efficient delivery of outstanding public services.

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**Project Number**

1250010

This report can be made available in alternate format upon request.

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## Police Department Overtime Compliance

January 24, 2025

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### ***Report Highlights***

**Oversight**

*The Police Department should improve its oversight to ensure compliance with the Police Law Enforcement Association Memorandum of Understanding and City and department policies.*

**Compliance**

*The Police Department's overtime tracking system lacked internal data quality checks to flag erroneous or unallowable transactions. Controls are needed to ensure supervisors verify overtime requests are accurate before approving them.*

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## **Executive Summary**

### **Purpose**

Our purpose was to determine if the Police Department's (Police) overtime oversight ensured compliance with City and department policies.

### **Background**

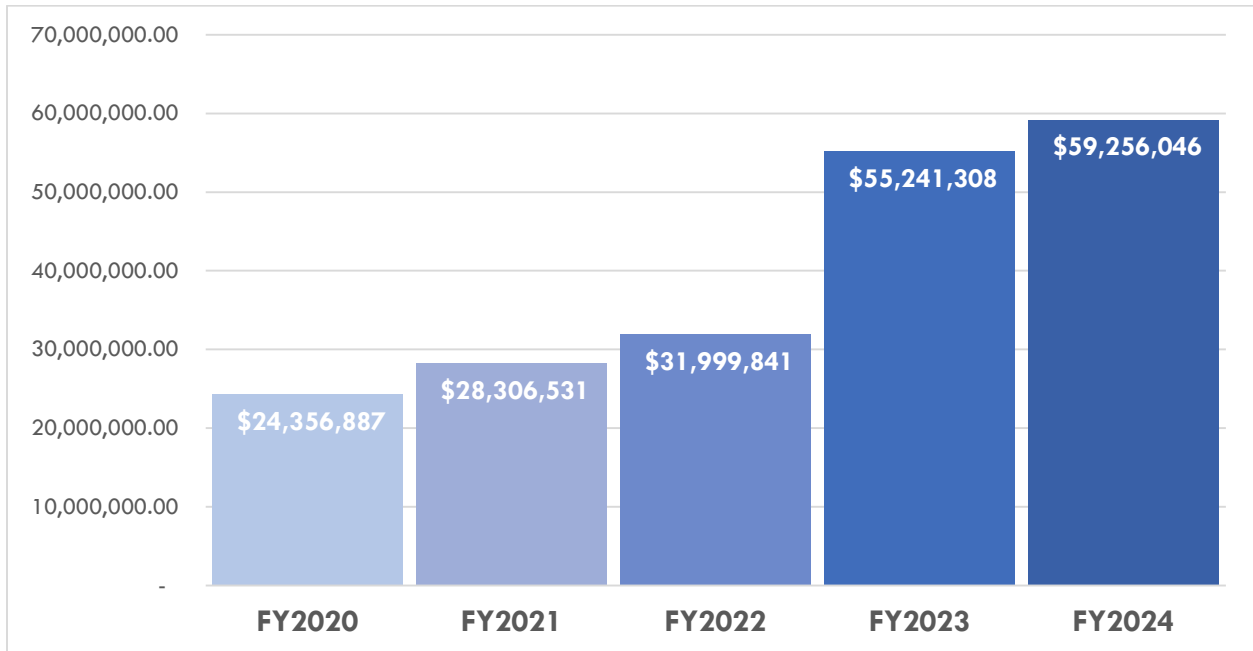
Police has approximately 3,900 employees in both sworn and civilian positions. Sometimes, police officers must work more than 40 hours per week to meet department needs. Any work over 40 hours is overtime and is paid at 1.5 times their hourly rate. Reasons for overtime include:

- Holdover – required due to a Police directive or a required task, such as minimum staffing needs.
- Court Overtime – court appearances required during off hours (not included in our review).
- Work-Related Phone Calls – contacted by their supervisor due to official duties.
- Off-duty/extra-duty – optional overtime paid by a third-party employer or another City department.
- Medical Treatment – return to work medical evaluations by a City physician that cannot be completed while on duty.
- Call-out – supervisors call officers back after leaving their regular scheduled shift.

We conducted an audit in 2018 to determine if sworn employee overtime complied with City policy. The auditors identified employees who worked over 30 overtime hours in a week and some working over 1,000 overtime hours in a year. Police agreed to develop a policy establishing limits on overtime hours for sworn staff and requiring executive-level approval for operational needs.

This audit covers overtime worked by sworn officers between January 1, 2022, and April 30, 2024.

## Officer Overtime Costs



**Overtime costs increased by 143% from July 1, 2019 through June 30, 2024.**

We reviewed Police’s oversight processes to determine if controls were in place to ensure overtime complied with City and department policies. From January 1, 2022, to April 30, 2024, the top 18 overtime officers earned over \$5,300,000 in overtime (see **Attachment A – Overtime Details by Division**). We reviewed a sample of the officers’ transactions to ensure they were supported and that officers did not work overtime while on leave. Additionally, to test overtime submissions and approvals, we reviewed overtime slips for 26 officers who appeared on the monthly Top 50 Overtime Earners Lists.

### Results in Brief

**Police did not have an effective oversight system to ensure overtime complied with the Police Law Enforcement Association Memorandum of Understanding and City and department policies.**

Effective overtime tracking requires a process to ensure hours worked are necessary and submitted accurately. Police did not have a method to ensure supervisors: (1) approved overtime before it was worked, (2) reviewed requests to verify hours did not span across another shift (overlap), (3) tracked when and where officers worked overtime, or (4) were alerted when officers did not have the minimum required time off between shifts.

**Police's updates to Ops Order 3.4 limiting scheduled overtime to 16 hours per day will have little impact on overtime usage. The update only applies to scheduled overtime, and most overtime is unscheduled.**

Police formed an Overtime Committee in late 2023 to review Police overtime processes. As a result, they updated Ops Order 3.4, restricting scheduled overtime to 16 hours in 24 hours and requiring employees to have 24 consecutive hours free from scheduled on-duty work per week. However, these restrictions do not apply to unscheduled events such as investigations, call-outs, mandatory holdovers, department mobilization, or scheduled overtime for off-duty or extra-duty assignments. The policy of whether minimum staffing is considered scheduled or unscheduled overtime is unclear.

**Police's overtime tracking system lacked internal data quality checks to flag erroneous or unallowable transactions. Controls are needed to ensure supervisors can verify overtime requests are accurate before approving them.**

We identified 30 instances where more than one overtime slip overlapped another request. Supervisors approved all requests, and officers were compensated twice or more. Police's Leave and Overtime Tracking System (LOTS) does not identify or flag duplicate or overlapping transactions. Further, staff indicated that supervisors do not have to open overtime requests to approve them.

City and Police policies prohibit officers from working overtime while on sick, industrial, or other protected leave, such as Family Medical Leave Act (FMLA). Further, Police policy discourages officers from working while on leave and requires an Assistant Chief to grant exceptions. LOTS does not facilitate supervisors to know when their staff worked overtime for another division while on leave.

Police policy requires the officer's supervisor or next in command to approve overtime requests if the supervisor is out of office. Approximately 20% of the transactions tested were approved by the supervisor responsible for the unit incurring the overtime instead of the officer's supervisor.

## Department Responses to Recommendations

<p><b>Rec. # 1.1:</b> Develop an oversight process, including automated system controls, to ensure overtime complies with the MOU/MOA, <i>Administrative Regulation 2.21 – Overtime, Call Out, and Standby Pay and Shift Differential</i>, and <i>Operations Order 3.4 – Work Hours/Overtime</i>.</p>	
<p><b>Response:</b> The overtime management system currently utilized by the Department is beyond its end of life and can't be updated to incorporate system controls that would allow for the automation of compliance with applicable policies and procedures. Replacement of this legacy system with a modern overtime management system is cost prohibitive and not currently budgeted. The LOTS system will continue to be used and process controls will be implemented to improve overtime management strategies.</p> <p>In 2024, a new Overtime Dynamic Dashboard was created, which pulls information from LOTS and presents it in a dashboard format that can be filtered by Divisions/Bureaus/Precincts/Units/Squads. The dashboard can break down the type of overtime worked, the Index Codes used, and the overtime hours worked.</p> <p>A monthly report will be generated, which will be sent to Commanders/Administrators, who will oversee/monitor their bureau employee's overtime. Commanders/Administrators will report their monthly findings to their Division Chief.</p> <p>(See Recommendation #1.4 for further information on the report).</p>	<p><b>Target Date:</b> April 21, 2025</p>
<p><b>Rec. # 1.2:</b> Establish weekly scheduled overtime limits for sworn staff to ensure officer and public safety. Require executive-level approval to override limits if required by operational needs.</p>	
<p><b>Response:</b> Operations Order 3.4.2.D will be updated to state, (2) "Authorization exceeding 16 <u>scheduled</u> work hours within a time frame of 24 hours which can be a combination of regular shift and overtime or scheduled overtime only, will not be permitted" and (3) "Employees are required to have at least one period of 24 consecutive hours free from scheduled on-duty work per week."</p> <p>The following will also be added to Operations Order 3.4.2.D (2), "Work exceeding 20 continuous hours within a 24 hour time frame will not be authorized or permitted. This includes both regular work hours and overtime combined, or just overtime."</p> <p>In addition, (4) states, "Exceptions may be granted by the affected Division Chief due to operational needs."</p>	<p><b>Target Date:</b> April 21, 2025</p>

<p>Additionally, instances of total overtime worked in excess of 40 hours within a work week will be reviewed by the applicable command and executive staff to evaluate operational necessity.</p>	
<p><b>Rec. # 1.3:</b> Define who will receive the Top 50 Earners reports and develop instructions for what to do with the information to provide proper oversight and control of overtime.</p>	
<p><b>Response:</b> Monthly, the Top 50 Overtime Report will be emailed to Executive and Command Staff. Each Commander/Administrator will review the report and identify any employee under their chain of command that is on the monthly list. Once identified, the immediate supervisor of those employees on the list will be notified by their Commander/Administrator. Those supervisors will run the LOTS Overtime Query report to review those employees' overtime for any abnormal/questionable overtime slips submitted and approved. Any abnormalities/questionable overtime slips will be investigated (fact finding) by the supervisor and addressed according to policy. After the supervisors review their employee's transactions, they will report this to their Commander/Administrator.</p> <p>The Commander/Administrator will then evaluate the necessity of the overtime worked in their precinct/bureau, taking into consideration things like minimum staffing, callouts, mandatory work shift, etc. The Commanders/Administrator will then review the findings with their Division Chief.</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>
<p><b>Rec. # 1.4:</b> Distribute monthly reports to the bureau and precinct command staff detailing overtime hours worked by officers, including regular and off-duty hours. Develop procedures for command staff on what to review, what constitutes an issue to escalate, and how to escalate and resolve questionable or excessive overtime.</p>	
<p><b>Response:</b> Create a monthly overtime report to send to Commanders/Administrators, detailing the number of hours the employee's in their bureaus/precincts worked that month. Commanders/Administrators will work with the supervisors under their chain of command to identify any questionable or excessive overtime. If questionable/excessive overtime is identified, the employee's immediate supervisor will be tasked with reviewing/investigating it. If policy violations are identified, they will follow the policy on investigations/discipline.</p> <p>The Commander/Administrator will then evaluate the necessity of the overtime worked in their precinct/bureau, including the reasons for the excessive overtime worked, taking into consideration things like minimum staffing, callouts, mandatory work shift, etc. The</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>

Commanders/Administrator will then review the findings with their Division Chief.	
<b>Rec. # 1.5:</b> Require all supervisors to complete the Supervisor Overtime Training when finalized.	
<p><b>Response:</b> Present the Supervisor Overtime Training to the Supervisor School for soon to be promoted sergeants. At the Precinct/Bureau Supervisor Retreats, give the presentation to all supervisors in attendance (both sworn and civilians). If bureaus do not have a retreat planned/scheduled, schedule a meeting to present the training to the supervisors.</p> <p>Include the Supervisor Overtime Training PowerPoint / Videos in mandatory training that must be viewed and signed for. (PhxYou)</p>	<p><b><u>Target Date:</u></b> December 19, 2025</p>
<p><b>Explanation, Target Date &gt; 90 Days:</b> These trainings will take place throughout 2025 at Supervisor Retreats and through a mandatory training video in PhxYou. The training video needs to be created, approved, and uploaded into PhxYou. The Retreats are scheduled in different quarters of 2025 and will not be completed until the end of December.</p>	
<b>Rec. # 1.6:</b> Develop controls to ensure supervisors are properly reviewing overtime requests before they are approved.	
<p><b>Response:</b> Update Operations Order 3.4.2.C(1)(b) to include, "The supervisor must open each overtime slip in LOTS and eCHRIS to review the Date, Time, Hours Requested, Location, OT Type, Index Code, Authority and Notes. Supervisors will ensure all time requested is allowable. Supervisors will place their initials or serial number in the notes section when reviewed. If corrections need to be made, the slip will be sent back to the employee for the corrections before being resubmitted."</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>
<b>Rec. # 2.1:</b> Develop quality control checks to flag overtime slips with potential errors.	
<p><b>Response:</b> Reference Recommendation #1.6, Operations Order 3.4.2.C will require supervisors to open each overtime slip to review all information and flag any errors before approving the slip.</p> <p>The Organizational Integrity Bureau will conduct random overtime audits. Those audits will be conducted for the Department as a whole, and the auditing of specific bureaus/precincts when requested. In those audits, they will identify potential errors on overtime slips, like overlapping slips and the approval process of the slips. The findings of these audits will be sent to the affected Commander/Administrator for appropriate action. The findings and action taken will be reviewed with the appropriate Division Chief.</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>

**Rec. # 2.2:** Develop written procedures for supervisory reviews of overtime transactions. Include instructions for ensuring (1) officers document the location and correct index code on their slips, (2) overlapping transactions are rejected, (3) staff is not on leave while working overtime, (4) travel time included is allowable, and (5) extra-duty start and stop times are recorded accurately.

**Response:** Reference Recommendation #1.6, #2.3, and #2.4, update Operations Orders to reflect these changes:

Operations Order 3.4.2.C(1)(b) will be updated to assure employees are documenting the location and correct Index Codes on their slips, travel time included is allowable, and start and stop times are recorded accurately.

Operations Order 3.4.2.C(3) will be updated to define what “overlapping” is and what supervisors are to do when overlapping is identified.

Operations Order 3.4.2.F(3) will be updated to include, “If it appears an exception should be permitted, the exception will be documented and approved by the appropriate Division Chief.”

**Target Date:**

April 21, 2025

**Rec. # 2.3:** Review all identified overlapping transactions and determine if they are accurate. Take appropriate action on transactions determined to be invalid.

**Response:** Review all overlapping transactions identified during the City Overtime Audit. For those transactions determined to be invalid, work with Police HR to correct the error in pay if the employee was paid twice for the same time worked.

Update Operations Order 3.4.2.C(3) to reflect these changes:

(3) The overlapping of overtime slips is not permitted.

(a) Definition – An overtime slip where the times of the overtime requested includes the normal work hours of the employee submitting the slip, or where an overtime slip submitted by an employee contain all or some of the same date and times as another slip the employee submitted.

(b) If a supervisor identifies an overlapping overtime slip, the supervisor will not approve the slip.

- The supervisor will discuss with the employee the reason and resolve the issue on the slip before approving the slip.

**Target Date:**

April 21, 2025



<p>If an employee was paid twice for an overlapping slip, Police HR will be notified to assist in reversing the payment.</p>	
<p><b>Rec. # 2.4:</b> Develop a process for supervisors to obtain written documentation that overtime worked while on paid leave was approved by the appropriate Assistant Chief as required by <i>Operations Order 3.4 – Work Hours/Overtime</i>. Keep approvals according to payroll retention records.</p>	
<p><b>Response:</b> Update Operations Order 3.4.2.F(3) to include, “If it appears an exception should be permitted, the exception will be documented and approved by the appropriate Division Chief.”</p> <p>The documentation for this exception will be kept for five (5) years.</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>
<p><b>Explanation, Target Date &gt; 90 Days:</b></p>	
<p><b>Rec. # 2.5:</b> Develop a process to ensure both the supervisor incurring overtime and the officer’s supervisor are aware of the overtime requested.</p>	
<p><b>Response:</b> If an employee is working overtime somewhere other than their normal work assignment, and under the direction of a different supervisor than their normal direct report supervisor, their direct report supervisor must be made aware of the overtime the employee is working. This is to assure the immediate direct report supervisor is aware of all the overtime the employee is working.</p> <p>Before approving an overtime slip, the immediate direct report supervisor must verify with the supervisor where the overtime was worked if the overtime was worked, including the date and times requested on the overtime slip. The supervisor overseeing the officer during the overtime worked must be included in the Approval or Notes section of the overtime slip.</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>
<p><b>Rec. # 2.6:</b> Update <i>Operations Order 3.4 – Work Hours/Overtime</i> to include specific timeframe requirements for overtime submission and approval.</p>	
<p><b>Response:</b> Update Operations Order 3.4.2.C(1)(a) to read, “All requests for overtime, whether completed in LOTS, eCHRIS or in paper form, will be submitted to the appropriate supervisor within five (5) days of the overtime being worked.</p> <p>Update Operations Order 3.4.2.C(1)(b) to read, “The approving supervisor will review the request to determine if it is an approved type and justified within five (5) days of receiving the overtime request.</p>	<p><b><u>Target Date:</u></b> April 21, 2025</p>

# **1 – Oversight**

## **Background**

Overtime for police officers is defined and directed by the following:

- Memorandum of Understanding 160790 between the City of Phoenix and Phoenix Law Enforcement Association (MOU)
- Memorandum of Agreement between the City of Phoenix and Phoenix Police Sergeants and Lieutenants Association (MOA)
- *Administrative Regulation 2.21 – Overtime, Call Out, and Standby Pay and Shift Differential (A.R. 2.21)*
- *Police Operations Order 3.4 – Work Hours/Overtime (Ops Order 3.4)*

### **Overtime Approval**

A.R. 2.21, Ops Order 3.4, and the MOU state that overtime is allowed when authorized by the Police Chief or their designee. Ops Order 3.4 requires officers to submit overtime slips to their current supervisor for approval.

### **Overtime while on Paid Leave**

Ops Order 3.4 prohibits an officer on sick or industrial leave from working overtime during their regularly scheduled shift. Further, the order states that overtime should be avoided when an officer is on paid leave (e.g., vacation).

### **Off-Duty and Extra-Duty**

Officers can work optional third-party paid overtime (off-duty) or additional duty paid by other City departments (extra-duty) shifts. The MOU states that Police may not limit the number of off-duty work hours permitted but may take appropriate action if an officer's wellness, welfare, or performance is adversely affected. Additionally, the MOU states that officers must receive prior approval from their immediate supervisor to engage in off-duty employment.

### **Travel Time**

Ops Order 3.4 states that commuting to and from a worksite in a City vehicle does not count as part of the workday. Both the MOU and Ops. Order 3.4 state that travel time does not apply to planned overtime.

### **Overtime Hours**

A.R 2.21 states that overtime as a regular practice is not allowed. During our audit scope, Ops Order 3.4 did not limit overtime hours. We conducted an Overtime Analysis in 2018 and recommended limiting overtime hours, allowing for overrides when required by operational needs with executive-level approval. Police updated Ops Order 3.4 in August 2024 to limit scheduled overtime over 16 hours.

We reviewed Police's oversight practices to verify transactions were reviewed, approved, and complied with the MOU, A.R., and Ops Order. We analyzed 18 officers' overtime, leave, and extra-duty transactions between January 1, 2022, and April 30, 2024, to verify controls identified errors, such as the wrong date or time or officers working while on leave. These 18 officers were the top overtime earners for that time period. Additionally, we reviewed transactions for 26 officers who appeared on the monthly Top 50 Overtime Earners Lists to ensure officers did not include unallowable travel time in overtime requests.

## Results

### **Police did not have an effective oversight system to ensure overtime complied with the MOU, A.R. 2.21, or Ops Order 3.4.**

Effective overtime tracking requires a process to ensure hours worked are necessary and submitted accurately. We reviewed the LOTS system and interviewed personnel to determine whether Police had an effective oversight system for overtime management. Ops Order 3.4 provides a general outline for processing overtime transactions. No other policy dictated what supervisors must review when approving an overtime transaction. We found multiple overtime slips with the following exceptions:

- Overtime slips with overlapping hours, leading to what appear to be multiple payments for the same time period
- Overtime slips that were approved by a supervisor the officer did not report to,
- Overtime slips where the officer was on leave while performing the overtime.

According to staff in the Personnel Bureau (Personnel), LOTS did not require supervisors to open and review overtime slips before approving them. Officers' pay may be incorrect when supervisors do not thoroughly review overtime slips for accuracy and completeness.

### **Police did not develop controls to limit individual overtime hours.**

We conducted an audit of Police overtime in 2018. We found that 2,500 Police employees received overtime pay in fiscal year 2017, including 28 who were paid for over 1,000 hours. Police did not have a policy in place to limit individual officer overtime. Police agreed to develop an overtime policy to establish controls and oversight for overtime, which officers, sergeants, and lieutenants may work. Police had not developed a policy to limit individual overtime when we started this audit. We found 66 employees who worked more than 1,000 overtime hours per calendar year between January 1, 2022, and April 30, 2024. Among the 18 officers we tested in detail, we found such extreme examples as 94 times officers worked more than 20 hours of overtime in a day, an officer that worked 98 hours of overtime in a week, and another officer that averaged 61 hours of overtime every week for an entire year (See **Attachment B – Officers Working 12+ Overtime Hours a Day**). The Police Fiscal Bureau (Fiscal) generated monthly Top 50 Overtime Earners reports. The staff

interviewed did not know to whom the reports were distributed or what the recipients did with the data.

There is also an opportunity for individuals to potentially abuse overtime opportunities. For instance, the 18 officers (out of 3,900 staff) we tested accounted for 4% of Police’s overtime hours during the period reviewed. Additionally, Police approved 30 overtime slips that duplicated or contradicted another request.

**Police’s updates to Ops Order 3.4 limiting scheduled overtime to 16 hours per day will have little impact on overtime usage. The update only applies to scheduled overtime, and most overtime is unscheduled.**

Police formed an Overtime Committee in late 2023 to review Police overtime processes. As a result, they updated Ops Order 3.4, restricting scheduled overtime to 16 hours in a 24-hour period and requiring employees to have 24 consecutive hours free from scheduled on-duty work per week. However, these restrictions do not apply to unscheduled events such as investigations, call-outs, mandatory holdovers, department mobilization, or scheduled overtime for off-duty or extra-duty assignments. The policy is unclear on whether minimum staffing is scheduled or unscheduled overtime.

**Impact of Revised Ops Order 3.4**

Type of Overtime	Scheduled	Hours Worked	% of Overtime
Minimum Staffing	Undetermined	47,959	60%
Special Events/Training	Yes	22,031	28%
Holdover	No	3,640	5%
Off-duty/Extra-duty	No	4,322	5%
Call-Out	No	1,573	2%

**Based on overtime worked between January 2022 and April 2024, the Ops Order revisions will only impact 28% of overtime worked.**

**Police is developing training to ensure supervisors understand the overtime policy and their responsibilities to verify requests are approved and accurate.**

The one-hour training course includes an overview of *Ops Order 3.26 – Minimum Staffing* and *Ops Order 3.4 – Work Hours/Overtime*. Supervisors will be instructed to: (1) confirm minimum staffing levels before authorizing overtime, (2) verify the index code is correct, and (3) ensure officers have at least one period of 24 consecutive hours

free from scheduled on-duty work per week. The trainer will review screenshots of LOTS and the City's human resources system (eCHRIS) to instruct supervisors on proper approval processes. Finally, the supervisors are told they are responsible for:

- Tracking overtime worked
- Verifying the overtime was approved and complies with Ops Order 3.4
- Accounting for travel time and ensuring the hours reported are accurate
- Ensuring the approving supervisor is listed in the Authority or Notes section before approval
- Validating the overtime was necessary

The training states that the Organizational Integrity Bureau (OIB) and City Auditor Department will conduct random audits on overtime use.

Adding a section that includes verifying the requests do not overlap and developing written procedures that supervisors can follow would strengthen these efforts.

## **Recommendations**

- 1.1 Develop an oversight process, including automated system controls, to ensure overtime complies with the MOU/MOA, *Administrative Regulation 2.21 – Overtime, Call Out, and Standby Pay and Shift Differential*, and *Operations Order 3.4 – Work Hours/Overtime*.
- 1.2 Establish weekly limits on scheduled overtime for sworn staff to ensure officer and public safety. Require executive-level approval to override limits if required by operational needs.
- 1.3 Define who will receive the Top 50 Earners reports and develop instructions for what to do with the information to provide proper oversight and control of overtime.
- 1.4 Distribute monthly reports to the bureau and precinct command staff detailing overtime hours worked by officers, including regular and off-duty hours. Develop procedures for command staff on what to review, what constitutes an issue to escalate, and how to escalate and resolve questionable or excessive overtime.
- 1.5 Require all supervisors to complete the Supervisor Overtime Training when finalized.
- 1.6 Develop controls to ensure supervisors are properly reviewing overtime requests before they are approved.

## **2 – Compliance**

### **Background**

Police payroll staff use eChris, the City’s payroll processing system, to record and track employees’ vacation, sick, and compensation time. Officers can receive overtime pay or save up to 300 hours in their compensation banks. Police staff submit requests for paid overtime through the Police’s Leave and Overtime System (LOTS), while requests to add hours to their compensation banks are processed through eCHRIS.

A.R. 2.21 requires both the employee and supervisor to ensure that all requests for overtime are submitted and approved by the end of the workweek in which it was worked.

We selected ten overtime requests for the top two highest earners (26 officers total) in each month between January 1, 2022, and April 30, 2024. We tested the transactions to ensure they were submitted according to policy and verified for accuracy before approval.

### **Results**

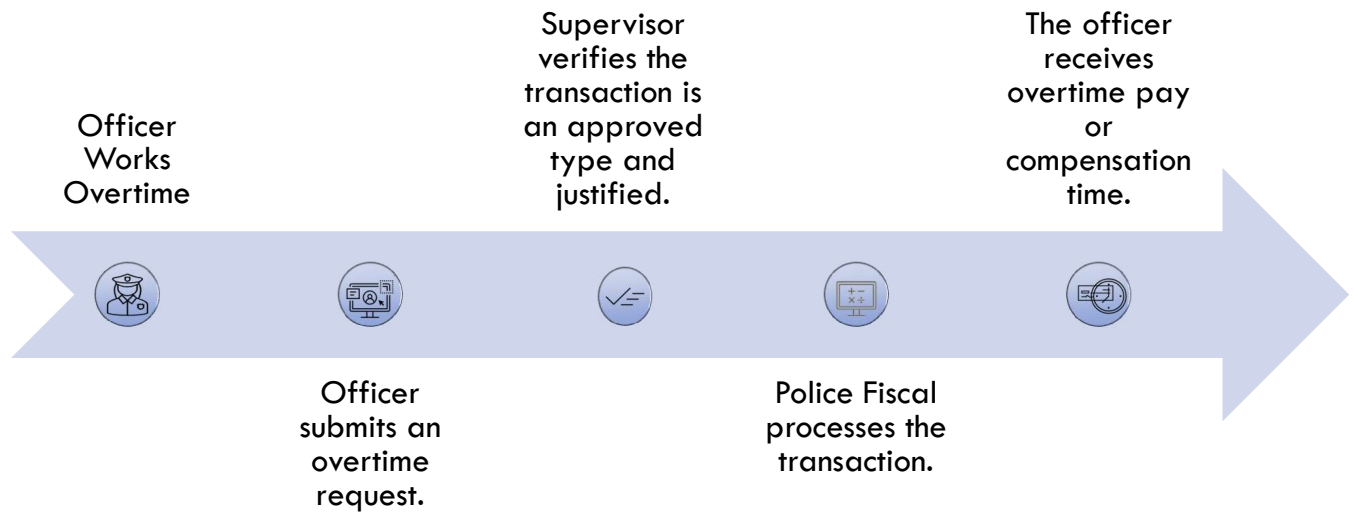
**LOTS lacked internal data quality checks to identify or flag erroneous transactions. Controls are needed to ensure supervisors verify overtime requests are accurate before approving them.**

Police overtime request slips have space for the employee to document:

- Employee ID, serial number, and name
- Precinct and squad
- Work schedule
- Overtime request (date, hours, start and stop time)
- Index code, overtime type, and authority
- Notes (includes location, reason, program, etc.)

Officers complete overtime requests and submit them to their supervisor through LOTS. Once approved, the transactions are sent to Police Fiscal for payment or addition to the officers’ compensation bank.

## Overtime Compensation Process



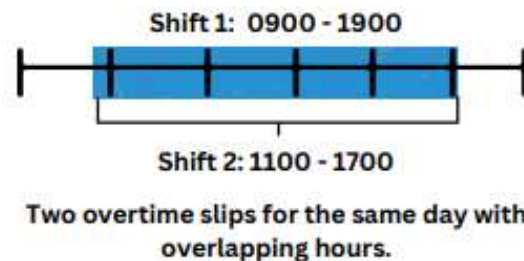
**Ops Order 3.4 states the officer's supervisor or next in command will review the request to determine if it is an approved type and justified.**

We analyzed 18 officers' overtime, off-duty, and extra-duty slips to verify supervisors ensured the request was accurate before approving. We compared overtime slips to eCHRIS to verify officers were not on leave while working overtime. Through our analysis, we identified more potential compliance issues.

### Overlapping Transactions

Overlapping transactions were defined as overtime requests that spanned the same time, either entirely or for a portion of the shift. We identified 30 transactions that overlapped with another request. We selected 13 for further review.

### Overlapping Overtime Transaction Example



**Overlapping transactions include some or all overtime hours for one shift on multiple requests submitted and approved.**

Officers submitted 27 overtime slips for the 13 days selected. We collected Police building badge swipe data and Computer Aided Dispatch System (CAD) and Mobile Data Computer (MDC) records to determine which slips were supported. Police data supported 12 transactions occurring on nine days. The remaining 15 slips did not agree with Police data. Supervisors approved two overtime requests for twelve days, and one supervisor approved three slips for one day. Police paid the officers for all requests submitted. A potential cause for conflicting requests is officers listing the wrong date on their requests. For instance, Police's Organizational Integrity Bureau (OIB) reviewed three separate transactions and found that the officer listed the incorrect date, and once corrected, both slips were valid.

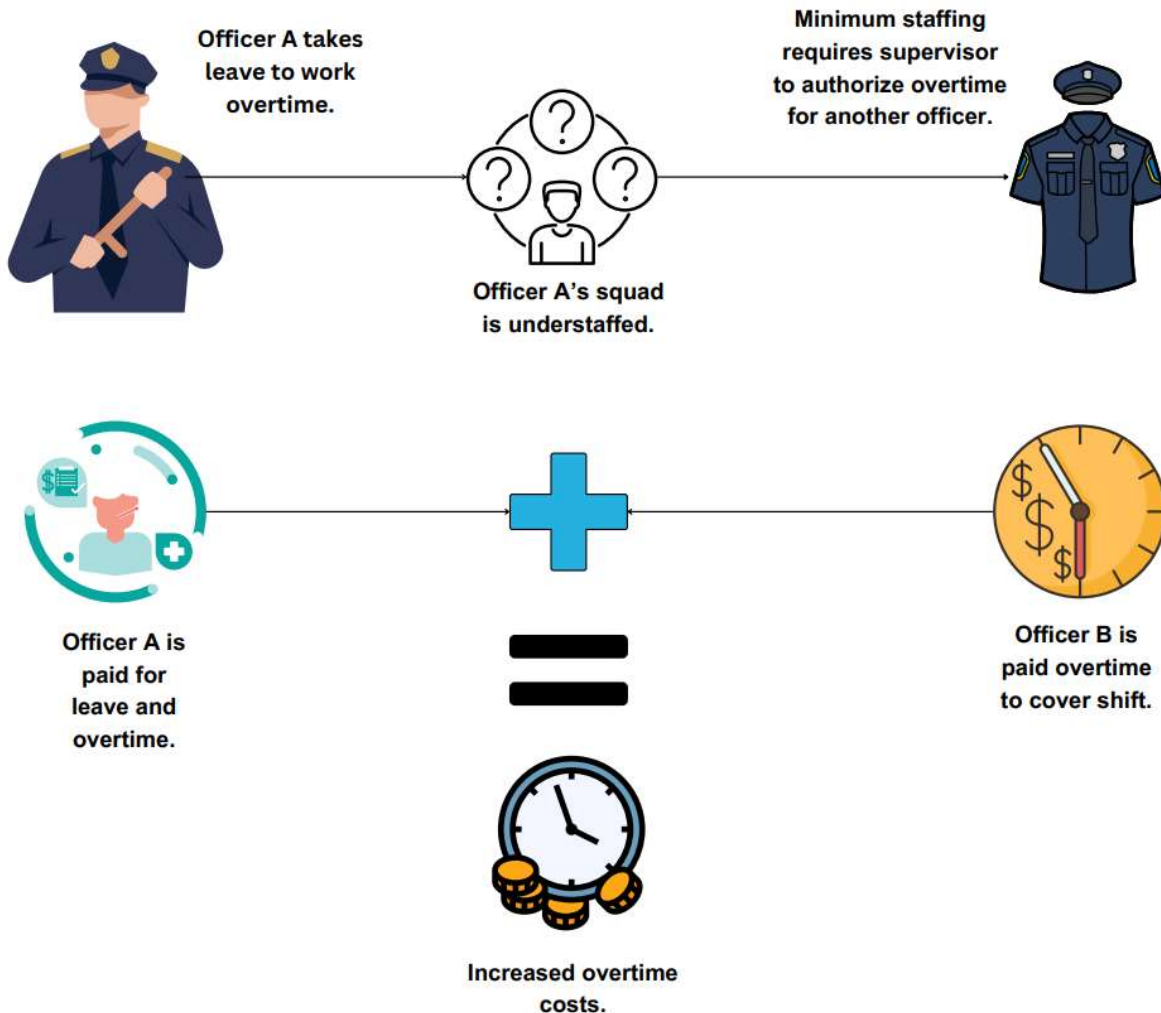
### Overtime While on Leave

City and Police policy prohibits officers from working overtime while on sick, industrial, or other protected leave, such as Family Medical Leave Act (FMLA). Ops Order 3.4 states overtime should be avoided when an officer is on paid leave. However, Assistant Chiefs may grant exceptions. LOTS does not facilitate supervisors to know when their staff worked overtime for another division while on leave.

We identified 30 days when officers took leave and worked overtime during their regular shifts. Police did not have a process to obtain Assistant Chief approval, as required by Ops Order 3.4, and none of the tested requests had Assistant Chief approval. When an officer takes leave, another officer must work overtime to meet minimum staffing requirements, increasing Police's overtime expenses.



## Effect of Taking Leave and Working Overtime on the Same Day



**Taking leave to work overtime in another section increases overtime costs.**

### Travel Time

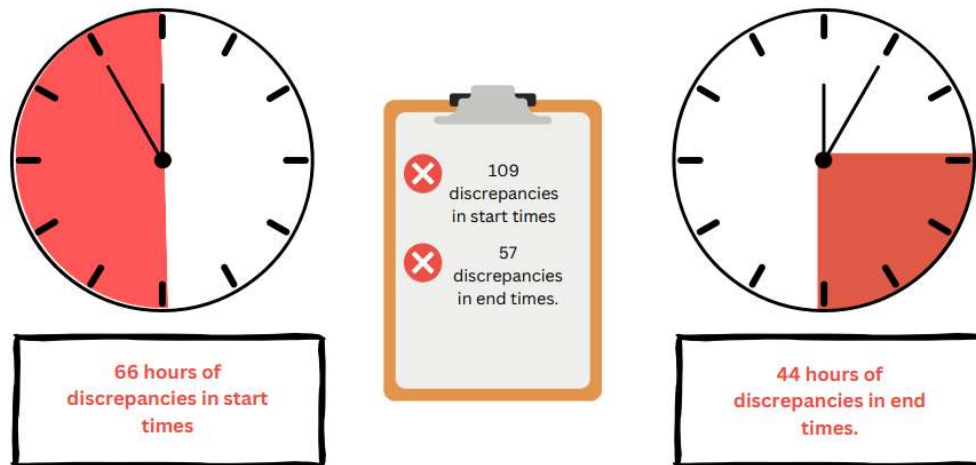
The 18 officers reviewed had a total of 11,384 overtime transactions. We found that 1,946 started within five minutes of another shift (17%). Travel time was included in three overtime requests with documented locations starting immediately after another shift at a different location. More overtime transactions could include travel time since officers did not always list the locations where they worked on their requests.

**Officers submitted overtime slips with start and end times that did not correspond to call-in and call-out times in CAD.**

*Operations Order 3.11 – Off Duty Work* (Ops Order 3.11) requires officers working extra-duty to radio into dispatch at the start and end of their shift. Dispatch then records

the beginning and end times in CAD. When an officer works an extra-duty shift, the employee submits an overtime slip through LOTS. We compared 18 officers' extra-duty records in CAD to submitted overtime requests. We tested if call-in and call-out data matched shift start and end times listed on overtime slips. For instance, if the officer called into CAD at 5 am, we reviewed the overtime slip to determine if it matched the CAD data.

### Extra-Duty Discrepancies



**There were 166 discrepancies between start and end times.**

Of the 323 extra-duty overtime slips, there were 166 discrepancies (51%). Not calling in or out to dispatch when working extra-duty violates Ops Order 3.11 and can result in revoking off-duty privileges.

**Police's 24/7 operation prohibited overtime worked at the end of a workweek to be submitted and approved timely. Police policy was not clear on when the supervisor must approve overtime slips.**

Ops Order 3.4 requires officers to submit all overtime slips by the end of the work week and does not specify when the supervisor needs to approve overtime. Ops Order 3.4 does not specify what officers should do when their shift begins one work week (Friday at 10 pm) and ends the next work week (Saturday at 6 am). We reviewed 560 transactions to determine if the requests complied with the City policy requiring overtime to be submitted and approved in the week worked. We calculated the average days it took officers to submit overtime slips and how long supervisors took to approve the requests.

## Average Time for Overtime Submission and Approval



**Overtime was submitted and approved on average nine days after it was worked.**

Officers can work four ten-hour shifts or five eight-hour shifts. The officers tested submitted 55 (10%) slips more than seven days after the shift, and 16 (3%) were approved more than seven days after the officer worked.

### **Controls were not in place to ensure staff submitted overtime to their supervisors.**

Ops Order 3.4 requires officers to submit overtime requests to their regular supervisor. We found that officers submitted 115 slips (21%) to the supervisor responsible for the unit incurring overtime rather than the officer's regular supervisor. Submitting requests to a supervisor other than their direct supervisor prohibits adequate overtime tracking to ensure officers comply with department policies, such as not working overtime while on leave. This is a repeat finding.

## **Recommendations**

- 2.1 Develop quality control checks to flag overtime slips with potential errors.
- 2.2 Develop written procedures for supervisory reviews of overtime transactions. Include instructions for ensuring (1) officers document the location and correct index code on their slips, (2) overlapping transactions are rejected, (3) staff is not on leave while working overtime, (4) travel time included is allowable, and (5) extra-duty start and stop times are recorded accurately.
- 2.3 Review all identified overlapping transactions and determine if they are accurate. Take appropriate action on transactions determined to be invalid.
- 2.4 Develop a process for supervisors to obtain written documentation that overtime worked while on paid leave was approved by the appropriate Assistant Chief as required by *Operations Order 3.4 – Work Hours/Overtime*. Keep approvals according to payroll retention records.

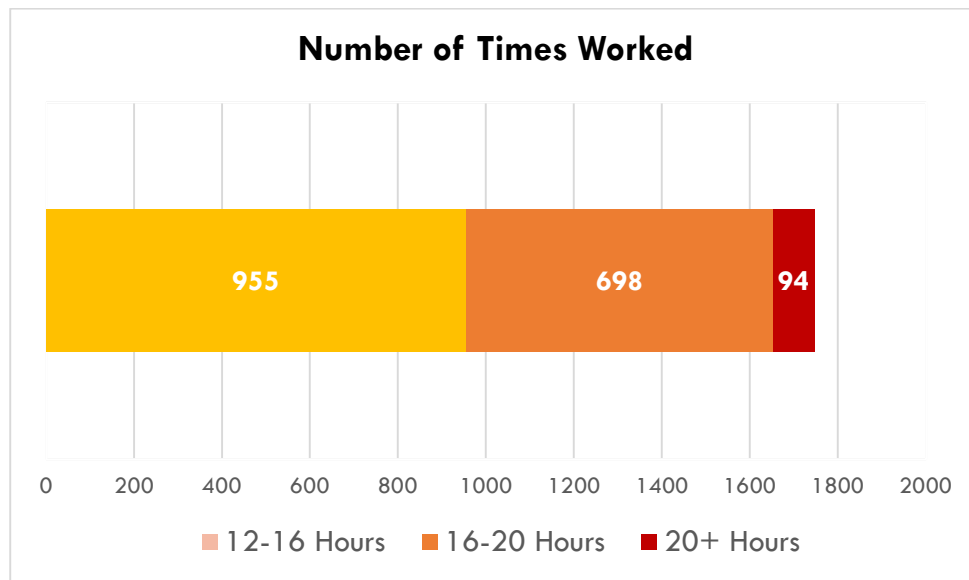
- 2.5 Develop a process to ensure both the supervisor incurring overtime and the officer's supervisor are aware of the overtime requested.
- 2.6 Update *Operations Order 3.4 – Work Hours/Overtime* to include specific timeframe requirements for overtime submission and approval.

## **Attachment A – Overtime Details by Division**

<b>Division</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024 (Jan-Sep)</b>	<b>Total Overtime Hours</b>
Management Services	57,028	44,735	43,874	42,985	145,636
Administration & Staffing	14,195	19,852	24,610	16,483	58,657
Administration, Accounting, & Transparency	10,832	9,914	11,403	5,988	32,149
Investigations	145,730	165,441	193,218	144,309	504,388
Organizational & Professional Development	19,792	25,376	27,923	23,474	73,091
Patrol	99,117	239,667	356,050	251,980	694,834
Reserve	360	489	492	235	1,340
Strategic & Tactical Services	199,435	255,278	302,582	216,837	757,295
Technical & Support Services	48,267	67,001	59,824	36,325	175,091
<b>Totals</b>	<b>594,755</b>	<b>827,750</b>	<b>1,019,974</b>	<b>738,613</b>	<b>3,181,092</b>

**Police overtime increased each year, but projects to level off in CY 2024.**

## **Attachment B – Officers Working 12+ Overtime Hours a Day**



**15 of the 18 officers worked 20 hours or more of overtime in a single day. This occurred 94 times.**

The 18 officers worked 12 or more hours of overtime in day more than 1,700 times in the period audited. Working extended periods can negatively affect the officer and the public. Research suggests that the risk of accidental officer death increases by 110% when officers work more than 12 hours consecutively<sup>1</sup>. Additionally, research shows that when a person is awake for 20 hours or more, it creates impairments that are comparable to having a blood alcohol content of 0.10%.<sup>2</sup>

Shifts over 12 hours accounted for 20% of all overtime worked by the officers reviewed. Officers who worked these shifts next to their regular schedule could have worked more than 20 hours in a 24-hour period.

Some examples of extreme hours from the 18 officers we tested include:

- Each officer, in their month with the most overtime, averaged from 6.7 to 10.8 hours of overtime every day for a month
- In each calendar year, the individual with the most overtime that year averaged:
  - CY2022: 50.6 hours of overtime every week for the entire year
  - CY2023: 60.7 hours of overtime every week for the entire year
  - CY2024: 55.7 hours of overtime every week for the entire year
- The highest number of overtime hours worked in a week by each of the 18 officers ranged from 60.8 hours to 98.0 hours

<sup>1</sup> International Association of Police Chiefs, 2022.

<sup>2</sup> Federal Bureau of Investigation Law Enforcement Bulletin, 2007.

## **Scope, Methods, and Standards**

### **Scope**

We evaluated Police's supervision and oversight of overtime. In addition, we performed testing of Police overtime transactions, including submission and approval of overtime, monitoring of individual officer overtime, and accuracy of overtime reporting by individual officers. All overtime transactions and records tested covered January 1, 2022, through April 30, 2024.

The internal control components and underlying principles that are significant to the audit objectives are:

- Control Activities
  - Management should design control activities to achieve objectives and respond to risks.
  - Management should implement control activities through policies.
- Control Environment
  - Management should evaluate performance and hold individuals accountable for their internal control responsibilities.
  - Management should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.
- Risk Assessment
  - Management should consider the potential for fraud when identifying, analyzing, and responding to risks.
- Monitoring Activities
  - Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.

### **Methods**

We used the following methods to complete this audit:

- Reviewed Police and City policies governing overtime.
- Identified and tested essential controls over Police overtime.
- Interviewed Police personnel responsible for reviewing, managing, and monitoring overtime.
- Analyzed Police processes for compliance with department policy.
- Reviewed overtime slips, transactions, top earner reports, CAD and MDC data, and badge swipe records.

Unless otherwise stated in the report, all sampling in this audit was conducted using a judgmental methodology to maximize efficiency based on auditor knowledge of the population being tested. As such, sample results cannot be extrapolated to the entire population and are limited to a discussion of only those items reviewed.

## **Data Reliability**

We assessed the reliability of the Police Leave and Overtime Tracking System (LOTS) data by (1) performing electronic testing and (2) interviewing agency officials who were knowledgeable about the data. We determined the data was sufficiently reliable for the purposes of this audit. The eChris data was previously determined to be reliable through an independent audit review.

## **Standards**

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 findings and conclusions based on our audit objectives. Any deficiencies in internal controls deemed to be insignificant to the audit objectives but that warranted the attention of those charged with governance were delivered in a separate memo. We are independent per the generally accepted government auditing requirements for internal auditors.