

Office of Inspector General

Review of the
Office of Consumer Affairs
& Dispute Resolution Services
Time and Attendance Practices
A09-07



August 2009

FEDERAL MARITIME COMMISSION



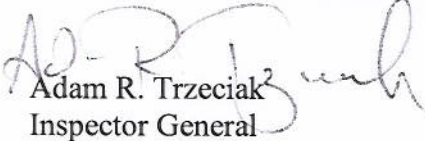
FEDERAL MARITIME COMMISSION

Office of Inspector General
Washington, DC 20573-0001

August 21, 2009

Office of Inspector General

TO: Ronald D. Murphy, Director
Consumer Affairs & Dispute Resolution Services

FROM: 
Adam R. Trzeciak
Inspector General

SUBJECT: Review of the Office of Consumer Affairs & Dispute Resolution Services'
Time and Attendance Practices

The Office of Inspector General (OIG) conducted a review of the Office of Consumer Affairs & Dispute Resolution Services' (CADRS) Time and Attendance (T&A) practices. The objective of this review was to assess whether CADRS complied with agency policies and government regulations concerning employee time and attendance.

The OIG selected T&A records for four employees to test payroll procedures and processes used in CADRS. Two of the employees selected had T&A processing responsibilities. All records pertained to the 2008 leave year.

The OIG identified both strengths and weaknesses in CADRS' administration of T&A. For example, virtually all CADRS staff records its arrival and departure times on FMC-109, *Employee Arrival and Departure Record*. This establishes an important control over attendance abuse and holds employees accountable to their work schedule. Staff also appeared to be adequately protecting its Personally Identifiable Information (PII) on leave requests. We found no social security numbers on leave request forms. Alternate timekeepers were designated and all timekeepers received 1:1 training on the payroll system. Three of four sampled employees submitted a documented work schedule to the office head and the staff followed agency-approved procedures when requesting advanced leave.

We also identified areas where some improvements are needed to ensure the accuracy and integrity of the payroll process within CADRS. Employees did not routinely prepare the OPM Form 71, *Request for Leave or Approved Absence*, when requesting/accounting for leave used. In total, we identified 110 hours of leave used without a leave slip by the four sampled employees. We noted, however, that these employees accounted for leave on FMC-109, *Employee Arrival and Departure Record* (or the office's modified version of FMC-109) which was provided to the supervisor for review/approval with the payroll documentation. For a period of the review, the primary timekeeper was located outside of the CADRS office suite. This

makes it difficult for the timekeeper to have first-hand knowledge of staff whereabouts and removes one important control - observation - over employee arrivals, departures and leave use.

The OIG performed the audit under a scope limitation. You informed the OIG that records you provided to us in response to our data request were altered, i.e., information was added or deleted to make the records complete or to reconcile with supporting payroll files soon to be in our possession. Specifically, (i) previously uncertified T&A records were certified immediately before providing them to the OIG; (ii) the annual attendance record (FMC-183) was updated for one employee in our four-person sample before providing it to the OIG; and (iii) FMC-109, *Arrival and Departure Record*, was altered by deleting notations that questioned or highlighted potential problems by the timekeeper.

As a result of these modifications, the OIG did not perform tests on these documents for compliance with FMC policies and procedures. Other observations and findings, and recommendations to address them, are provided in the attached report.

We thank CADRS staff for its help and cooperation throughout the review.

cc: Secretary
Assistant Secretary
Deputy Director, Office of Administration
Special Assistant, Office of Administration
Director, Office of Financial Management
Director, Office of Human Resources

Review of the Office of Consumer Affairs & Dispute Resolution Time and Attendance Practices

The Office of Inspector General (OIG) completed a review of time and attendance (T&A) practices in the Federal Maritime Commission's (FMC) Office of Consumer Affairs & Dispute Resolution Services (CADRS). This audit was part of a coordinated review of T&A practices in five Commission bureaus and offices. The audit objective was to assess whether CADRS complies with agency policies and government regulations concerning T&A reporting.

Background

The FMC has a Service Level Agreement with the U.S. Department of Agriculture, National Finance Center (NFC), to process agency time and attendance records and to pay its employees. The System for Time and Attendance Reporting (STAR), a web-based application, is used by timekeepers to prepare and transmit attendance reports to the NFC as a first step in pay and leave administration. Employees are responsible for accurately recording their time and attendance and certifying the accuracy of their T&A records. Supervisors are responsible for approving work schedules, leave requests and certifying T&A biweekly submissions.

The FMC's Office of Financial Management (OFM) issued Standard Operating Procedures (SOP) for T&A in July 2007 and again in April 2008. The SOPs identify procedures and responsibilities relating to the documentation and transmission of the agency's T&A records and processes. The agency also provides guidance to its employees in Commission Order (CO) 64, *Employee Absence and Leave* (December 3, 2004), and CO 92, *Work Schedules*, (December 15, 2003). CO 92 requires employees to document their work schedules on FMC-110, *Employee Request for Work/Telework Schedule* (See Appendix A) and the actual hours worked on FMC-109, *Employee Arrival and Departure Record*.¹ (See Appendix B)

Employee requests for leave (sick, annual or other) are to be made to the supervisor on Office of Personnel Management (OPM) Form 71, *Request for Leave or Approved Absence* (i.e., leave slip) in advance of the proposed leave (See Appendix C). The supervisor can approve, disapprove or modify the request. When the supervisor approved the leave slip it was provided to one of the timekeepers to reconcile with other supporting documents at the end of the pay period. The employee's signature on the leave request form is a strong control over leave abuse, as it certifies that the *leave/absence requested is for the purpose(s) indicated... and that falsification of information on the form may be grounds for disciplinary action, including removal*. OPM Form 71 provides employees with the option to include their social security number (SSN) on the form when requesting leave. However, in September 2006, the Commission notified its staff that this identifier was no longer needed to process the leave requests.

¹ Employees on compressed work schedules are required to complete FMC-109, however the agency recommends that all employees use the form to document time and attendance.

Timekeepers and alternates are designated by the Director of the office/bureau on FMC-81, *Designation of Authorized Representative* (See Appendix D). The alternate timekeeper is responsible for entering time and attendance information when the primary timekeeper is not available. To ensure that no individual enters his/her own T&A information into STAR the alternate timekeeper enters the primary timekeeper's T&A bi-weekly.

In calendar year (CY) 2008 there were three timekeepers in CADRS due to staff reassignments. Two of the timekeepers were physically located within the CADRS office suite. The remaining timekeeper was in the Office of the Secretary, which organizationally includes CADRS, but is not in close proximity. Timekeepers relied upon information provided by the employee (i.e. the hours worked/leave used) for STAR system input.

CADRS uses an internally developed form to record staff T&A (See Appendix E). This form captures more leave data than the FMC-109 to assist both staff and timekeepers when recording leave. Once the employee's T&A is entered into STAR, a report is printed for each employee for that pay period. The timekeeper, employee and the supervisor all must certify the STAR's accuracy and that leave was used in keeping with federal laws and regulations. It is, therefore, critical that the reports be supported with detailed and accurate records.

Timekeepers are required by OFM's SOP to maintain employee leave on FMC-183, *Annual Attendance Record*, for each pay period (See Appendix F). The maintenance of this form requires the timekeeper to enter the number of annual/sick leave hours an employee uses each day of the pay period. The electronic version of the form automatically calculates the leave balances based on carryover balances at the beginning of the year, the hours an employee accrues each pay period and the number of hours of leave used (when applicable). OFM provides the timekeeper with this form at the beginning of the leave year.

Objectives, Scope and Methodology

According to the Government Accountability Office (GAO), the primary objectives of internal control in a T&A system are to ensure that the system complies with applicable legal requirements, supports reporting of reliable financial information, and operates effectively and efficiently.

The objective of this review was to assess whether CADRS complied with agency policies and government regulations concerning employee time and attendance. During our fieldwork, CADRS had a staff of eight, including the timekeepers. We selected two employees and the two timekeepers from CADRS for detailed review of their respective leave slips, STAR reports, work schedule requests, employee arrival/departure forms and annual attendance records. The review scope included all pay periods in CY 2008.

We began the review by gaining an understanding of T&A practices used in CADRS and compared these practices with OPM and FMC timekeeping rules and regulations. For each employee in our sample we reviewed STAR reports and reconciled leave taken with leave

request forms. We reviewed employee requests for leave to determine whether leave was requested and approved in advance of the leave taken. We also tied leave requests back to the STAR system to verify that leave requested matched leave recorded and inspected each form for Personally Identifiable Information (PII). We reviewed the office's modified version of FMC-109 and FMC-110 to determine whether they were completed accurately and, when applicable, evidenced supervisory approval. Finally, we reconciled the FMC-183 with corresponding STAR records to identify leave errors.

The OIG performed the audit under a scope limitation. Select T&A records provided to the OIG in response to our data request were altered, i.e., information was added or deleted to make the records complete or to reconcile with supporting payroll files soon to be in our possession. Specifically, (i) previously uncertified T&A records were certified immediately before providing them to the OIG; (ii) the annual attendance record (FMC-183) was updated for one employee in our four-person sample before providing it to the OIG; and (iii) FMC-109, *Arrival and Departure Record*, was altered by deleting notations that questioned or highlighted potential problems by the timekeeper. As a result of these modifications, the OIG did not perform tests on these documents for compliance with FMC policies and procedures.

We conducted the audit in January through July 2009, 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 these objectives.

Audit Findings and Recommendations

The CADRS staff, generally, recorded their arrival and departure times on the office's modified FMC-109. This helps timekeepers to maintain accurate records of employee leave usage. However, one of the four sampled employees instead relied on the office timekeeper, on occasion, to record arrivals and departures. The individual either verbally, or via e-mail, provided arrival and departure times to the timekeeper which assisted her when recording T&A for this individual. This is not a perfect substitute for self-completing the form on a daily basis, however, as small increments of leave usage can be overlooked at the end of the pay period. CADRS staff was well versed in the protection of their social security numbers on leave documentation and complied with requirements when requesting advanced sick leave.

In June 2008, the CADRS, at the request of its new timekeeper, began strengthening the T&A process by requiring its staff to provide leave slips for all leave requested. Prior to this time, only leave exceeding eight (8) hours required a leave slip. According to this timekeeper, leave was requested, often via e-mail to the Director, and recorded by the employee on his/her FMC-109, *Employee Arrival and Departure Record*. When the timekeeper responsibilities were reassigned in September, CADRS staff was, again, not required to submit a leave slip when less than eight (8) hours of leave were used.

Our review of leave use by four sampled employees verified that staff did not submit all required leave slips. We identified 110 hours of leave that was taken throughout the year by the four-sampled employees without the required supporting documentation; virtually all of this leave occurred outside the 4-month tenure of the interim timekeeper (June – September). Nonetheless, leave was recorded by the employee on the office’s modified version of FMC-109. As discussed below, this practice does not provide the same assurance and safeguards as the submission of a leave slip.

Although the CADRS’ timekeeper is supported by a designated alternate, for four months in CY 2008 (September – December) and several months into CY 2009, the CADRS’ lead timekeeper was physically separated from other staff in CADRS. The timekeeper told the OIG that she relied completely on staff documentation to record T&A at the conclusion of each pay period. The T&A files did not contain the required documentation to identify work schedules for one of the four employees we reviewed, as required by CO 64, and one of the sampled employees used worker’s compensation leave but did not have the required leave documentation in the file.

These and other findings, along with recommendations to address the noted deficiencies, are provided below.

Finding 1. Leave Slips were not Routinely Used to Request Leave in Accordance with OPM and FMC Regulations

Commission Order 64, *Employee Absence and Leave* requires employees to request annual and sick leave, compensatory time off, leave without pay, family and medical leave, and other paid absences, on OPM Form 71, *Request for Leave or Approved Absence*. These requests are initiated by the employee and approved (or disapproved) by the employee’s supervisor and, except in extenuating circumstances, are to be submitted in advance of leave usage. The form is given to the timekeeper (i) to validate that leave taken in a given pay period was approved and (ii) to identify the number of leave hours used in the pay period for entry into STAR. The employee’s signature on the leave request form certifies that the leave/absence requested is for the purpose(s) indicated... and that falsification of information on the form may be grounds for disciplinary action, including removal.

GAO’s *Standards for Internal Control in the Federal Government* states that all transactions and other significant events are to be clearly documented and the documentation should be readily available for examination.

The T&A SOP also states timekeepers are responsible for maintaining all documentation pertaining to the submission of the T&A cards in accordance with National Archives and Records Administration, General Schedule 2.

In June 2008, the interim CADRS timekeeper required staff to provide a leave slip for each hour of leave used. This was a departure from past office practices that required a leave

slip only when eight (8) or more hours of leave were used. Her successor did not continue this requirement.

We reviewed leave requests forms and e-mails for the four employees in our sample for each pay period in 2008 (26 pay periods). Specifically, we reviewed whether leave was requested in advance using required leave request forms/e-mails and reconciled to the STAR reports, and whether leave requests contained Personally Identifiable Information, e.g., social security numbers.

Leave Used Without Proper Documentation

We found the CADRS staff did not always have an approved OPM Form 71 for leave used, but noted the hours used on the office’s modified form. CO 64, *Employee Absence and Leave*, states that annual, sick and other applicable leave should be submitted on OPM Form 71 to the supervisor for approval. The primary use of OPM Form 71 is for management and payroll to record the use of leave and reconcile it with other supporting documents. Use of the form also ensures that leave is approved in advance. Table 1. illustrates the number of hours of leave used during the year without a valid leave request form:

Table 1. Employee Leave without OPM Form 71

	<i>Number of Instances</i>	<i>Number of Hours</i>
Timekeeper	9	47
Timekeeper	1	2
Staff	0	0
Staff	24	61
Total	34	110

The OIG identified 34 instances, totaling 110 hours of leave, where no approved leave slip was provided for leave used. We relied upon the office’s modified form and e-mails to reconcile leave taken with leave entered into STAR. When leave slips are approved by the supervisor, they were provided to one of the timekeepers for reconciliation with the modified

version of FMC-109 at the end of the pay period. However, for most of the leave year, the documents were provided back to the employee before submission to the timekeeper. This practice could enable employees to alter leave documentation, with little fear of detection especially during periods when the primary timekeeper was physically separated from CADRS.

The Director of CADRS reports to the FMC Secretary, but the two offices are not in close proximity. Due in part to this separation, the Secretary accepts e-mailed leave requests from the Director of CADRS. However, the OIG identified several instances when the Secretary was not informed of leave requested or used through this or through the agency’s leave request/approval process. For example, 71 hours of leave in 16 pay periods were requested through the timekeeper without an e-mail notification to the FMC Secretary.

During the exit conference, the FMC Secretary and the CADRS Director indicated that leave requests were discussed between them and the e-mails were meant to notify CADRS staff of the Director’s leave use. The Secretary further clarified that this practice is routinely used currently, but admitted that, during the period of our review (CY 2008), the communication between her and the CADRS Director regarding leave use had not yet been fully established.

While we have no doubt that such communication between the FMC Secretary and Director occurs, the OIG notes that agency policy is to have a documented leave request for all leave. Without it, we cannot determine, with certainty, that all leave was approved in advance and that leave was used for the purposes identified.

Recommendation 1. We recommend CADRS staff make leave requests on OPM Form 71, Request for Leave or Approved Absence, and that these requests be maintained by the timekeeper when they are approved by the employee's supervisor.

Use of Updated OPM Form 71

We reviewed completed leave slips (when available) to determine whether employees used the revised OPM Form 71 and to identify PII if it existed on the forms.

The Standard Form 71 was provided to federal employees through OPM in December 1997 until OPM re-issued an updated OPM Form 71 in June 2001. The revised OPM Form 71 requires an employee who requests sick leave to indicate the purpose for the leave, when applicable, which include (i) *illness/injury/incapacitation of requesting employee* and (ii) *care of family member with a serious health condition*. CO 64 requires an employee who invokes his/her right to Family and Medical Leave to provide medical certification. These requirements provide the employee's supervisor with additional information relating to the use of sick leave. The FMC requires that all leave requests be made on the revised OPM Form 71.

One of the four CADRS' employees we reviewed used the discontinued version of the form on 31 out of 34 leave transactions, even though the updated form is provided to FMC employees on the intranet and as an appendix in the SOP for timekeepers. CADRS should provide the current OPM Form 71 to its staff for all future leave requests.

Social Security Numbers on Leave Slips

The SSN is a unique identifier issued to U.S. citizens, and to permanent and temporary residents. However, with increased awareness of identity theft and the need to protect PII, the collection of SSNs for routine uses has been significantly curtailed. PII is any information about an individual which can potentially be used to uniquely identify, contact or locate that individual.

In September 2006, the agency issued guidance to staff regarding the use of PII. The guidance stated, in part, that the SSN was no longer required on leave slips and many other agency forms. Further, the agency disabled the SSN field on the electronic leave request form. None of the four employees used their SSN on any of the leave slips that were provided. We commend the CADRS staff for safeguarding its PII.

Finding 2. Designated Primary Timekeeper is not Physically Located in CADRS

Bureau/Office heads submit form FMC-81, *Designation of Authorized Representative*, to the Office of Human Resources through the Office of Financial Management to identify the payroll certifier and the primary and alternate timekeepers. Timekeepers are assigned user codes and passwords to access the system. In CADRS, the primary timekeeper is responsible for entering time and attendance for seven staff.

According to GAO's *Standards for Internal Control in the Federal Government*, key duties and responsibilities should be divided or segregated among different people to reduce the risk of error or fraud. Further, the agency's T&A procedures stated that alternate T&A clerks are responsible for preparing the primary timekeeper's time card.

In CY 2008, there were three timekeepers in CADRS, due to staff reassignments and reassigned duties. Two of the timekeepers were physically located within CADRS. The remaining timekeeper was in the Office of the Secretary (OS), which organizationally includes CADRS, but is not in close proximity. In September 2008, primary timekeeper duties were reassigned from staff within CADRS to the OS primary timekeeper. Management wanted to consolidate these administrative duties to allow CADRS staff to focus on programmatic duties (the CADRS staff who served as the interim timekeeper is a transportation specialist in CADRS). We verified from the FMC-81, CADRS designation of a primary and alternate timekeeper.

This timekeeper is not in close proximity to CADRS staff and would not be in a position to observe staff hours worked/leave used. This timekeeper indicated to the OIG that, due to the physical separation, she relied on CADRS staff for leave input. She also indicated that she has never questioned their leave usage.

In April 2009, administrative support was detailed to CADRS. This individual is assigned timekeeper responsibilities for CADRS staff. Since her tenure is outside the scope of the audit, we do not opine on her practices.

During the exit conference, The CADRS Director told the OIG that the interim timekeeper was professional staff who was needed full time to process consumer complaints. The timekeeping function was transferred out of the office for that reason. Currently, CADRS is receiving administrative assistance, to include timekeeping. Hence the function, at least temporarily, is back in CADRS. The Director told the OIG that he is actively seeking to hire full-time administrative assistance if/when the current rotation ends.

The OIG reiterates the importance of having a timekeeper located within the office. However we also recognize the need to assign staff to agency-mission activities and, essentially, doing the best you can with staffing realities. A remotely-located timekeeper is not an optimal solution, but may be the best alternative when intra-office assistance is not available.

Finding 3. Adherence to Agency Policies

The Commission establishes policies and procedures for staff (employees, timekeepers and supervisors) to follow to ensure compliance with government-wide regulations. Review of timekeeping practices used by the employees in our sample revealed inconsistent compliance with agency guidelines in the following areas.

Employee Request for Work/Telework Schedule

According to CO 92, *Work Schedules*, employees are responsible for completing FMC-110, *Employee Request for Work/Telework Schedule* and submitting it to the supervisor/Director (if applicable) for approval. This enables supervisors to monitor employee arrival and departures. Supervisors are responsible for providing each employee with a copy of the approved/disapproved FMC-110. This form can be found on the agency's intranet.

We found three of the four sampled employees had a FMC-110 on file with the supervisor's approval. Duty hours on FMC-110 were reflected in the office's modified version of FMC-109. One of the four sampled employees, who worked an alternate work schedule (AWS), did not provide the FMC-110 to her supervisor.

During the exit conference, the CADRS Director told the OIG that he recalled approving the employee's work schedule but offered no explanation for the missing form. Regardless, we believe it is a good practice to periodically review that the documentation is up-to-date and that employee schedules haven't changed.

Recommendation 2. We recommend that all CADRS staff complete FMC-110 (to include supervisory approval) to reflect current work hours.

Employee Arrival and Departure Record

Commission Order 92 requires employees on alternate work schedules to submit a written record of arrival and departure times on FMC-109, *Employee Arrival and Departure Record*, at the end of each pay period. The form is to be certified by the employee before it is submitted to the timekeeper. Employees working a "regular" work schedule (eight hours per day) are also encouraged to use the form to document hours worked and leave used. When signed by the employee, it provides an audit trail which can be used to validate the accuracy of the T&A.

Three of the four sampled staff did not always use FMC-109, or an internally-developed alternative, to enter hours worked and leave used. CADRS' alternative form contained additional information we found useful for the employee and timekeeper that was not on the FMC-109. For example, the alternate form used by CADRS included not only hours worked, but "other hours" (holiday, administrative leave, etc.). Both forms require the employee to certify the accuracy of the information.

We also noted the CADRS' Director relied on timekeepers to complete FMC-109. He provided leave information to the timekeeper at the conclusion of the pay period for input on the FMC-109. CO 92, *Work Schedules*, states the *FMC-109 will be completed by the employee* (emphasis added) *and submitted to the timekeeper at the end of each pay period*. Completion of the form by the employee not only assists the timekeeper to accurately record T&A, but it also holds the employee accountable, as the form must be certified for accuracy and completeness by the employee. When the employee does not complete the form, it puts the burden on the timekeeper to ascertain the arrival and departure times and leave used by the employee. This places an unnecessary burden on the timekeeper.

The CARDS Director told the OIG that this practice was not the normal procedure for recording his time and was performed generally when he was not available to complete the documentation. If the FMC-109 was maintained daily, as recommended, there would be less need to rely on such assistance. Further, when the forms are filled in only at the end of the pay period, small leave increments could be overlooked.

Recommendation 3. We recommend that each CADRS employee use the FMC-109 (or the modified Form-109) to record T&A bi-weekly.

Advanced Sick Leave

CO 64 allows an employee to request advance sick leave (up to 240 hours) for a serious disability, illness or other urgent need(s) upon written request to the Bureau or Office Director and approved by the Director, Office of Human Resources. Employees are asked to provide medical documentation and estimates of the amount of leave that will be needed. The number of hours advanced is based upon whether an employee is full-time or part-time. Full-time employees accrue sick leave at a rate of four hours each pay (104 hours yearly) regardless of time in service; however, a part-time employee's sick leave rate is prorated based on the number of hours worked per week.

CADRS management followed the agency's CO 64 when granting one employee advance sick leave of 144 hours (8 weeks). The leave liability will be reduced through bi-weekly accruals of sick leave earnings. The advance of sick leave puts the employee in a negative sick leave balance, even though the employee, at the time, had a combined sick/annual leave balance of 212 hours. The OIG notes that other federal agencies encourage staff to use annual and sick leave balances before requesting advance sick leave.² The FMC should consider this approach when granting advance leave.

² One agency we spoke with indicated that the request for advance sick leave generally will not be approved: (a) if the employee has sufficient annual or sick leave to cover the absence; (b) if the request is not for a serious illness or injury; (c) for periods over six workweeks; (d) if there is not a reasonable expectation that the employee will return to work; and (e) if the employee has applied for disability retirement.

Worker's Compensation

The Federal Employees' Compensation Act of 1993 is administered by the Department of Labor, Office of Workers' Compensation Programs (OWCP). It provides compensation benefits to civilian employees of the United States for disability due to personal injury sustained while in the performance of duty or to employment-related disease. The FMC's workers' compensation policy is in CO 59, *Occupational Safety & Health* (June 14, 2000).

An employee who sustains a disabling, job-related traumatic injury may request continuation of pay (COP) for the period of disability not to exceed 45 calendar days. When an injury occurs the employee must complete Form CA-1, *Federal Employee's Notice of Traumatic Injury and Claim for Continuation of Pay/Compensation*, (DoL form) within 30 days of the date of injury to receive continuation of pay for a disabling traumatic injury. Further, medical documentation supporting the work-related injury must be received within 10 calendar days after the claim is submitted.

CO 59, *Occupational Safety & Health* provides employees with regulations and guidance to ensure that the work environment fully complies with applicable legislation and regulations governing the occupational safety and health of Federal employees. However, the T&A SOP does not provide specific guidance to timekeepers regarding OWCP leave requirements, processes and DoL determinations.

One of the four employees sampled sought worker's compensation for a job-related injury occurring in November 2008. The employee and supervisor completed Form CA-1 within the required timeframe (30 days) set by DoL. This employee told the OIG that he received assistance from the Office of Human Resources in processing the claim. However, our review of the employee's T&A files found no supporting documentation regarding the medical concurrence of the injury. DoL informed the OIG that a claim was filed and the employee was assigned a case number.

The OIG notes that this is the second incident identified, including prior T&A audits, where an employee charged OWCP leave without following all program requirements. It appears that better guidance should be provided to staff to enable it to comply with program requirements.

Recommendation 4. We recommend that Office of Administration either enhance guidance to staff in the T&A SOP or provide a tip sheet to staff injured on the job to enable staff to comply with OWCP program requirements.

Finding 4. Errors Identified on the Annual Attendance Record

The T&A SOP states that timekeepers shall record all leave used during the pay period to the employee's FMC-183, *Annual Attendance Record*, which is available electronically or in hard copy. Each calendar year the timekeeper is provided a blank FMC-183 for this purpose.

This record is to be maintained regularly, as it is used to create and verify leave balances. It is also routinely used by OFM to make corrections to the NFC database when errors occur.

We used a modified version of the FMC-183 to perform a leave audit for the four-sampled employees using CY 2007 carryover balances, FMC-109 and hours charged on STAR, and compared these to the FMC-183 maintained by the timekeeper.³ Of the eight reconciliations performed by the OIG, only the sick leave balance for one CADRS timekeeper reconciled with the STAR, FMC-183 and our leave audit. For the remaining leave balances we found discrepancies in annual and sick leave balances that carried over into CY 2009. Adjustments to correct these leave balances must be performed by OFM staff.

Table 2. Leave Audit Results

	<i>CADRS Timekeeper</i>	<i>CADRS Timekeeper</i>	<i>Employee</i>	<i>Employee</i>
Annual Leave – STAR	109	244	91	244
Annual Leave – FMC-183	77	244	91	244
Annual Leave – Leave Audit	74	240	85	221
Difference	(35)	(4)	(6)	(23)
Sick Leave – STAR	(128)	399	14	488
Sick Leave – FMC-183	(128)	399	14	480
Sick Leave – Leave Audit	(125)	399	20	485
Difference	(3)	0	6	(3)

The GAO Standards for Internal Control states *transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions*. The CO 64, also states *timekeepers will keep accurate records and supervisors will carefully monitor the use of advance annual leave*. With incorrect leave balances, employees may be using leave that they are not entitled too.

Recommendation 5. We recommend the timekeeper maintain the Annual Attendance Record for CY 2008 and future years to reflect reconciliation based on leave slips, e-mails requests, FMC-109 and STAR reports, to ascertain the correct leave balances for its employees.

Recommendation 6. We recommend the timekeeper provide a corrected FMC-183 to OFM for corrections in NFC and STAR before the end of FY 2009.

³ A leave audit reconciles opening leave balances, leave earnings and usage, with closing leave balances for a predetermined time period.

**FEDERAL MARITIME COMMISSION
EMPLOYEE REQUEST FOR WORK/TELEWORK SCHEDULE**

To: _____

- I request a regular work schedule.
- I request that the following flexible hours be established for me.

Arrival time : _____

Departure time : _____

- I request that the following compressed work AND/OR telework schedule be approved for me. Please indicate 8-hour day, day off, or telework day, as appropriate. If requesting episodic teleworking, designate work hours and check the episodic teleworking line.

First week of pay period.

Monday	:	_____	a.m. to	_____	p.m.
Tuesday	:	_____	a.m. to	_____	p.m.
Wednesday	:	_____	a.m. to	_____	p.m.
Thursday	:	_____	a.m. to	_____	p.m.
Friday	:	_____	a.m. to	_____	p.m.

Episodic teleworking

Second week of pay period.

Monday	:	_____	a.m. to	_____	p.m.
Tuesday	:	_____	a.m. to	_____	p.m.
Wednesday	:	_____	a.m. to	_____	p.m.
Thursday	:	_____	a.m. to	_____	p.m.
Friday	:	_____	a.m. to	_____	p.m.

Employee's Signature

Date

SUPERVISORY RECOMMENDATION

- Approve
- Approve as modified
- Disapprove (justification attached)

Supervisor's Signature

Date

- Approved
- Approved as modified
- Disapproved

Bureau or office director's signature

Date

cc: Employee
Timekeeper

FEDERAL MARITIME COMMISSION

Employee Arrival and Departure Record

Name _____

Pay Period Beginning _____ Ending _____

DAY	ARRIVAL TIME	DEPARTURE TIME	LEAVE (hours)	
			ANNUAL	SICK
MONDAY				
TUESDAY				
WEDNESDAY				
THURSDAY				
FRIDAY				
MONDAY				
TUESDAY				
WEDNESDAY				
THURSDAY				
FRIDAY				

I hereby certify the accurateness of this information.

Employee Signature

Date

Request for Leave or Approved Absence					
1. Name (Last, first, middle)				2.	
3. Organization					
4. Type of Leave/Absence					5. Family and Medical Leave
Check appropriate box(es) and enter date and time below)	Date		Time		Total Hours
	From	To	From	To	
<input type="checkbox"/> Accrued annual leave					
<input type="checkbox"/> Restored annual leave					
<input type="checkbox"/> Advance annual leave					
<input type="checkbox"/> Accrued sick leave					
<input type="checkbox"/> Advance sick leave					
Purpose: <input type="checkbox"/> Illness/injury/incapacitation of requesting employee <input type="checkbox"/> Medical/dental/optical examination of requesting employee <input type="checkbox"/> Care of family member, including medical/dental/optical examination of family member, or bereavement <input type="checkbox"/> Care of family member with a serious health condition <input type="checkbox"/> Other					
<input type="checkbox"/> Compensatory time off					
<input type="checkbox"/> Other paid absence (specify in remarks)					
<input checked="" type="checkbox"/> Leave without pay					
If annual leave, sick leave, or leave without pay will be used under the Family and Medical Leave Act of 1993 (FMLA), please provide the following information: <input type="checkbox"/> I hereby invoke my entitlement to family and medical leave for: <input type="checkbox"/> Birth/Adoption/Foster care <input type="checkbox"/> Serious health condition of spouse, son, daughter, or parent <input type="checkbox"/> Serious health condition of self <i>Contact your supervisor and/or your personnel office to obtain additional information about your entitlements and responsibilities under the FMLA. Medical certification of a serious health condition may be required by your agency.</i>					
6. Remarks					
7. Certification: I certify that the leave/absence requested above is for the purpose(s) indicated. I understand that I must comply with my employing agency's procedures for requesting leave/approved absence (and provide additional documentation, including medical certification, if required) and that falsification of information on this form may be grounds for disciplinary action, including removal.					
7a. Employee signature				7b. Date signed	
8a. Official action on request <input checked="" type="checkbox"/> Approved <input type="checkbox"/> Disapproved (If disapproved, give reason. If annual leave, initiate action to reschedule.)					
8b. Reason for disapproval					
8c. Signature				8d. Date signed	
Privacy Act Statement Section 6311 of title 5, United States Code, authorizes collection of this information. The primary use of this information is by management and your payroll office to approve and record your use of leave. Additional disclosures of the information may be: To the Department of Labor when processing a claim for compensation regarding a job connected injury or illness; to a State unemployment compensation office regarding a claim; to Federal Life Insurance or Health Benefits carriers regarding a claim; to a Federal, State, or local law enforcement agency when your agency becomes aware of a violation or possible violation of civil or criminal law; to a Federal agency when conducting an investigation for employment or security reasons; to the Office of Personnel Management or the General Accounting Office when the information is required for evaluation of leave administration; or the General Services Administration in connection with its responsibilities for records management. Public Law 104-134 (April 26, 1996) requires that any person doing business with the Federal Government furnish a social security number or tax identification number. This is an amendment to title 31, Section 7701. Furnishing the social security number, as well as other data, is voluntary, but failure to do so may delay or prevent action on the application. If your agency uses the information furnished on this form for purposes other than those indicated above, it may provide you with an additional statement reflecting those purposes.					

FEDERAL MARITIME COMMISSION

DESIGNATION OF AUTHORIZED REPRESENTATIVE

INSTRUCTIONS: A new form must be completed and forwarded to the Office of Financial Management whenever the designee or alternate changes.

NAME OF DESIGNEE (Print above, last name first)	SIGNATURE OF DESIGNEE
NAME OF ALTERNATE (Print last name first)	SIGNATURE OF ALTERNATE
ORGANIZATIONAL AREA OF RESPONSIBILITY	
DESIGNEE (or Alternate) IS AUTHORIZED TO <input type="checkbox"/> 1. CERTIFY/APPROVE TIME AND ATTENDANCE CARDS <input type="checkbox"/> 2. ACT IN THE CAPACITY OF TIME AND ATTENDANCE CLERK. <input type="checkbox"/> 3. REQUEST/APPROVE TRAVEL AUTHORIZATIONS, TRAVEL VOUCHERS AND LOCAL TRAVEL REIMBURSEMENTS. <input type="checkbox"/> 4. OTHER (SPECIFY) _____ _____	ADMINISTRATIVE LIMITATIONS This cancels previously issued FMC-81
SIGNATURE AND TITLE OF OFFICIAL AUTHORIZED TO DESIGNATE REPRESENTATIVE Signature _____ Title _____	DATE

**FEDERAL MARITIME COMMISSION
EMPLOYEE ARRIVAL/DEPARTURE RECORD**

NAME: _____

PAY PERIOD BEGINNING _____
14

ENDING _____

<i>DAY</i>	<i>ARRIVAL</i>	<i>DEPARTURE</i>	<i>ANNUAL</i>	<i>SICK</i>	<i>OTHER</i>
<i>Monday</i>					
<i>Tuesday</i>					
<i>Wednesday</i>					
<i>Thursday</i>					
<i>Friday</i>					
*****	*****	*****	*****	*****	*****
<i>Monday</i>					
<i>Tuesday</i>					
<i>Wednesday</i>					
<i>Thursday</i>					
<i>Friday</i>					

I hereby certify the accurateness of this information.

(Employee Signature)

(Date)

Comments:

Memorandum

TO : Inspector General

DATE: August 17, 2009

FROM : Director, Office of Consumer Affairs & Dispute Resolution Services

SUBJECT : Inspector General Draft Audit Report: *Review of the Office of Consumer Affairs and Dispute Resolution Services' Time and Attendance Practices (A09-07)*.

The following comments are presented with respect to the subject draft audit report of July 30, 2009. I appreciate the opportunity to provide comments and for the conference of July 28, 2009.

The report made several recommendations regarding this office's Time & Attendance (T&A) practices. Generally, those recommendations concerned more consistent use of certain documentation. It noted that three different timekeepers were assigned during the period of the survey. This was necessitated by unforeseen circumstances concerning the illness of the original timekeeper. In the spring of 2008, she became ill and was absent for an extended period. During this period, her alternate took care of timekeeper responsibilities. When it became obvious that the first timekeeper would not be returning, the timekeeper for the Office of the Secretary (of which this office is a part) took on primary timekeeper responsibilities for this office, so that our alternate timekeeper could focus her energies on accomplishing the dispute resolution duties of her position.

Comments are submitted on the following recommendations.

Recommendation 1. We recommend CADRS staff make leave requests on OPM Form 71, Request for Leave or Approved Absence, and that these requests are maintained by the timekeeper when they are approved by the Secretary (for the CADRS Director) or by CADRS Director for CADRS staff.

The report indicates that leave sometimes was requested by email, and occasionally verbally, without submitting OPM Form 71. Specifically, over the course of 2008 you identified 34 such instances for a total of 110 hours of leave (an average of slightly more than three hours per occasion). Although there was no record of a Form 71 on such occasions, the employees were charged leave, as the leave was recorded and certified on forms FMC-109 and the STAR report. In accord with your recommendation, we are now requiring that all requests be submitted in advance on the OPM Form 71, unless that is not feasible because the employee is not here when requesting the leave. In the latter circumstances, OPM Form 71s will be submitted asap upon their return.

Recommendation 2. We recommend that all CADRS staff complete FMC 110 (to include supervisory approval) to reflect current work hours.

All employees do complete an FMC 110 requesting approval of current work hours. For some inexplicable reason, the files did not contain such a form for one of the employees sampled. That has since been remedied and we are making provision to periodically check to see that all files of FMC 110s remain up to date.

Recommendation 3. We recommend that each CADRS employee complete his or her own FMC-109/office's modified form.

As your report indicates, this office has instituted a modified version of FMC-109 that contains additional information you determined to be useful. It is the policy and practice in this office that all employees, including the Director, complete his or her own FMC-109. However, you discovered occasions when the form had been completed by the timekeeper, based on email communications from the employee. This was not the usual procedure, but occurred to facilitate the processing of payroll when the employee was not present at the time such forms were required to be submitted. In each case, the forms were later signed and certified by the employee. We will continue to comply with this recommendation.

Recommendation 4. We recommend that Office of Administration either enhance guidance to staff in the T&A SOP or provide a tip sheet to staff injured on the job to enable staff to comply with OWCP program requirements.

It is our understanding that all T&A requirements with respect to Workers Comp claims were complied with, and your report does not conclude otherwise. Nevertheless, I concur with your recommendation that additional guidance would be helpful. I assume you will communicate this recommendation to the Office of Administration.

Recommendation 5. We recommend the timekeeper maintain the Annual Attendance Record for CY 2008 and future years to reflect reconciliation based on leave slips, e-mail request, FMC-109 and STAR reports, to ascertain the correct leave balances for its employees. and

Recommendation 6. We recommend the timekeeper provide a corrected FMC-183 to OFM for corrections in NFC and STAR before the end of FY 2009.

We will undertake to verify the accuracy of all leave balances and make any necessary adjustments by the end of FY 2009.


Ronald D. Murphy

cc: Secretary
Assistant Secretary
Deputy Director, Office of Administration
Special Assistant, Office of Administration
Director, Office of Human Resources
Director, Office of Financial Management

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