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NEWS RELEASE

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FOR RELEASE _____ June 23, 2008

Auditor of State David A. Vaudt today released a report on the Woodbury County Sheriff's Office. The report covers the period December 1, 2004 through December 31, 2007. The procedures were performed as a result of a citizen's concern which alleged the Chief Deputy of the County Sheriff's Office performed training for an outside organization without taking vacation or time off without pay. The procedures were conducted in accordance with section 11.36(3) of the *Code of Iowa*.

The Chief Deputy, Gregory Logan, began employment with the Sheriff's Office in March 1977. He was appointed Chief Deputy in January 2005 when the current Sheriff took office.

Vaudt reported the Chief Deputy conducted 13 training sessions for the National Emergency Training Center (NETC) in Emmetsburg, Maryland while employed by the County. These sessions were each a week long and occurred between December 1, 2004 and December 31, 2007. For 12 of the 13 sessions, the Chief Deputy recorded vacation during the pay period in which he conducted training for NETC. Because he did not complete timesheets or a "Vacation/Comp and Holiday Request" form, we are unable to determine the exact days he took vacation. The vacation or other leave used was for a week in each of the 12 instances.

For the remaining session, vacation was not recorded and time without pay was not taken. The contract with NETC for that session was for the time period Sunday, December 2 through Friday, December 7, 2007. The Chief Deputy was paid his regular net salary of \$1,037.55 for the pay period without any leave recorded. The Chief Deputy stated he should have recorded vacation for that week. As of June 12, 2008, his vacation balance has been reduced by 40 hours.

The report includes recommendations to strengthen controls related to time records, including the use of timesheets and leave request forms. In addition, Vaudt recommended the County document approval of outside employment for all Sheriff's Office personnel.

A copy of the report has been filed with the Woodbury County Attorney's office. The report is available for review in the Office of Auditor of State and on the Auditor of State's web site at <http://auditor.iowa.gov/specials/specials.htm>.

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Woodbury County Board of Supervisors
Woodbury County Courthouse
620 Douglas Street
Sioux City, IA 51101

To the Woodbury County Board of Supervisors:

As a result of a concern brought forth by a citizen regarding the Woodbury County Sheriff's Office, we conducted certain tests and procedures for the Sheriff's Office for the period December 1, 2004 through December 31, 2007. The procedures we performed were based on allegations the Chief Deputy of the Sheriff's Office was performing training for an outside organization without taking vacation or time off without pay. Based on discussions with the County Auditor, the County Sheriff and other County personnel and a review of relevant information, we performed the following procedures:

- (1) Evaluated internal controls over payroll to determine whether adequate policies and procedures were in place and operating effectively.
- (2) Evaluated the County Sheriff's policy and procedures for off-duty employment.
- (3) Obtained and reviewed copies of the contracts for training services between the Chief Deputy and the National Emergency Training Center (NETC).
- (4) Compared the dates of services per the contracts to the County's payroll records to determine if vacation or time without pay was taken by the Chief Deputy during the period the training services were provided.
- (5) Interviewed various County staff regarding internal controls over the payroll process.
- (6) Interviewed the Chief Deputy regarding training performed for NETC, his leave usage and County policies for off-duty employment.
- (7) Obtained and reviewed printouts from the County Auditor showing the Chief Deputy's vacation accrual, usage and balance remaining to determine if the Chief Deputy used vacation while attending the training courses.

As a result of these procedures, we obtained an understanding of the County's payroll process and its policies for leave usage and outside employment. Timesheets and "Vacation/Comp and Holiday Request" forms are required for all staff in the Sheriff's Office except for the Sheriff, Chief Deputy and Assistant Deputy. According to the Sheriff, this has been the Office's practice for many years. The Sheriff stated he does request the Chief Deputy and Assistant Deputy inform him or the payroll clerk about any vacation, sick leave or other leave taken. According to the Sheriff, notification by the Deputies is usually done verbally, by e-mail and or by leaving a note with the payroll clerk.

Gregory Logan is the Chief Deputy in the Sheriff's Office. He has been employed by the County since March 1977 and was appointed to the position of Chief Deputy in January 2005 when the current Sheriff took office. Chief Deputy Logan conducted 13 training sessions for the NETC in Emmetsburg, Maryland while employed by the County. According to the Sheriff and other staff we spoke with, the training sessions were not part of Chief Deputy Logan's job duties with the Sheriff's Office. These sessions were each a week long and occurred between December 1, 2004 and December 31, 2007.

We obtained copies of the contracts between Chief Deputy Logan and the NETC for the training services to determine the terms and the dates the services were provided. Under the contracts with the NETC, Chief Deputy Logan received a flat fee for his services. The contract dates usually run from a Sunday to a Friday, with the session starting on Monday

Because the sessions are not part of his job duties, the Chief Deputy should be using vacation or taking time without pay for the time he is working for the NETC. In addition, the Sheriff Office's off-duty employment policy requires all extra or off-duty work to be submitted through the Woodbury County Deputy Sheriff's Office Association and be approved by the Chief Deputy. The request for off-duty work is to be made on an off-duty request form. Once approved, the request form is to be filed by the payroll clerk in the Sheriff's Office. The policy also states the approved requests are subject to periodic review by the Chief Deputy. The policy does not specifically address off-duty employment by the Chief Deputy or Assistant Deputy. According to the Chief Deputy, the policy was intended to apply only to union members and not the Chief Deputy or Assistant Deputy. The Chief Deputy also stated, subsequent to our review, it has been decided the policy should apply to all employees except the Sheriff, who is considered to be on-call 24 hours a day as an elected official.

According to the Sheriff, the Chief Deputy did not complete a written request for the off-duty services he was performing for the NETC. The Sheriff was unable to provide any documentation showing approval of the outside employment for the Chief Deputy. However, the Sheriff stated he was aware of the contracts with the NETC and he verbally approved the outside employment for the Chief Deputy.

For 12 of the 13 training sessions conducted for the NETC by the Chief Deputy during the period of our review, he recorded vacation during the pay period in which the training was conducted. We were unable to determine the exact days of the vacation because there were no timesheets or "Vacation/Comp and Holiday Request" forms completed by the Chief Deputy. According to the payroll register, the vacation or leave recorded in each of the 12 instances was for a week.

In the remaining instance, there was no vacation or leave recorded in the payroll register. In addition, the Chief Deputy was paid his regular net wages of \$1,037.55 for this pay period. Therefore, he did not take any leave without pay while he conducted this training session. The NETC contract was for the period Sunday, December 2 through Friday, December 7, 2007. According to the payroll clerk, she did not remember if the Chief Deputy informed her he would be gone that week. The Chief Deputy stated "it was probably an oversight on his part." According to the Chief Deputy, he normally informs the payroll clerk when he is going to be attending these training sessions.

On June 12, 2008, subsequent to our review, Chief Deputy Logan's vacation usage was adjusted to reflect vacation for the week of December 2, 2007. The documentation for the adjustment was provided to our staff.

As a result of our review, we identified the following findings and recommendations which should be considered by the County

- (A) Timesheets - According to the Sheriff and other staff we spoke with, the Chief Deputy and Assistant Deputy are not required to prepare timesheets or "Vacation/Comp and Holiday Request" forms. All other officers are required to maintain timesheets and submit "Vacation/Comp and Holiday Request" forms to the payroll clerk. The forms are to be approved by the officer's direct supervisor and their Division Administrator. The timesheets and usage request forms provide documentation for time off, such as vacation, sick leave and personal leave.

The Chief Deputy and Assistant Deputy are not required to submit timesheets or "Vacation/Comp and Holiday Request" forms, so is not possible to determine if their leave usage has been properly recorded. Because these Deputies inform the payroll clerk verbally, by email or by a note, there may be no documentation available or maintained to support their leave usage.

Recommendation - The Sheriff's Office should develop procedures to require the use of timesheets and/or "Vacation/Comp and Holiday Request" forms for all employees, including the Chief Deputy and Assistant Deputy, to ensure leave is properly recorded.

- (B) Outside Employment - The Sheriff's Office has a policy requiring approval of any off-duty employment. Off-duty employment is defined by the policy as "any non-law enforcement related off-duty work for pay." The policy also requires the Chief Deputy to approve all requests for off-duty work. While the policy does not specifically exclude them, it has not been applied to the Chief Deputy and Assistant Deputy. The Sheriff's Office does require formal approval of off-duty employment by these officers.

During the period December 1, 2004 through December 31, 2007, the Chief Deputy contracted with the NETC to conduct 13 training sessions. There was no documented approval for the outside employment of the Chief Deputy.

Recommendation - The Sheriff's Office should ensure all employees, including the Chief Deputy and Assistant Deputy, comply with the Office's policy on off-duty work. Documentation should be required and maintained for all off-duty employment approved. The Sheriff should approve the off-duty employment for the Chief Deputy. If the policy for off-duty employment for the Chief Deputy and Assistant Deputy is different than the policy for other employees, the exceptions or differences should be in writing.

- (C) Vacation Accrual - The Chief Deputy conducted 13 training sessions during the period December 1, 2004 through December 31, 2007 for the NETC. These sessions were conducted during the Chief Deputy's normal working hours and were each a week long. For 12 of the 13 sessions, the payroll records show the Chief Deputy took vacation during the pay period the session was conducted. Because the Chief Deputy did not complete timesheets or "Vacation/Comp and Holiday Request" forms, we are unable to determine the exact days vacation was taken.

The payroll records show the Chief Deputy did not take vacation for the session he conducted for the week of December 2 through December 7, 2007. In addition, because the Chief Deputy was paid his normal salary for the pay period, he did not take time without pay for this week. Because vacation was not used, the Chief Deputy was paid by the County for the week he conducted a training session for the NETC.

Recommendation - Subsequent to our review, a correction was made to the Chief Deputy's vacation balance. An additional 40 hours was deducted from his balance on June 12, 2008. The County should implement procedures to ensure vacation or time off without pay is properly recorded.

The procedures we performed do not constitute an audit of financial statements conducted in accordance with U. S. generally accepted auditing standards. Had we performed additional procedures, or had we performed an audit of financial statements of Woodbury County, other matters might have come to our attention that would have been reported to you.

A copy of the report has been filed with the Woodbury County Attorney's Office.

We would like to acknowledge the assistance and many courtesies extended to us by officials and staff of Woodbury County during the course of our review.



DAVID A. VAUDT, CPA
Auditor of State

June 4, 2008