



EPS Overtime Review Follow-up Report

February 4, 2008

This page is intentionally blank.

Edmonton Police Service Overtime Review Follow-up Report

1. Introduction

In 2004, as part of the Edmonton Police Commission's (EPC) renewed efforts to improve accountability and fiscal effectiveness within the Edmonton Police Service (EPS), the Commission requested the Office of the City Auditor (OCA) conduct a review of overtime usage within EPS. On September 9, 2004 the OCA released the Edmonton Police Service Overtime Review report which contained 11 recommendations.

On May 4, 2006 we reported the results of our first follow up review where we concluded that 3 of the original 11 recommendations were completed. The OCA and EPS jointly agreed to conduct a second follow up review at a later date to follow the progress of the remaining eight recommendations.

Based on our review of the actions taken on the remaining eight recommendations we have concluded that all eleven of the recommendations made in the original audit report have been satisfactorily acted upon. This report provides information on all eleven recommendations.

2. Background

2.1. Summary of Original Report issued September 9, 2004

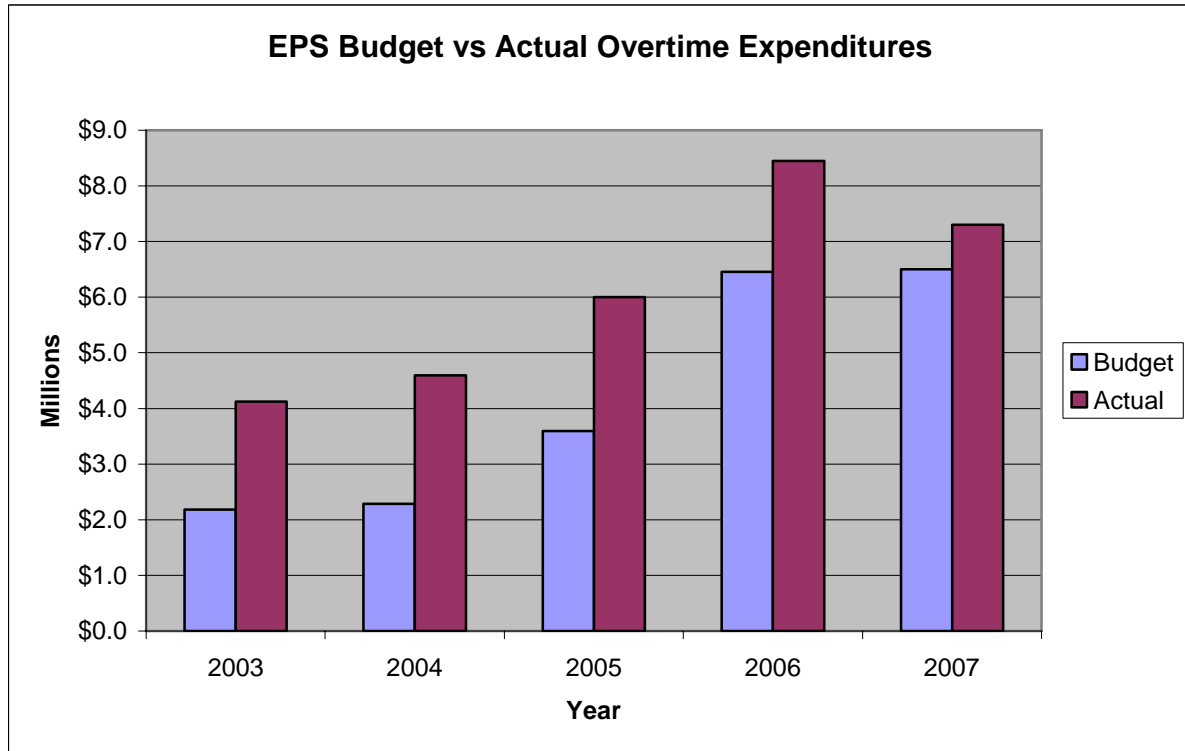
The objective of the Edmonton Police Service Overtime Review report was to examine the EPS's policies and management controls to determine whether or not they facilitate overtime being used in an efficient, effective and economical manner.

During the review we recognized that overtime is a complex issue. Overtime expenditures are influenced by management controls, scheduling, staffing levels, and organizational objectives. According to the International Association of Chiefs of Police, most excesses and waste associated with police overtime have to do with the failure of police agencies to institute appropriate policy and management controls.

Our report recognized that EPS overtime expenditures cannot be eliminated altogether, regardless of the number of members employed, because of inevitable shift extensions, unpredictable events and contract requirements. We concluded that the EPS needed to improve policy, process, and information systems in order to ensure overtime resources are adequately monitored and managed in an efficient, effective and economical manner.

2.2. EPS Overtime Trend

The following chart illustrates EPS overtime expenditures from 2003 to 2007:



For the 5 year period from 2003 to 2006, actual overtime expenditures increased from \$4.1 million in 2003 to \$8.4 million in 2006. In 2007, EPS' efforts to manage overtime resulted in a reduction in overtime expenditures to \$7.3 million.

3. Scope and Methodology

This follow-up review was completed to determine the status of the eight recommendations outstanding after our first follow-up review. The status of each recommendation was assessed by interviewing EPS management and reviewing supporting documents.

4. Summary of Results

Our review concluded that all eight of the remaining recommendations have been satisfactorily acted upon. To provide a complete picture of all of the issues discussed in our original report, the following section reports the status of all 11 recommendations made in the original report issued in September 2004.

Original Recommendation #1 – Overtime Policy

The OCA recommends that the EPS:

- a) Develops an overarching policy that clearly describes management's expectations regarding the use of overtime and provides an appropriate framework for monitoring, managing and controlling the use of overtime.
- b) Considers using the International Association of Chiefs of Police model overtime policy as a guide in developing its own policy.

Recommendations # 1 (a) and (b) are complete. The Overtime Management Policy was approved on January 5, 2007, including overtime management procedures. The Edmonton Police Service used portions of the principals contained in the International Association of Chiefs of Police model overtime policy as a guide in developing their own policy.

Original Recommendation #2 – Overtime Management Practices

The OCA recommends that EPS management provide clear direction and support to supervisors regarding overtime management (assessment, authorization, deployment, approval and post-deployment assessment as applicable) to facilitate consistent practices throughout the organization.

Recommendation # 2 is complete. In addition to the Overtime Management Policy outlining management, supervisor and member responsibilities, the EPS follows a four step process flowchart which provides clear and consistent direction to deploy overtime resources.

Original Recommendation #3 – Work/Life Balance

The OCA recommends that the EPS:

- a) Tracks and monitors the time members dedicate to all major duties in addition to their regular shifts (e.g., overtime, special duty, court, shift replacement, training) and provides this information to supervisors on a regular basis.
- b) Updates its policy and procedure manual to include guidance on the use of time balance.

Recommendations # 3 (a) and (b) are complete. The EPS tracks and monitors year to date overtime variance expenditures by Division. The OCA observed at the Specialized Community Support Bureau meeting held on November 6, 2007 where each Division manager provided an explanation of the overtime variance for their area including: Crimes Against Persons, Intelligence Support Branch, Organized Crime Branch, Family Protection branch, Community Policing Support Branch, Community Policing Support Branch Communications, and the Field Support Branch.

On January 11, 2007 the EPS issued a Service Directive providing guidance on use of time balance.

Original Recommendation #4 – Management Information Reports

The OCA recommends that:

- a) Further efforts be made to improve management information reports used to capture and analyze in greater detail the nature of the work performed on overtime and the circumstances.
- b) The EPS management works with the Project Aristotle Team to determine if the new PeopleSoft modules will be able to address some of the overtime reporting requirements.

Recommendations # 4 (a) and (b) are complete. The overtime form was revised on June 28, 2006 in conjunction with changes in the City's financial system. The revised overtime form provides the ability to capture and analyze in greater detail the nature of work performed on overtime, including circumstances of its use.

Original Recommendation #5 – Staffing Decisions

The OCA recommends that the EPS further explores the impact of staffing decisions (e.g., loans, secondments, banked time, and training) and develops plans to mitigate these impacts over the long-term.

Recommendation # 5 is complete. On August 24, 2007 the EPS's Human Resources Division completed a comprehensive staffing plan report entitled the "Human Resources Division 2007 Strategic Staffing Plan". This report provides long-term direction in support of adequate staffing, thereby mitigating the impact of cyclical attrition which is a potential cause for additional overtime expenditure.

Original Recommendation #6 – Overtime Claim Forms

The OCA recommends that:

- a) EPS management clearly communicates the key areas on the C-11 requiring the supervisor's review prior to providing approval.
- b) EPS management reminds supervisors that they, not the members, are to submit the approved C-11 form directly to the Payroll Section (per the directions provided on the C-11).
- c) EPS management requires that all C-11 forms be prepared and submitted to the approving supervisor within 5 days of the overtime worked. Claims submitted later than this period of time should require the division commander's consent.
- d) The Payroll Section creates a checklist to ensure that key elements of the C-11 form are reviewed prior to processing.
- e) The Payroll Section must return C-11s to the member's supervisor, not to the member, in the event that further explanation or revision is required.
- f) The EPS considers including the "Call-out process" as an agenda item during the next negotiation of the Collective Agreement. The purpose would be to provide clarity in the Collective Agreement regarding from what point in time call-outs should be compensated.

Recommendations # 6 (a) to (f) are complete: The re-designed C-11 form was rolled out on June 28, 2006 which includes appropriate instructions to satisfy Recommendations 6 (a) to 6 (e). Recommendation 6 (f) was completed after the Collective Agreement was revised to include language that provides clarity for the “Call-Out process.

Original Recommendation #7 – Validation of Overtime Claims

The OCA recommends that:

- a) EPS management reinforces the need to maintain adequate supporting documentation, where feasible, for overtime claims. Where it is not feasible to maintain supporting documentation, EPS management will require that the C-11 forms include sufficient detail to serve as an adequate record of the overtime worked.
- b) EPS management performs regular audits of overtime claims to ensure their validity. The audits should involve the following:
 - (i) Monthly spot audits by section/division heads.
 - (ii) Annual audits by the Payroll Section.

Recommendations # 7 (a) and 7 (b) are complete: The re-designed C-11 form that was rolled out on June 28, 2006 provides adequate support for an overtime claim. The payroll unit reviews each C-11 for completeness and adherence to policy as they are processed. Also the payroll unit conducts an audit of the bi-weekly pay to ensure that all C-11s are accurately paid to the employee.

Original Recommendation #8 – Ancillary Overtime (Reported Complete in May 2006)

The OCA recommends that the EPS monitors the application of EPS policy and procedure 11-A-16 to ensure that the amount of overtime hours for ancillary duties is kept to a minimum.

Previously Reported Action: In 2005, the EPS began a training course for new supervisors including as part of the curriculum supervisory responsibility for approval and management of member’s time which meets the action plan target for this recommendation. As part of the financial management framework in the 100 Day Plan, existing supervisors will receive refresher training to ensure there is a consistent approach and understanding of the expectations of the supervisory staff.

Original Recommendation #9 – Budget Preparation (Reported Complete in May 2006)

The OCA recommends that the annual overtime budget process be enhanced to more accurately determine annual budget overtime hours and dollar expenditures for each unit within EPS as noted below:

- a) Specifically each operational unit within EPS should include in its budget submission the following information (using appropriate management information reports):
 - (i) Estimated total number of Members that will incur overtime hours during the year.

- (ii) Estimated average number of overtime hours per Member per year.
 - (iii) Extended dollar amount of the total overtime expenditure.
 - (iv) An explanation of the estimated overtime expenditure (including the potential for unforeseen events such as riots, visiting dignitaries, weather-related events, etc.).
- b) Budget instructions should be enhanced to require that every level (from the Staff Sergeant level up the Chief) have specific responsibilities to ensure the overtime budget amount is accurately estimated on a best effort basis and complete prior to final approval.

Previously Reported Action: Recommendations # 9 (a) and (b) have been fully implemented. Budget forms, instructions, and orientation processes have been modified to satisfy this recommendation.

Original Recommendation # 10 – Planned Overtime

The OCA recommends that:

- a) The EPS management requires that any initiative that will entail the use of planned overtime be evaluated annually regarding its cost-effectiveness.
- b) The evaluation should include a review of alternatives to the use of planned overtime, to include the viability of using special event policing and/or redeploying resources from across the organization to minimize overtime use.

Recommendation 10 is complete. In April 2007 the EPS revised their policy to require the use of planned overtime be evaluated annually regarding cost-effectiveness. Specifically, policy and procedure manual states: "Major Event Management SOP reports will address planned use of overtime and a post-event evaluation of cost-effectiveness".

Original Recommendation #11 – Time Transfers (Reported Complete in May 2006)

The OCA recommends that:

- a) Staff Sergeants, or higher (to ensure one-up approval as required), approve hourly time transfers between Members of differing rank.
- b) The EPS documents the Time Transfer process in the Policy and Procedure manual.
- c) The EPS considers including "Time Transfer" as an agenda item during the next negotiation of the Collective Agreement. The purpose would be to provide direction in the Collective Agreement if hours are being transferred between members of different rank or pay.

Previously Reported Action: Recommendations # 11 (a) and (b) are complete. A Letter of Understanding was signed on January 6, 2006 which limits the transfer of time between equivalent ranks.

Recommendation # 11(c) is subject to finalization and approval of the new collective agreement. The old agreement expired on December 27, 2005. [Update: Transfer of

Time is addressed in the Collective Agreement in effect from September 3, 2006 to December 20, 2008.]

5. Conclusion

Our initial EPS overtime review was completed in 2004. That review included 11 recommendations to improve the monitoring and management of EPS overtime. Three of those recommendations were reported to be complete in 2006. This follow-up review was initiated to determine the status of the eight remaining recommendations.

Based on our review of the actions taken on the remaining eight recommendations we have concluded that all 11 of the recommendations made in the original audit report have been satisfactorily acted upon. We believe that the actions taken by the Edmonton Police Service will assist them to plan, monitor, and control their overtime expenditures.

We would like to thank EPS staff for their assistance in this follow-up.