
Edmonton Police Service Overtime Review Follow-up Report

May 4, 2006

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Edmonton Police Service Overtime Review Follow-up Report

1. Introduction

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

2. Background

2.1. Summary of Original Report

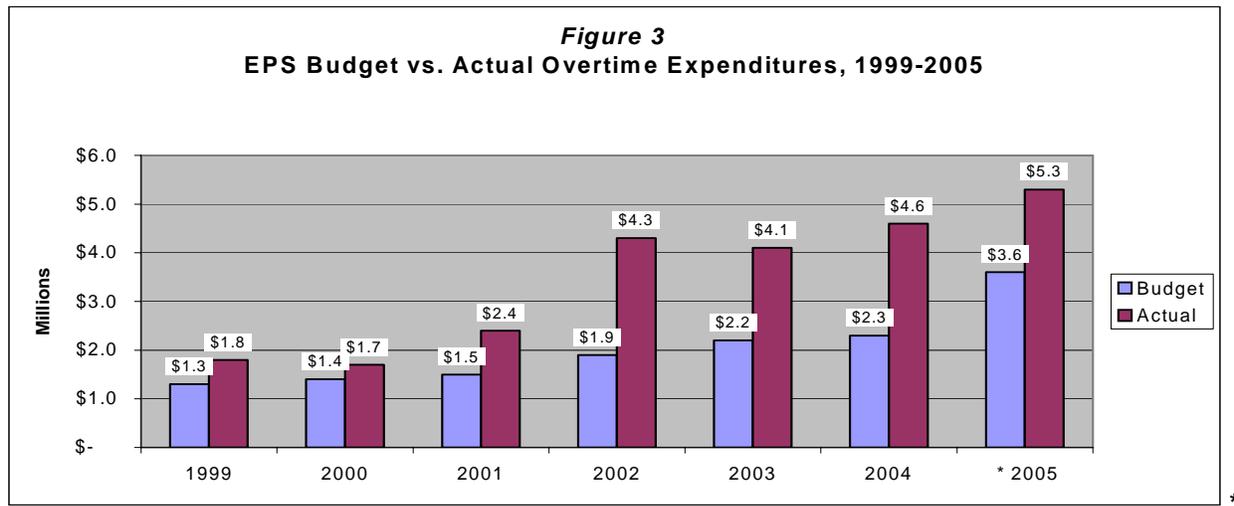
The objective of the Edmonton Police Service Overtime Review report was to examine the EPS's policies and management controls to determine whether or not they facilitate overtime being used in an efficient, effective and economical manner.

During the review the OCA determined that police overtime is a complex issue. Overtime expenditures are influenced by management controls, scheduling, staffing levels, and organizational objectives. Nevertheless, 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.

The OCA's report concluded 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. Also the OCA believed 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 1999 to 2005:



In 2005, gross overtime dollar expenditures were \$ 5.9 million, less overtime dollar recovery from third parties of \$0.6 million = net overtime expenditure of \$ 5.3 million. Prior years' overtime dollar recoveries were not significant.

For the seven year period from 1999 to 2005, actual overtime expenditures increased from \$1.8 million in 1999 to \$5.3 million in 2005, representing a 194 percent increase over the seven year period, equivalent to 28 percent per year.

Overtime expenditures have continued to increase from 2003 to 2005 since the original report was issued. In 2003 overtime expenditures were \$4.1 million (\$2.2 million budget) increasing to \$5.3 million (\$3.6 million budget) in 2005. This increase represents a 29 percent increase in actual overtime expenditure (64 percent increase in budgeted overtime expenditure) over the two-year period.

3. Scope and Methodology

The OCA completed its follow-up review to determine the implementation status of the recommendations contained in the Edmonton Police Service Overtime Review report. The original report contained eleven recommendations and EPS's plans to implement the recommendations. The EPS set a target date of December 31, 2005 for completion of all the recommendations contained in the original report.

The OCA's follow-up review addressed the recommendations contained in the original report and was limited to the action taken by EPS to address these recommendations.

4. Summary of Results

The OCA assessed the implementation status of management's actions to address the eleven recommendations contained in the original report. The following table summarizes the implementation status for each recommendation.

Appendix	Implementation Status	Number
A	Complete	3
B	In progress	8
–	Not implemented	–
–	No longer applicable	–
	Total recommendations	11

5. Conclusion

The EPS revised their original target date from December 31, 2005 to October 31, 2006 in order to implement the remaining eight recommendations. The OCA will schedule another follow-up review sometime after October 31, 2006 to assess the progress toward implementation of these eight recommendations.

The OCA appreciates the assistance received from the Edmonton Police Service.

6. EPS Management Response

The EPS provided the OCA with the following management response:

The Chief of Police's 100 Day Plan published on April 19, 2006 includes completion of the action plans related to the outstanding recommendations from the overtime review.

Significant work has occurred to track and manage overtime use in the interim primarily through manual tracking and refinement of existing oversight and practices. The Edmonton Police Commission has required enhanced reporting of overtime, including explanations of usage and management strategies for mitigation of costs through quarterly reporting in 2005, increasing to monthly reporting in 2006.

The original December 31, 2005 target date for implementation of the majority of the recommendations was delayed due to several factors. Some recommendations are linked to policy changes which integrate proposed changes to the City of Edmonton's financial and payroll systems. Categorization of overtime use has been identified, however the technical means to track and manage overtime use based on these categories is dependant on changes to the HRIS system. These modifications were delayed due to corporate project delays in the upgrade of the HRIS system. Changes are also required in the corporate SAP financial system to ensure that the financial information flows into SAP, eliminating the need for manual tracking and manipulation of data.

Appendix A – Recommendations with Implementation Status Assessed as Complete

Original Recommendation # 8
Ancillary Overtime
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.

Follow-up Review – Implementation Status:
<input checked="" type="checkbox"/> Complete <input type="checkbox"/> In progress <input type="checkbox"/> Not implemented <input type="checkbox"/> No longer applicable
Action Taken: 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.

Appendix A – Recommendations with Implementation Status Assessed as Complete

Original Recommendation # 9
Budget Preparation
<p>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:</p> <p>a) Specifically each operational unit within EPS should include in its budget submission the following information (using appropriate management information reports):</p> <ul style="list-style-type: none"> (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.). <p>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.</p>

Follow-up Review – Implementation Status:
<p><input checked="" type="checkbox"/> Complete <input type="checkbox"/> In progress <input type="checkbox"/> Not implemented</p> <p><input type="checkbox"/> No longer applicable</p> <p>Action Taken: Recommendations # 9 (a) and (b) have been fully Implemented. Budget forms, instructions, and orientation processes have been modified to satisfy this recommendation.</p>

Appendix A – Recommendations with Implementation Status Assessed as Complete

Original Recommendation # 11
Time Transfers
<p>The OCA recommends that:</p> <ul style="list-style-type: none"> 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.

Follow-up Review – Implementation Status:
<p><input checked="" type="checkbox"/> Complete <input type="checkbox"/> In progress <input type="checkbox"/> Not implemented</p> <p><input type="checkbox"/> No longer applicable</p>
<p>Action Taken: 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.</p> <p>Recommendation # 11(c) is subject to finalization and approval of the new collective agreement. The old agreement expired on December 27, 2005.</p>

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 2	EPS Response and Action Plan
<p align="center">Overtime Management Practices</p> <p>The OCA recommends that EPS management provides 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.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i> In conjunction with the development of the overtime policy (Recommendation #1), develop a procedure outlining the protocols for authorization and approval of overtime. The overtime policy and procedure will be included in the EPS policy & procedure manual. This information will also be submitted for inclusion as part of the EPS Supervisor’s course.</p> <p><i>Area Responsible:</i> Executive Services Division – Professional Standards Unit.</p> <p><i>Original Target Date for Completion:</i> 2005 June 30.</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
<p>Action Taken:</p> <p>Work has gone forward to address critical areas of concern in advance of the technical solutions for the reporting and management of overtime use primarily using various methods of manual tracking. The supervisor’s course implemented in 2005 has included protocols for authorization and approval of member’s time as part of its curriculum. Recommendations #1, #2, #4(a), #6, #7, and #10 are interrelated and are proceeding concurrently.</p> <p>Revised target date is October 31, 2006.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 3	EPS Response and Action Plan
<p align="center">Work/Life Balance</p> <p>The OCA recommends that the EPS:</p> <p>a) Tracks and monitors the time members dedicate to all major duties that are 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.</p> <p>b) Updates its policy and procedure manual to include guidance on the use of time balance.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i></p> <p>a) A system will be developed for tracking and monitoring time spent on duties outside of EPS member's regular shift.</p> <p>b) The EPS overtime policy and procedure will incorporate guidance on the use of time balance (refer to Recommendation #2).</p> <p><i>Area Responsible:</i> Human Resources Division lead, in consultation with Project Aristotle and Finance and Supply Services.</p> <p><i>Original Target Date for Completion:</i> 2005 December 31</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
Action Taken:		
<p>Recommendation #3 (a) is proceeding. Work has proceeded for tracking and monitoring of shift replacement. Technical solutions for tracking of court time will move concurrently with the implementation of the overtime codes in the corporate HRIS system.</p> <p>Revised target date is October 31, 2006.</p> <p>Recommendation #3 (b) will be completed through the update of policy concurrently with other overtime policy development. Electronic capture of time balance was implemented in July 2005. The use, approval and management of time balance have been included in the supervisor's course.</p> <p>Revised target date is October 31, 2006.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 4	EPS Response and Action Plan
<p align="center">Management Information Reports</p> <p>The OCA recommends that the EPS:</p> <p>a) Takes further steps to capture and analyze in greater detail the nature of the work performed on overtime and the circumstances of its use.</p> <p>b) Works with the Project Aristotle Team to determine if the new PeopleSoft modules will be able to address some of the overtime reporting requirements.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i></p> <p>a) Chief’s Committee and EOT will be surveyed to determine what information is required to compile meaningful Management Information Reports.</p> <p>b) In order to develop the required management information reports for overtime, a review of existing or new sources of data (i.e. Project Aristotle and People Soft) will be carried out to determine the necessary modifications of the C-11 report to capture the required information. The completion of the management reports cannot be completed until after the re-design of the C-11 (see recommendation # 6).</p> <p><i>Area Responsible:</i> Human Resources Division (Payroll Section) will take the lead on this issue with Finance & Supply Services and Project Aristotle providing support as required.</p> <p><i>Original Target Date for Completion:</i> 2005 December 31.</p> <p>Note: As a constraint, The City of Edmonton payroll system cannot be modified until spring 2005 as it is currently undergoing a systems upgrade. The completion of this upgrade is a target which may require the timeline on this item to be modified.</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
<p>Action Taken:</p> <p>Recommendation 4 (a): EPS management has identified the overtime tracking categories required for management reporting. Manual tracking of the overtime is occurring and being reported through the organization and to the EPC. Once the revised category overtime codes are installed into the corporate HRIS computer system this process will be more efficient. Changes to the corporate SAP financial system involving the establishment of new cost elements are required to occur concurrently to ensure that the financial information will be meaningful and eliminate manual tracking or manipulation of data.</p> <p>Revised target date to install revised category overtime codes into the PeopleSoft computer system is June 30, 2006.</p> <p>Recommendation 4 (b) is implemented.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 5	EPS Response and Action Plan
<p align="center">Staffing Decisions</p> <p>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.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i> That as part of the EPS organizational review currently underway, EPS review and establish the core services that should be provided in the future. Consideration will need to be given to existing resource levels and future resource requirements to achieve the service delivery model.</p> <p><i>Area Responsible:</i> Chief's Committee.</p> <p><i>Original Target Date for Completion:</i> 2005 December 31</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
<p>Action Taken:</p> <p>The Managing Patrol Performance (MPP) project, commenced in 2005 as part of the Organizational Review, will develop a comprehensive staffing deployment tool in order to provide EPS supervisors and management with the necessary information in order to manage long-term staffing and resourcing levels. The MPP project is multi-faceted and interactive. As a result the project requires on-going modification to ensure changing circumstances are incorporated thereby providing accurate and timely management information.</p> <p>Revised target date for completion of Phase 1 of the MPP project is October 31, 2006. Roll-out and training is scheduled for completion by January 31, 2007.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 6	EPS Response and Action Plan
<p align="center">Overtime Claim Forms</p> <p>The OCA recommends that:</p> <ul style="list-style-type: none"> 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. 	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i> The majority of this recommendation can be accomplished in a short period of time as most items identified in sections “a-e” have already been addressed by the Payroll Section.</p> <p>There are four main areas to address in this recommendation and they are:</p> <ul style="list-style-type: none"> 1) The re-design of the C-11 form to incorporate all the information categories identified as necessary for the preparation of management information reports and for ongoing audit programs. 2) The establishment of an appropriate coding system for the above form and the implementation of these codes into the payroll information system. 3) The inclusion of the process for completion of the C-11, including responsibilities of employee and supervisor, in the overtime policy and procedure (refer to Recommendation #2). 4) The consideration as to whether the call-out process (item f) will be addressed will be made by the EPS Bargaining Committee based on its determination as to the significance of this issue in the Collective Bargaining Process. As this issue is included in the Collective Agreement it cannot be addressed until the next collective bargaining process is initiated. <p><i>Area Responsible:</i> Human Resources Division - Payroll Section</p> <p><i>Original Target Date for Completion (parts 1-3):</i> 2005 June 30.</p> <p>Note 1: Payroll Section has already implemented checks to address recommendations a – e. C-11’s are scrutinized to ensure compliance with completion and approval requirements and submissions found to be in error are returned through the Divisional Inspector.</p> <p>Note 2: Delays may occur as a result of delays in EPS’s ability to implement newly developed codes within the payroll information system.</p>

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
<p>Action Taken: Recommendations # 6 (a) to (e): The re-designed C-11 form will be rolled out upon implementation of the new HRIS time codes. Recommendations #1, #2, #4(a), #6, #7, and #10 are interrelated and are proceeding concurrently.</p> <p>Revised target date for Recommendations # 6 (a) to (e) is June 30, 2006.</p> <p>Recommendation # 6 (f): Completion requires finalization and approval of the new collective agreement. The old agreement expired on December 27, 2005.</p> <p>Revised target date is October 31, 2006 or upon approval of the collective agreement, whichever comes first.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 7	EPS Response and Action Plan
<p align="center">Validation of Overtime Claims</p> <p>The OCA recommends that:</p> <p>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.</p> <p>b) EPS management performs regular audits of overtime claims to ensure their validity. The audits should involve the following:</p> <p>(i) Monthly spot audits by section/division heads.</p> <p>(ii) Annual audits by the Payroll Section.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i> EPS will address recommendations on improved support information for overtime and spot checks and audits as part of the policy and procedure development (refer to Recommendations #1 and #2).</p> <p><i>Area Responsible:</i> Human Resources Division.</p> <p><i>Original Target Date for Completion:</i> 2005 June 30.</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
<p>Action Taken:</p> <p>Recommendation # 7 (a): Awaiting completion of the revised C-11 overtime claim forms. During the interim overtime management practices have been revised where possible. Recommendations #1, #2, #4(a), #6, #7, and #10 are interrelated and are proceeding concurrently.</p> <p>Revised target date is October 31, 2006.</p> <p>Recommendation 7 (b): This action plan will be incorporated as part of the financial accountability framework included in the 100 Day Plan.</p> <p>Revised target date is October 31, 2006.</p>		

Appendix B – Recommendations with Implementation Status Assessed as In Progress

Original Recommendation # 10	EPS Response and Action Plan
<p align="center">Planned Overtime</p> <p>The OCA recommends that:</p> <p>a) The EPS management requires that any initiative that will entail the use of planned overtime be evaluated annually regarding its cost-effectiveness.</p> <p>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.</p>	<p><i>Response:</i> Recommendation Accepted.</p> <p><i>Action Plan:</i> A Service Directive will be created directing that any proposed Planned Overtime Project will be formally documented for approval and will contain an evaluation component as to the effectiveness of the program. The evaluation should also examine the cost-effectiveness of the program. This evaluation strategy will be performed at the conclusion of each event (e.g. Canada Day), or in the case of ongoing projects (e.g. Whyte Ave. beats), at least annually.</p> <p><i>Area Responsible:</i> Executive Services – Planning & Evaluation Services Section.</p> <p><i>Original Target Date for Completion:</i> 2005 June 30.</p>

Follow-up Review – Implementation Status:		
<input type="checkbox"/> Complete	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> Not implemented
<input type="checkbox"/> No longer applicable		
Action Taken:		
<p>Recommendations 10 (a) and (b): A comprehensive program will be instituted as part of the formal policy development in recommendation #2. Recommendations #1, #2, #4(a), #6, #7, and #10 are interrelated and are proceeding concurrently.</p> <p>Revised target date is October 31, 2006.</p>		