



PUBLIC WORKS SUPERVISOR OVERTIME:

Most recommendations implemented
but confusion about revised rule persists

A REPORT FROM THE CITY AUDITOR
June 2009



Office of the City Auditor
Portland, Oregon



CITY OF
PORTLAND, OREGON

OFFICE OF THE CITY AUDITOR
Audit Services Division

LaVonne Griffin-Valade, City Auditor
Drummond Kahn, Director of Audit Services
1221 S.W. 4th Avenue, Room 310
Portland, Oregon 97204

(503) 823-4005 FAX (503) 823-4459
www.portlandonline.com/auditor/auditservices

June 10, 2009

TO: Sam Adams, Mayor
Nick Fish, Commissioner
Amanda Fritz, Commissioner
Randy Leonard, Commissioner
Dan Saltzman, Commissioner
Susan Keil, Director, Portland Bureau of Transportation
David Shaff, Director, Portland Water Bureau
Yvonne Deckard, Director, Bureau of Human Resources

SUBJECT: *Audit – Public Works Supervisor Overtime: Most recommendations implemented but confusion about revised rule persists (Report #369B)*

In 2006, we issued an audit on the City administrative rule and practice allowing overtime for Public Works Supervisors in the Portland Water Bureau and the Portland Bureau of Transportation. The attached report contains our audit results following up on the status of our 2006 recommendations. Responses to the follow-up work from Mayor Sam Adams, Transportation Bureau Director Susan Keil, Water Bureau Director David Shaff, and Human Resources Assistant Director Anna Kanwit are included.

Our current work found that bureaus had undertaken the following actions in response to our original audit:

- Human Resources revised the administrative rule allowing overtime for Public Works Supervisors,
- Water and Transportation are following some requirements of the revised rule, and
- Supervisors in Water and Transportation submit timesheets approved by their managers.

Despite Human Resources' revisions to the rule in response to our 2006 audit, our current work found continued confusion and inconsistent interpretation of the administrative rule. One of our follow-up audit recommendations is that the Bureaus of Transportation and Water communicate with Human Resources about activities ineligible for overtime compensation under the revised rule. This will require Human Resources to take a more active leadership role by making the rule clearer.

In their response letter, Human Resources asserts that further clarification of the rule is not needed, and that when there is confusion about the rule, clarification should be given on a

case-by-case basis by Human Resources Coordinators assigned to individual bureaus. Based on our audit follow-up work, we do not believe that this approach will promote widespread understanding or encourage consistent interpretation and application of the rule. Though bureaus should utilize their Coordinators when there is confusion, the work of Coordinators and bureaus may be more efficient if there is clearer wording and consistent understanding of administrative rules. Clear and consistent rules can help managers, commissioners, and the public hold City employees more accountable for their work.

We ask Commissioners in Charge to direct applicable bureau directors to provide us with a status report within one year detailing actions taken to implement the new recommendations.

We appreciate the cooperation and assistance we received from staff in the Bureaus of Water, Transportation and Human Resources as we conducted this audit.



LaVonpe Griffin-Valade
City Auditor

Audit Team: Drummond Kahn
Jennifer Scott
Beth Woodward
Kari Guy

PUBLIC WORKS SUPERVISOR OVERTIME:

Most recommendations implemented
but confusion about the revised rule persists

Summary In 2006, at the request of the Bureau of Human Resources, the Audit Services Division audited the overtime practices of Public Works Supervisors I and II (Supervisors) in the Portland Water Bureau and the Portland Bureau of Transportation to determine compliance with the City's Administrative Rule 8.03. Administrative Rule 8.03 allows Supervisors, who are not covered by the federal Fair Labor Standards Act, to receive overtime compensation for some work they perform. Our 2006 audit report, *Public Works Supervisor Overtime: City rules allowing overtime need clarification* contained three recommendations. In this follow-up audit, we found that one of the recommendations is largely resolved and two are in process, meaning that some actions have been taken, but the recommendations are not yet fully implemented:

1. IN PROCESS: The Bureau of Human Resources revised Administrative Rule 8.03, but confusion about the rule persists.
2. IN PROCESS: We found that although Water and Transportation have discontinued some overtime compensation for ineligible activities, bureau compliance with the revised rule is varied, and some Supervisors continue to be compensated for overtime work that violates the updated rule. This may be due to confusion about the revised rule.
3. RESOLVED: We found that Supervisors submit time reports signed and approved by managers.

In order for bureaus to address outstanding compensation and compliance issues, we recommend that Water and Transportation

communicate with Human Resources about the activities ineligible for overtime compensation under Rule 8.03 and that Human Resources further revise Rule 8.03 as needed. In addition, we recommend that Water and Transportation review job descriptions and pay practices for Supervisors.

Background

The federal Fair Labor Standards Act (FLSA) governs how certain types of employees must be paid; among other things, it establishes overtime standards for employees in the private sector and in federal, state and local governments. Generally, employees covered by FLSA are hourly workers who are eligible for overtime compensation, while employees that are exempt from FLSA receive an annual salary and are not eligible for overtime compensation. Under FLSA and state law, the City of Portland is obligated to compensate FLSA covered employees at least one and one-half times their regular rate of pay for hours worked beyond 40 in a week. The City's Administrative Rule 8.03 pertains to FLSA exempt employees. Though the rule states that FLSA exempt employees are not eligible for overtime compensation, it includes an exception for some job classifications, including Public Works Supervisors I and II (Supervisors) that allows them to earn overtime compensation for some work they perform.

As we reported in our April 2009 report, *Overtime Management: Significant City expenditures lack policies and safeguards*, employees from 18 City of Portland bureaus and offices used overtime in 2008 for a variety of reasons. Some bureaus, like Water and Transportation, regularly use overtime to respond to off-hours emergency incidents like water main breaks or landslides. In addition, Water and Transportation use overtime when they schedule work during off-hours in order to minimize service and/or traffic interruptions and safety risk. In addition, bureaus use overtime to respond to seasonal needs. For example, in late October to mid-December, Transportation performs leaf removal seven days a week in order to lessen slippery road conditions and clogged storm drains. The crews performing overtime work in Water and Transportation are comprised of employees who receive overtime compensation when they work more than 40

hours a week and when they work before and after their scheduled shifts because they are covered by FLSA and union contract. Supervisors oversee the work of these crews. Supervisors are not covered by FLSA or union contract, but under Administrative Rule 8.03, they are allowed overtime compensation with the approval of the Bureau Director, when they supervise a field crew working overtime or when they respond to urgent service situations.

In October 2006, at the request of the Bureau of Human Resources, the Audit Services Division performed an audit of the overtime practices of Supervisors to determine compliance with Administrative Rule 8.03. Our 2006 audit report, *Public Works Supervisor Overtime: City rules allowing overtime need clarification* contained four findings:

1. Administrative Rule 8.03 was not clear – The audit found that bureau practices were not in accord with Human Resources' interpretation of *supervising*. Human Resources said that Supervisors needed to be on site with a crew to be supervising, but bureau staff and management reported that they were not aware of this interpretation.
2. Most overtime hours were in compliance with City Administrative Rule – Though the audit found that most hours were in compliance with Administrative Rule 8.03, it also found that some Supervisors received overtime compensation for being on-call, and that some were given overtime compensation when they were not on site with a crew working overtime.
3. Some time reports were not properly authorized – The audit found that employee time reports were not authorized by one bureau Director as required by Administrative Rule 8.03.
4. Some Supervisors earned overtime compensation when they worked less than 40 hours in a week because they used vacation or sick leave during the week.

To address the audit findings, the report contained three recommendations. (See Figure 1)

Objective, scope and methodology

The objective of this audit is to follow up on the three recommendations from our 2006 Public Works Supervisors Overtime audit, and to assess the impact of recommendation implementation on Supervisors with respect to hours of work compensated by overtime. The previous audit focused on Supervisors in Transportation and Water because at the time, all Supervisors worked in those bureaus. We also focused the scope of this follow-up on Supervisors in Water and Transportation, although since the 2006 audit, Portland Parks and Recreation has employed one Supervisor who earned no overtime compensation, and Environmental Services has employed two Supervisors who earned overtime compensation.

In order to answer the objective of this follow-up audit, we examined Administrative Rule 8.03 as worded prior to the Public Works Supervisor Overtime audit in 2006 and compared it to the Administrative Rule as worded in March 2009. We interviewed three Supervisors in Transportation and in Water, managers who oversee the work of Supervisors in Transportation and Water, as well as Bureau of Human Resources management. We selected a sample of all FY 2007 Supervisor overtime claims and traced them to supporting documentation to assess if Water and Transportation have discontinued payments for overtime work not in compliance with the current Administrative Rule 8.03.

We conducted this performance audit in accordance with generally accepted government auditing standards. These 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 reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results

The 2006 Public Works Supervisor Overtime audit report contained three recommendations; we found that one recommendation has been substantially resolved and that two are in process. Each of the recommendations and their implementation status is listed in Figure 1. We describe implementation status as “in process” when the recommendation is not yet fully implemented but some actions have been taken.

Figure 1 Status of 2006 Supervisor Overtime Audit Recommendations

1. The Bureau of Human Resources clarify Administrative Rule 8.03 regarding the “specific exception” as it relates to Public Works Supervisors	In Process
2. The Bureaus of Maintenance ¹ and Water discontinue payments for overtime hours which are not in compliance with Administrative Rule 8.03	In Process
3. Public Works Supervisors be required to submit a signed time report and that all such time reports be approved by an appropriate manager or director assignee, per delegated authority	Resolved

Source: Audit Services Division, *Public Works Supervisor Overtime: City rules allowing overtime need clarification*, October 2006.

Bureau of Human Resources revised Administrative Rule 8.03

In July 2007, Human Resources updated Administrative Rule 8.03. We compared the rule as worded prior to the Public Works Supervisor Overtime audit in 2006, to the updated rule and found that the Bureau of Human Resources revised the rule in three areas related to Supervisor overtime. First, though the 2006 rule stated that Supervisors need approval from the bureau Director to be eligible for overtime, this point is emphasized in the updated rule with bold type. Second, Human Resources added new language to the rule stating that Supervisors must have worked 40 hours during the week to be eligible for overtime and that vacation and sick leave are not considered as hours worked. Lastly, the updated rule contains new language citing examples of activities not considered eligible for overtime compensation:

- All preparation work associated with planning scheduled overtime work;
- Any work activities performed away from a work site;

¹ Since the Public Works Supervisor Overtime audit report was released in 2006, the Bureau of Maintenance became a program within the Portland Bureau of Transportation.

- Off site supervision of a crew or crews working overtime, unless the supervisor is at a work site performing activities related to the overtime work;
- Training time; and
- On-call duties.

A Human Resources manager told us that as with all Administrative Rule changes, City employees had an opportunity to provide feedback on the proposed changes to Rule 8.03 and that there was “little push-back” when the changes were announced. However, some managers and Supervisors told us that they communicated concerns about the proposed changes to Human Resources and that they believe their feedback was not fully considered.

Confusion about revised rule persists and compliance varied

In the overtime claims reviewed, we found that Transportation and Water are following some, but not all aspects of the revised Administrative Rule 8.03. In interviews, we found that confusion about the revised rule persists; some Supervisors told us they have stopped performing certain work on overtime because of the revised rule, while others continue to perform and receive compensation for the work. Additionally, Transportation managers told us that though they had not yet done so, they planned to compensate Supervisors for significant amounts of extra hours worked that are not eligible for overtime compensation with management leave, and they based this plan on December 2008 guidance from Human Resources. However, in April 2009, after receiving the first draft of this report, Transportation sought further clarification from Human Resources, who said that Supervisors are not eligible for management leave. Transportation subsequently told us they no longer plan to award management leave to Supervisors.

Requirement that Supervisors be on site with their crews to be eligible for overtime applied inconsistently and considered impractical by Supervisors – In the majority of the sample of overtime claims reviewed, we concluded that Supervisors were on site with their crews during the time they claimed overtime. In interviews, Supervisors and direct managers expressed concern about the revised rule’s requirement

that Supervisors be on site. As some explained, crews in the field need the Supervisor to access information and maps only available in the office, and to pick up and deliver equipment needed in the field. One Supervisor told us that in many instances, it is a waste of time for him to be in the field since union rules prohibit him from using any tools. He also said that his crews know what they are doing and that they need him to be in the office to access information about the systems they are repairing. As such, he told us that in response to the revised rule's on-site requirement, when his crews are working overtime on the weekend, he does not go out to the field or into the office and he believes that this loss of supervision is a negative consequence of the revised rule.

On the other hand, some Supervisors told us that they claim overtime for work they perform away from the site where their crew is working. For example, some Supervisors in the Water Bureau told us that they go on site with their crews working overtime and do not stop claiming overtime when they leave the site for the office to get information or supplies needed for the project. A division manager told us that the bureau may not be "following the letter of the law" since Supervisors oversee multiple crews on overtime and may have to travel between work sites. Some Supervisors in Transportation told us they claim overtime when working in the office taking calls from their crews or preparing to go out to the field.

Requirement that Supervisors work 40 hours before they are eligible for overtime applied inconsistently and considered unfair by Supervisors – In 20 percent of the Transportation sample and in 39 percent of the Water sample reviewed, we found that Supervisors were paid for overtime during weeks they did not work 40 hours because they used leave or because a holiday occurred during the week.

Supervisors and one direct manager told us that they did not believe it was fair that Supervisors are required to work 40 hours before they are eligible for overtime since a Supervisor may be scheduled on an overtime project during a week they were sick or when a holiday occurred. One Supervisor told us that in response to the requirement, he comes to work sick. A Supervisor in one bureau told us that if she is scheduled to work overtime during a week with a holiday or when

she was out sick, she upgrades a crew member to work as Supervisor since they are eligible for overtime compensation without having worked 40 hours and she stays home. The loss of an experienced supervisor may be an unintended consequence of the revised rule. A manager in the other bureau told us that Supervisors were instructed not to upgrade crew members to Supervisors as a work around to the 40 hour requirement.

Exclusion of planning and on-call duties from overtime eligibility; uncompensated hours may impact Supervisor morale – In the sample of overtime claims we reviewed, we found that as required by the revised rule, bureaus are not providing overtime compensation to Supervisors for on-call duties or planning. Supervisors and direct managers told us that Supervisors regularly work extra hours in the office preparing for or wrapping up projects for which they are not compensated because of the updated rule. Additionally, Transportation Supervisors assigned to the Environmental Systems Division and Water Supervisors in the Maintenance and Construction group work rotating week long on-call shifts. Some Supervisors and direct managers told us that when Supervisors are working on-call, they cannot do activities or travel as they please. Some said that the amount of uncompensated hours has negatively affected Supervisors' job satisfaction and some told us that it might cause qualified staff to leave the bureau or reject promotions.

Bureau management response to revised rule varied – Managers in Transportation told us that they are taking the revised rule very literally and that Supervisors who work extra hours when not supervising a crew on site are not paid overtime. Though they said that the reduction in overtime has negatively affected Supervisors' morale, they told us that they planned to address the morale issue by giving Supervisors management leave when they have worked a significant amount of extra hours that are not eligible for overtime. For example, they told us that they plan to give management leave to a Supervisor who spent an entire holiday in the office calling out a crew. Transportation managers told us that they based this plan on written guidance from Human Resources staff they received in December 2008.

The Water Bureau Director told us that while crews are in the field responding to emergency main breaks, that Supervisors must spend some time in the office doing things essential to the project, which include looking at maps of the water system to help the crew trouble shoot problems and making phone calls to obtain utility locates and police barricades. The Director said that the bureau expects Supervisors to work where they are needed and that when they do, the bureau compensates them regardless of their physical location.

Bureau of Human Resources management told us that the revised rule 8.03 allows Supervisors to leave the location where a crew is performing overtime work to return to the office to perform activities related to the overtime work and to travel between crews working overtime. However, they told us that a Supervisor could not claim overtime if they spent all, or the majority of an overtime shift in the office. They also told us that Supervisors are not eligible for management leave under any circumstances. Human Resources management pointed out that if an employee has to work on a holiday, that the Administrative Rule on holidays entitles the Supervisor to defer the paid holiday to a later date.

After receiving a draft of this report in April, Transportation managers inquired again about the management leave issue with Human Resources. They were told that Supervisors are never eligible for management leave. Subsequently, Transportation managers told us that they no longer plan to grant Supervisors management leave.

Public Works Supervisors submit electronically signed time reports that are approved by managers

The 2006 Public Works Supervisor Overtime audit recommended that Supervisors be required to submit a signed time report and that all such time reports be approved by an appropriate manager or director assignee, per delegated authority. In Transportation, we found that all Supervisors complete electronic time reports and when they click a button, they electronically sign the report and submit it to their manager. We also found documentation that the former Director of Transportation's maintenance program formally delegated approval authority to managers who electronically sign Supervisor's time reports and submit them to payroll.

The Director of the Water Bureau verbally delegated approval authority to the Director of the Maintenance and Construction Division. The Director of Maintenance and Construction told us that he monitors overtime from a budget perspective and may scrutinize the approval of individual instances of overtime, but has delegated approval authority to “the lowest level for efficiency”. We found that Supervisor’s time reports in the Water Bureau are electronically signed by the employee and hand signed by a manager.

A Human Resources manager told us that each instance of overtime should be approved and that the Director may delegate approval authority.

Recommendations

To address outstanding compensation and compliance issues, we encourage the Bureaus of Water, Transportation, and Human Resources to implement the following:

1. Water and Transportation should communicate with Human Resources about Supervisor management leave and the activities ineligible for overtime compensation under Rule 8.03. Human Resources should further revise Rule 8.03 as needed based on communication with bureaus. For example, Human Resources could define “work site” and clarify that Public Works Supervisors are never eligible for management leave. Directors of Water and Transportation should communicate to Supervisors and their managers the practices ineligible for overtime compensation under Rule 8.03.

A clear and widely communicated rule will help managers, commissioners and the public hold City employees more accountable for their work.

2. Water and Transportation should review the job descriptions and compensation of Public Works Supervisors I and II to determine if their job duties, in light of current pay, are reasonable considering the activities that Administrative Rule 8.03 disqualifies for overtime compensation. Additionally, compare the off-hour duties and compensation of Public

Works Supervisors to those of similar classes of supervisors frequently required to respond to off-hour incidents, like those in the Bureaus of Fire and Police, to determine if the current compensation structure is comparable. If determined to be out of alignment or incomparable, bureaus should work with Human Resources to find options available to help align job duties, compensation and bureau needs.

RESPONSES TO THE AUDIT



OFFICE OF **MAYOR SAM ADAMS**
CITY OF PORTLAND

May 20, 2009

LaVonne Griffin-Valade
City Auditor
1221 SW 4th Avenue, Room 140
Portland, Oregon 97204

Dear Auditor Griffin-Valade,

Thank you for allowing me the opportunity to respond to the follow-up audit of Public Works Supervisor Overtime. I first want to offer my input and convey my approval of the recommendations listed in the Auditor's report. I would also like to acknowledge your excellent work on your first audit as Portland's City Auditor.

The recommendations presented in the report clearly and appropriately address the concerns that resulted from the initial 2006 audit of Public Works Supervisors overtime. By accepting the recommendations, the City can improve the use of overtime in both the short-term and long-term. Two-way communication between the Bureau of Human Resources and the Public Works bureaus will provide the needed elucidation of Administrative Rule 8.03 and as a result, strengthen the City's overtime policy.

Equally, the recommended evaluation of Public Works Supervisors' job duties and compensation is an effective approach to removing inconsistencies among employees' use of overtime. It will further ensure that the City is operating efficiently and treating employees fairly.

Finally, I extend my appreciation to you and your staff for your thoroughness in conducting and preparing this audit. It is critical that city operations are carefully examined to ensure effectiveness and fairness. We congratulate you on the successful completion of your first audit and look forward to your continued good work.

Best Regards,

Sam Adams
Mayor
City of Portland

Sam
Adams
Mayor

Susan D.
Keil
Director

TO: LaVonne Griffin-Valade, City Auditor

FROM: Susan D. Keil, Director *Susan D. Keil*
Bureau of Transportation

RE: Draft Overtime Audit Report

DATE: May 20, 2009

I appreciate the opportunity to comment on the 2009 Public Works Supervisor Overtime audit. After review of the report, I generally concur with the findings and recommendations.

It is important to have public works supervisors on duty with crews who work non-standard or off-hour shifts. Granting salaried, overtime-exempt employees an exception to receive overtime recognizes the value of their work as well as the volume of additional hours that public works supervisors are expected to perform. However, this exception does create management challenges.

Transportation has developed internal systems to monitor and approve supervisor overtime. As a result, overtime use by our public works supervisors has been reduced by more than 30% since the 2006 supervisor overtime audit was issued. While some systemic issues remain, I understand that the City's new enterprise business system (SAP) will address the issue of overtime compensation paid in error when fewer than 40 hours in a week were worked. SAP should also make real-time reporting more available which will assist in managing use of time.

As was noted in the audit report, we do not compensate supervisors for planning or time spent solely in the office which our supervisors recognize. However, further clarification to HR Administrative Rule 8.03 for overtime use would be helpful. It would be useful to define "work site" particularly for the limited number of supervisors whose assignment is 24-hour logistical functions, such as dispatch but whose staff are not "in the field". Clarifying that those supervisors are never eligible for management leave would be an improvement.

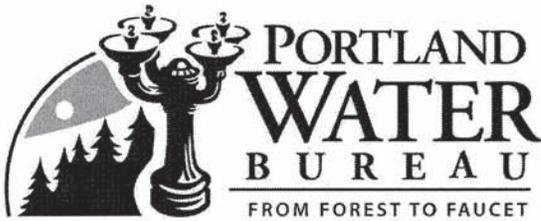
Meanwhile, Transportation is taking several steps to put improvements in place.

- Division Managers are reviewing overtime tracking reports with supervisors to ensure consistent review, understanding and application of management data.
- Environmental Systems Division managers are exploring altered schedules to decrease the need to use overtime for field crews and for public works supervisors.
- Managers are reviewing staffing models to ensure the best use of supervisory time and to reassign tasks to the appropriate level in the organization.

I look forward to working with Human Resources and the Water Bureau to further discuss Rule and job class revisions.

Maintaining
Portland...It's a
Matter of Pride

An Equal
Opportunity
Employer



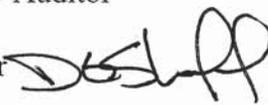
Randy Leonard, Commissioner
David G. Shaff, Administrator
1120 SW 5th Avenue, Room 600
Portland, Oregon 97204-1926
Information: 503-823-7404
www.portlandonline.com/water



An Equal Opportunity Employer

May 19, 2009

TO: LaVonne Griffin-Valade, City Auditor

FROM: David G. Shaff, Administrator 

SUBJECT: Water Bureau Response to Public Works Supervisor Overtime Follow-Up (Report #369B)

Thank you for the opportunity to respond to the draft report on the Public Works Supervisor Overtime Follow-Up audit.

Overall, we agree with your conclusions and recommendations.

We agree the rule needs to be clarified. Water and BHR connected on this issue when the rule was revised and determined that we were following it correctly when we considered time in the office engaged in those emergency response activities that could only be performed in the office as overtime eligible work "...at a work site performing activities related to the overtime work...". However, it appears that at least some people interpret that to mean that no time in the office would be considered overtime eligible.

Perhaps all that is needed are some specific examples of what work is overtime eligible and what is not. We welcome the opportunity to work with BHR, PBOT and the other infrastructure bureaus to ensure that we are all on the same page in regard to correctly interpreting and following the rule.

Again, thank you for the opportunity to respond. We would be glad to answer any follow-up questions that you might have.



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE
Sam Adams, Mayor
Kenneth L. Rust, Chief Administrative Officer

Bureau of Human Resources
Yvonne L. Deckard, Director
1120 SW Fifth Ave., Room 404
Portland, Oregon 97204-1912
(503) 823-3572
FAX (503) 823-4156

May 20, 2009

TO: LaVonne Griffin-Valade
Interim City Auditor

FROM: Anna Kanwit
Assistant Director, Bureau of Human Resources

Subject: Overtime Audit - Public Works Supervisor

Thank you for the opportunity to comment on the second audit of Public Works Supervisor overtime. By way of background, when the City first developed and implemented the Human Resources Administrative Rules the intent was to treat all FLSA exempt employees in a similar fashion. They were not eligible for overtime but were eligible to receive up to 80 hours per year of management leave. The Director of the Water Bureau requested that the HR Administrative Rules provide for overtime when a Public Works Supervisor was supervising a crew working overtime. According to the Director, if the Public Works Supervisors were not paid overtime they would actually earn less than the crew they were supervising. Based on this explanation, BHR recommended in 2002, and Council adopted, an exception for Public Works Supervisors to pay them overtime in the limited circumstance when they supervised a crew working overtime. As discovered in the first audit, Public Works Supervisors in at least some of the bureaus were being paid overtime for work and in situations not envisioned or covered by the HR Rules. In response to the audit, in 2006 BHR revised HRAR 8.03. The current language addressed concerns raised by the Directors of the Water Bureau and PBOT and reflected feedback from Bureau Directors and City employees. The revised rule clarified when overtime was appropriate and when it was not; including allowing overtime when the Public Works Supervisor was not with the crew but at a separate site performing work related to the overtime work.

The second audit found that Public Works Supervisors still do not understand when it is appropriate for them to be paid overtime and at least some Public Works Supervisors are making management decisions, such as to forego supervising a crew on overtime rather than seek clarification of the rule; decisions which may or may not be authorized by their Directors. Water, PBOT, and BES each have a Human Resources Coordinator housed in their bureau that can answer questions regarding HR Administrative Rules and other personnel matters. The resources are there for employees who may not understand their work expectations. Additional clarification of the applicable rule will not address the concerns expressed in the audit, but obtaining advice from their HR Coordinators will address those concerns. Similarly the confusion over management leave is better addressed by consultation with an HR Coordinator. HRAR 8.03 explicitly

We Are An Equal Opportunity Employer

Please notify the City of Portland of the need for ADA accommodations no less than five (5) business days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.

states on Page 1 that Public Works Supervisors are not eligible for management leave. Better communication and training, not further clarification of the rule, is called for; consistent with at least part of the audit's first recommendation.

BHR will be happy to work with the bureaus that employ Public Works Supervisors to review current job duties and responsibilities, as recommend by the audit if requested to do so. Updating the classification specification, however, may or may not result in a recommendation that compensation be changed.

Cc: Mayor Adams
K. Rust
Y. Deckard

**Audit Services Division
Office of the City Auditor
1221 SW 4th Avenue, Room 310
Portland, Oregon 97204
503-823-4005
www.portlandonline.com/auditor/auditservices**

Public Works Supervisor Overtime: Most recommendations implemented but confusion about revised rule persists

Report #369B, June 2009

Audit Team Members: Jennifer Scott, Beth Woodward,
Kari Guy

This report is intended to promote the best possible management of public resources. This and other audit reports produced by the Audit Services Division are available for viewing on the web at: www.portlandonline.com/auditor/auditservices. Printed copies can be obtained by contacting the Audit Services Division.

LaVonne Griffin-Valade, City Auditor
Drummond Kahn, Director of Audit Services

Other recent audit reports:

Utility and Franchise Revenue: Equitable tax and consistent approach needed to improve collections (#375, May 2009)

Overtime Management: Significant City expenditures lack policies and safeguards (#369A, April 2009)

Financial Condition in the City of Portland: 1999-2008 (#372, April 2009)

Transition Report: Key challenges for a new City Council (#376, February 2009)

