



**Report on the
Board of Elections
Payroll Management**

**By Onondaga County Comptroller Martin D. Masterpole
February 19, 2020**

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SECTION I

BACKGROUND AND EXECUTIVE SUMMARY

Background

We began a full department audit of the Onondaga County Board of Elections (BoE) in July 2019. We used a risk assessment process to determine the areas of the BoE financial operations to focus the audit on. One of the areas we chose to pursue with audit work was payroll management. The results of our audit work are presented below.

The BoE is the County office responsible for all federal, NY State, county, city and town elections in Onondaga County. Under present law, elections in the Villages of Camillus, East Syracuse, Manlius, North Syracuse, Solway and Tully also fall under the jurisdiction of the BoE. Other village and school elections, as well as fire and other special district elections, do not fall under the jurisdiction of the BoE. The responsibilities of the BoE include, but may not be limited to: the registration of voters, certification of candidates for the ballot, maintenance and set-up of voting machines, appointment and training of election inspectors and voting machine custodians, and canvassing and certifying of election results.

The BoE is managed by two Commissioners, each recommended by one of the major political parties and appointed by the County Legislature.

Executive Summary

There are no written BoE departmental policies and procedures for payroll processing. The payroll processing function for the BoE is performed at the department level by an Election Assistant 3 (payroll clerk).

All employees with the exception of the Commissioners use the Kronos time and attendance system to record daily hours worked. Advance requests and approval of staff leave time is a manual process which is handled by the BoE Directors and recorded in a spiral bound calendar book. The payroll clerk researches, resolves, and approves any missing time punches including leave time, and approves compensation time earned in the Kronos system. Once the payroll records are complete, the payroll information is reviewed by a secretary and electronically approved by the payroll clerk and submitted to the County Comptroller's office Payroll Unit for processing.

One Commissioner, two Directors, the payroll clerk, and a secretary have Kronos access that allows them to make changes to and approve their own work time, leave time used, and compensatory time earned and used. We did note that approval and record keeping for leave time is very labor intensive.

Recommendations:

The BoE Commissioners should:

- 1) Formalize and document their payroll processes policies and procedures. These policies should include (but not be limited to) ensuring only BoE employees who need access to complete the payroll process have enhanced access to Kronos (generally this would include the payroll clerk and a backup payroll clerk). In addition, these policies and procedures should also ensure any BoE employee having enhanced access to the Kronos system is not entering, correcting, and approving their own time adjustments.*
- 2) Require periodic supervisory reviews of pay period processing, including compensation time earned and leave time used to ensure procedures are being followed. The review of the payroll by the secretary should be documented with either a signature or initials and the date it was performed.*
- 3) Make arrangements for all personnel involved in the processing of payroll to receive the necessary training in order to complete their duties appropriately and consider selecting and fully training a backup person for payroll processing should the payroll clerk be unable to perform those duties.*
- 4) Consider written documentation for pre-notification of the use of leave time and the use of the SharePoint leave request system by the Commissioners. Pre-notification and use of the SharePoint System would help improve office efficiency and accuracy for recording the Commissioners' leave time and related balances.*
- 5) Contact the IT department to determine if the County SharePoint leave request processing system would be available and of benefit to the BoE. If the BoE continues their manual paper leave request system, the time off requests should include spaces for the employee and Director to sign as verification of request and approval.*
- 6) Remove authorization for any BoE employee to change their own time records in Kronos. If changes to the payroll clerk's time records are necessary, a backup payroll clerk should be designated and authorized to make those changes.*
- 7) Develop a process to ensure documentation requesting and authorizing leave charges be kept on file and made available for audit purposes.*
- 8) Provide written documentation authorizing mandatory overtime/comp time. The written documentation should be kept on file by the commissioners in the form of an e-mail or interoffice memorandum to employees.*

SECTION II

SCOPE AND METHODOLOGY

Scope

We reviewed and analyzed the current BoE payroll system access and controls used to certify payroll time records for payment and the process for approving and recording leave time earned and used.

Methodology

In order to accomplish our objectives we interviewed BoE staff, analyzed data contained in the Kronos time management software system, and reviewed supporting payroll documentation to develop our findings and recommendations.

SECTION III

FINDINGS AND RECOMMENDATIONS

Payroll Processing

The BoE does not have written policies or procedures pertaining to their payroll preparation and processing.

The BoE uses the Kronos time management system to track actual hours worked. Kronos is the County-wide time and attendance system that collects employee time data and maintains leave time balances and compensation time for employees that use the system. To use Kronos an employee swipes their county issued ID badge through a time clock when beginning work, leaving and returning for lunch or other absences, and at the end of the work day. Employees have access within Kronos to view their time swipes and leave accruals, usage, and balances. Only employees that have authorized security access from the Information Technology (IT) department can make changes to time swipes and leave time.

BoE Commissioners are exempt from using the Kronos system to record their work hours, thus Kronos does not maintain their leave balances. The payroll clerk maintains an Excel spreadsheet to track the Commissioners' leave accruals, uses, and balances.

We requested and received two reports from IT which list the names and types of access the employees of BOE have in the Kronos system. Five current BoE employees have access that allows them to change their own and other BoE employees' time swipes, leave time used, and compensation time earned and used. One previous employee is listed as still having access, and a Director from another unrelated department has access to make changes to the BoE information in Kronos.

The payroll processing responsibilities for the department are performed by the payroll clerk. For each pay period the payroll clerk enters compensation time earned as well as leave time used into the Kronos system and the Commissioners Excel spreadsheets. The payroll clerk then uses Kronos and the Commissioners Excel spreadsheets to review each department employees' work hours and leave time used for completeness and accuracy. Once the payroll clerk has completed this process, the secretary reviews and verifies the accuracy of work time and leave time. After that review, the payroll clerk electronically signs off on the payroll information and it is submitted to the County Comptroller's Payroll Unit for processing.

The County Comptroller's Payroll Unit reviews the BoE payroll data. If there are questions/issues, the BoE payroll clerk receives an Audit Detail Report (ADR) to determine if any other changes need to be made. The BoE payroll clerk works with the Comptroller's Payroll Unit to resolve any exceptions. If necessary at this point, changes are made by the Comptroller's Office Payroll Unit. The ADR report is run until all exceptions are cleared.

The payroll clerk was unsure who in the BoE would be able and responsible to process the payroll if she is absent.

Finding:

The BoE does not have written departmental policies and procedures for the payroll processing function. In addition, as we stated above, five employees have enhanced access to the Kronos software system which would allow any of them to make changes and approve changes to their own and other employees' time records. They include one Commissioner, two Directors, the payroll clerk, and one secretary.

Recommendation:

- 1) *Formalize and document their payroll processes policies and procedures. These policies should include (but not be limited to) ensuring only BoE employees who need access to complete the payroll process have enhanced access to Kronos (generally this would include the payroll clerk and a backup payroll clerk). In addition, these policies and procedures should also ensure any BoE employee having enhanced access to the Kronos system is not entering, correcting, and approving their own time adjustments.*

Finding:

The review of payroll by the secretary has not been documented. In addition, there appears to be very little supervisory interaction and no supervisory sign-off during the payroll preparation process before it is submitted to the County Comptroller's Office.

Recommendation:

- 2) *Require periodic supervisory reviews of pay period processing, including compensation time earned and leave time used to ensure procedures are being followed. The review of the payroll by the secretary should be documented with either a signature or initials and the date it was performed.*

Finding:

According to the payroll clerk, the current BoE staff has not received training for payroll processing or for using the Kronos system. The only training BoE staff received was from past BoE personnel handling those functions. In addition, there is no backup BoE employee designated to perform the duties of the payroll clerk in their absence.

Recommendation:

- 3) *Make arrangements for personnel involved in the processing of payroll to receive the necessary training in order to complete their duties appropriately and consider selecting and fully training a backup person for payroll processing should the payroll clerk be unable to perform those duties.*

Commissioners Paid Leave Time

There is no written policy for how Commissioners should request/document paid leave time. The system currently in use is that a payroll clerk is notified either verbally or by e-mail from the Commissioners or their secretaries of the use of their leave time. Sometimes this communication takes place prior to the paid leave time, other times it does not. In lieu of written policy, a hard copy form for the purpose of Commissioners requesting/documenting paid leave time does exist. It is not being used consistently. This system creates the potential for a situation in which someone would be receiving pay for time not worked and/or the time taken off not being charged against earned leave.

Recommendation:

- 4) *Consider migrating to the SharePoint leave request system used by an ever-increasing number of County departments. Until that happens, a set of written policies and procedures outlining the paid leave process should be created and consistent use of the paid leave form—submitted to the payroll clerk prior to the date of the paid leave--is suggested.*

Paid Leave Time – All Other Full Time Employees

BoE employees' request for leave time is a manual process. The requesting employee fills out a paper time off request which contains the employee's name, the date and time of leave requested, and the type of leave time to be charged (i.e., sick, personal, vacation). The completed request is given to a Director who reviews it. If the Director approves the request, we were told they write the information in a calendar book located near the payroll clerk's work area. The time off requests are not currently signed by the employee and neither the time off requests or the calendar book entries are being signed/initialed by a Director indicating they are approved. The payroll clerk verifies the leave time requested is available and saves the request to be filed with the payroll paperwork for the requested payroll period.

Because of the number of employees with enhanced access to the Kronos system, including the ability to change their own Kronos records, we focused our testing of time records in Kronos primarily on these employees. We reviewed the leave time taken for the period of July 1, 2018 through December 31, 2018 to determine if the procedures that were described to us during our interview of BoE personnel were being followed. The results are as shown in the chart below.

Review of Leave Time for Employees with Enhanced Access to Kronos July 1, 2018 to December 31, 2018			
Name	# of Leave Events Reviewed *	# of Missing Leave Requests	# of missing Calendar Notations
Director	4	2	2
Director	3	2	0
EA3	5	1	2
Secretary	6	0	2

* if sequential days of leave, counted as 1 event

We noted that the payroll clerk is making all changes and approvals in Kronos for all employees including the payroll clerk's own time. For the records we reviewed from July 1 through December 31, 2018 we did not identify any changes that appeared inappropriate.

Recommendations:

- 5) *Contact the IT department to determine if the County SharePoint leave request processing system would be available and of benefit to the BoE. If the BoE continues their manual paper leave request system, the time off requests should include spaces for the employee and Director to sign as verification of request and approval.*
- 6) *Remove authorization for any BoE employee to change their own time records in Kronos. If changes to the payroll clerk's time records are necessary, a backup payroll clerk should be designated and authorized to make those changes.*
- 7) *Develop a process to ensure documentation requesting and authorizing leave charges be kept on file and made available for audit purposes.*

Using SharePoint Leave Request software for tracking all employees (including commissioners) requests for work time exceptions, thus eliminating various paper slips and forms, would improve efficiency in the preparation of the payroll and ensure a complete permanent stored record of leave time approvals and usage.

Compensatory Time

The Commissioners require mandatory overtime for BoE employees during peak work periods, (e.g., election dates). This mandatory overtime is not paid to employees as overtime pay but rather as compensatory (comp) time to be used at a later date. The Commissioners verbally notify employees in advance of when overtime may be expected. This notice serves as the approval for the payroll records.

Due to the nature of the Board of Elections activities there are established black out times when no time off may be taken. For high activity election years this can significantly narrow the window for when time off may be taken and still maintain office coverage for necessary functions. As of December 10, 2019 there are approximately 3,000 hours of unused comp time for BoE employees, with a total payroll value of approximately \$80,200.00.

We conducted a review of time records for the period July 1 through December 31, 2018, for comp time earned in the Kronos system. This comp time earned was approved by the payroll clerk, including the payroll clerk's own comp time. The payroll clerk also has system access to change regular comp time earned into FLSA (Fair Labor Standards Act) comp time. The FLSA comp time does not have a capped limit, as does regular comp time when determining final pay when an employee leaves County service.

Recommendation:

- 8) *Provide written documentation authorizing mandatory overtime/comp time. The written documentation should be kept on file by the commissioners in the form of an e-mail or interoffice memorandum to employees.*

SECTION III

MANAGEMENT'S RESPONSE



COUNTY OF ONONDAGA

Office of the Board of Elections

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DUSTIN M. CZARNY
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MICHELE L. SARDO
COMMISSIONER

February 14, 2020

Marty Masterpole
Onondaga County Comptroller
421 Montgomery St., 14th Floor
Syracuse, NY 13202

Re: Onondaga County Board of Elections Audit

Dear County Comptroller Masterpole,

Response from Commissioner Czarny,

Thank you for allowing me to respond to your audit of our payroll process. I generally agree with the report findings and would like to offer a few clarifications to your recommendation. They are as follows:

1) Formalize and document their payroll processes policies and procedures. These policies should include (but not be limited to) ensuring only BoE employees who need access to complete the payroll process have enhanced access to Kronos (generally this would include the payroll clerk and a backup payroll clerk). In addition, these policies and procedures should also ensure any BoE employee having enhanced access to the Kronos system is not entering, correcting, and approving their own time adjustments.

At the end of 2018 it became clear that with the constant changeover in the payroll clerk position (we had 4 different clerks in 4 years) that additional oversight was needed. We formalized a Democratic shadow (which you refer to as the backup payroll clerk) to sit in on all budget meetings and also learn the payroll functions. This has provided some level of oversight and eliminated some mistakes that have been made in the past. Development of more formal procedures is a good suggestion and I will be looking to implement that this year.

2) Require periodic supervisory reviews of pay period processing, including compensation time earned and leave time used to ensure procedures are being followed. The review of the payroll by the secretary should be documented with either a signature or initials and the date it was performed.

Until September of 2019 only one commissioner was required to sign off on the payroll. By habit the GOP commissioner usually did that only because of being in close proximity of the payroll clerk in the office layout with the Democratic commissioner doing it in their absence. After time off came under scrutiny and while undergoing this audit I insisted both commissioners must see and sign off on the payroll which is now being done. We continue to get bi weekly printouts of time balances of all employees in the office so we can review time taken as well.

3) Make arrangements for all personnel involved in the processing of payroll to receive the necessary training in order to complete their duties appropriately and consider selecting and fully training a backup person for payroll processing should the payroll clerk be unable to perform those duties.

In 2019 and continuing today we started the process of having a fully trained backup on the payroll and budget position. That will continue. We continue to work with Office of Management and Budget and Personnel to ensure these positions have the proper information to do their job.

4) Consider written documentation for pre-notification of the use of leave time and the use of the SharePoint leave request system by the Commissioners. Pre-notification and use of the SharePoint System would help improve office efficiency and accuracy for recording the Commissioners' leave time and related balances.

5) Contact the IT department to determine if the County SharePoint leave request processing system would be available and of benefit to the BoE. If the BoE continues their manual paper leave request system, the time off requests should include spaces for the employee and Director to sign as verification of request and approval.

I believe the use of the sharepoint system is a good suggestion and will be recommending that our department contact IT and start the process of getting that implemented as soon as possible.

6) Remove authorization for any BoE employee to change their own time records in Kronos. If changes to the payroll clerk's time records are necessary, a backup payroll clerk should be designated and authorized to make those changes.

As part of formalizing our documentation I will suggest a rule prohibiting this and work with personnel to make sure to the extent possible we can prohibit this from happening in Kronos. It is important to note we do not believe this is a past issue, however it is good to guard against future mistakes and/or abuses.

7) Develop a process to ensure documentation requesting and authorizing leave charges be kept on file and made available for audit purposes.

In September of 2019 in response to this audit and scrutiny of our process I started a review of our leave policy. In January of 2020 we implemented a change in the Commissioner leave slips requiring the commissioners to sign off on their own time off requests as opposed to the payroll clerk receiving this data from our secretaries. This should create an audit trail for commissioner time off requests in the future.

8) Provide written documentation authorizing mandatory overtime/comp time. The written documentation should be kept on file by the commissioners in the form of an e-mail or interoffice memorandum to employees.

As part of our reorganization in January of 2020 we have implemented a formal set of meetings to manage our office. As part of that we developed a formal policy regarding the instituting of mandatory overtime/comp time around election deadlines. This documentation makes it clear that overtime/comp time can only be authorized by agreement of both commissioners, as well as blackout periods when time cannot be used, and when mandatory comp/overtime periods may occur (usually close to a registration deadline).

Sincerely,

A handwritten signature in dark ink, appearing to be 'DMC', enclosed within a large, loopy oval flourish.

Dustin M. Czarny
Commissioner of Elections



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MICHELE L. SARDO
COMMISSIONER

February 19, 2020

Martin Masterpole, Comptroller
Onondaga County

Marty

In reviewing the Payroll Management Report the BoE has a procedure in place for Kronos with one payroll clerk entering, correcting and making adjustments to Kronos and one back up employee in the case of the payroll clerk's absence. No other employee has authorization to Kronos to adjust any of their time.

The Commissioners authorize the time off slips when an employee requests it with written documentation.

The BoE is in the process of updating our time off request to comply with the county. Also, we will be seeking extra training for the payroll clerk(s) so they are aware of any changes or developments that may occur.

Thank you for taking your time with us and we will be making sure policies are written and the adequate people are trained moving forward.

Sincerely,


Michele L Sardo
Elections Commissioner