

**Post-Audit Review 23-05:
Fire Time and Leave
Reporting**

March 2025

City Auditor

Stan Sewell, CPA, CGFM, CFE

Senior Auditor

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OFFICE OF INTERNAL AUDIT

Stan Sewell, City Auditor

March 5, 2025

To: Mayor Tim Kelly
City Council Members

Subject: Post-Audit Review of Fire Time and Leave Reporting (Report #23-05)

Dear Mayor Kelly and City Council Members:

Attached is a summary report on the status of audit recommendations in our 2024 Fire Time and Leave Reporting report. The purpose of this report is to confirm whether, and to what degree, management has implemented the recommendations made in the original audit.

The original audit concluded:

1. Overall, the City's timekeeping process ensures employees' time and leave records are accurate;
2. The Fire Department's practices substantially complied with the Federal Fair Labor Standards Act (FLSA) but the timekeeping process for 24-hour sworn personnel did not meet the records retention requirements;
3. The Fire Department's procedures for timekeeping of several non-exempt 8-hour employees and its use of administrative leave did not comply with the City's *Employee Information Guide (EIG)*.

The audit had five recommendations to address the internal control deficiencies observed in the time and leave reporting process at the Fire Department. At the time of this Post-Audit Review, two recommendations were not implemented and three were implemented. Recommendations not implemented are herein reported to the Audit Committee for follow-up, as appropriate.

This Post-Audit Review consisted principally of inquiries of City personnel and examinations of various supporting documentation. It was substantially less in scope than an audit in accordance with generally accepted government auditing standards. The evidence obtained provided a reasonable basis for our conclusions; however, had an audit been performed, other matters might have come to our attention that would have been reported to you and our conclusions may have been modified.

Sincerely,

Stan Sewell, CPA, CGFM, CFE
City Auditor

Attachment

cc: Audit Committee Members
 Jermaine Freeman, Chief of Staff
 Mande Green, Chief Operating Officer
 Steven Wilson, Deputy Chief Operating Officer
 Javaid Majid, Chief Financial Officer
 Phil Hyman, Fire Chief
 Weston Porter, Deputy Chief Financial Officer
 Jim Arnette, TN Local Government Audit

RECOMMENDATIONS NOT IMPLEMENTED (2)

Recommendation	Actions Taken
<p>3 We recommended that the Fire Department require all day shift, non-exempt personnel use Oracle’s time clock in accordance with stated policies.</p>	<p>Non-exempt, non-sworn employees are clocking in and out using Oracle. Non-exempt, sworn personnel are using First Due to stay consistent with Fire's sworn time and attendance procedures. However, the 8-hour non-exempt employees are not recording their time in/out each day as required by the <i>EIG</i>. Programming changes to First Due are currently in process.</p>
<p>5 We recommended the Fire Department comply with City policies related to the purposes administrative leave is allowable under the current <i>EIG</i>.</p>	<p>CFD has not changed its use of administrative leave. Our review of administrative leave records in Oracle found approval emails but the purpose was not always documented. We also found instances of use that were not allowable under the <i>EIG</i>.</p>

RECOMMENDATIONS FULLY IMPLEMENTED (3)

Recommendation	Actions Taken
<p>1 We recommended the Finance Department update the timekeeping policies and implement written procedures to ensure compliance with FLSA Part 516, Subpart A §516.2(c), (1) and (2).</p>	<p>Finance updated the Timekeeping Policy and User Responsibilities and Procedures in January 2025. The updated policies require the Fire Department to maintain the records for seven years.</p>
<p>2 We recommended the Fire Department implement procedures to ensure compliance with the retention records requirements of FLSA.</p>	<p>The CFD implemented time and attendance procedures using its records management system, First Due. Every employee creates a timecard in First Due that enables the employee and supervisor to enter, review, edit, and approve time worked.</p>
<p>4 We recommended Finance develop written procedures that require the department to document, in Oracle, the reason for and approval of administrative leave.</p>	<p>Finance updated the Timekeeping Policy and User Responsibilities and Procedures in January 2025. The updated policies include the requirement to document administrative leave in Oracle.</p>

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