
A Follow-Up Review of Security Staffing in the Department of Public Safety

A Report to the
Governor
and the
Legislature of
the State of
Hawai'i

Report No. 94-18
November 1994



THE AUDITOR
STATE OF HAWAII

Office of the Auditor

The missions of the Office of the Auditor are assigned by the Hawai'i State Constitution (Article VII, Section 10). The primary mission is to conduct post audits of the transactions, accounts, programs, and performance of public agencies. A supplemental mission is to conduct such other investigations and prepare such additional reports as may be directed by the Legislature.

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OVERVIEW

THE AUDITOR
STATE OF HAWAII

A Follow-Up Review of Security Staffing in the Department of Public Safety

Summary

The Legislature requested this follow-up review of our Report No. 92-27, *A Review of a Formula for Security Staffing at the Department of Public Safety* because of a request by the Department of Public Safety to expand its correctional security staff by increasing its shift relief factor from 1.65 to 1.88. This would result in 152 additional staff at an annual cost exceeding \$4.1 million. The department said, however, that the additional staff would decrease overtime costs by \$6 million annually.

A shift relief factor is used in the correctional field to determine the number of security staff required to provide needed coverage for all security work positions. This is because certain positions need to be staffed seven days a week, 24 hours a day. The factor is commonly multiplied by the number of security work positions that must be staffed to determine how many security staff will be needed to fully cover all positions.

In our 1992 report, we found that the proposed shift relief factor was reasonable based upon then available information. However, we also concluded that a definitive shift relief factor could not be determined because some of the data underlying the calculation were questionable. We also found that Hawaii's correctional institutions lacked a sound management approach to security staffing. In addition, through a concurrent financial audit of the department, we found that the department was not exercising adequate control over leave time and overtime and that the use and costs of overtime were spiraling out of control.

We recommended that the department fix responsibility for security staffing at a senior management level. We also recommended that it strengthen the accuracy and reliability of its leave data and the soundness of its staffing base. In addition, we recommended that the department install a systematic management approach to security staffing based on a model. Finally, we recommended that the department establish appropriate control over lost time (for training, leaves, vacancies, etc.) and overtime.

In this follow-up review, we found that the department has made a good start toward implementing our various recommendations, but still has far to go. Due to administrative indecision, the department has not yet fixed responsibility for security staffing at a senior management level. The department's

proposed shift relief factor appears to be reasonable enough to warrant testing but remains only an estimate because of the lack of firm supporting data. Although the department has made good progress in developing post and position plans, it still lacks a fully reliable base on the total number of work positions needing coverage.

Control and training relating to the use of leave records have improved, but access to leave information remains difficult. The department has made uneven progress in its efforts to implement the model management approach. Appropriate management controls over leave time and overtime have yet to be established. Abuses of sick leave and overtime persist and overtime costs have continued to soar.

Recommendations and Response

We recommend that the Legislature authorize the department to test its proposed shift relief factor at the Oahu Community Correctional Center before implementing the factor at all correctional institutions. We also recommend that the department expedite the filling of the position of chief of security who will focus on security management in correctional institutions. We further recommend that the department give high priority to developing and implementing information and control systems that will produce reliable data for determining the shift relief factor. In addition, the department should continue to strengthen the base to which the shift relief factor is to be applied.

We recommend that the department proceed with its efforts to maintain accurate leave records and timesheets and to automate the process. We further recommend that the department mount a continuing effort to implement all elements of the model management approach. Finally, we recommend that the department fully implement its new sick leave policy and pursue its efforts to identify and stop patterns of abuse of sick leave and overtime.

The department responded that it feels this review was an accurate representation of what the department has been able to achieve during the past year. It generally agrees with our recommendations but disagrees that the proposed shift relief factor should be first tested at one site. It believes that the current inadequate factor of 1.65 is adversely affecting all of the institutions. We believe it would be useful to test a new shift relief factor at one institution to evaluate its impact on the department's operations and its chronic overtime problem.

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Conducted by

The Auditor
State of Hawaii
and
Nishihama &
Kishida, CPA's Inc.

Submitted by

THE AUDITOR
STATE OF HAWAII

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Foreword

This report was prepared in response to the Supplemental Appropriations Act of 1994, which directed the State Auditor to perform a follow-up review of our Report No. 92-27, *A Review of a Formula for Security Staffing at the Department of Public Safety*. The Legislature was concerned about the budget implications of changing the formula used to determine security staffing requirements and the increasing costs of overtime incurred by the security staff.

To assist us in carrying out this review, we contracted with the independent certified public accounting firm of Nishihama & Kishida, CPA's Inc., to examine the department's control of abuses affecting overtime at three of the correctional institutions—the Halawa Correctional Facility, the Oahu Community Correctional Center, and the Women's Community Correctional Center. The firm also assisted in the overall review of procedures and controls at the department.

We wish to express appreciation for the cooperation and assistance extended to us by the officials and staff of the Department of Public Safety during the course of this follow-up review.

Marion M. Higa
State Auditor

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Chapter 1

Introduction

Section 4(86) of the Supplemental Appropriations Act of 1994 (Act 252), directed the State Auditor to conduct a follow-up review of security staffing at the various correctional institutions under the Department of Public Safety. Consequently, this review follows up on our Report No. 92-27, *A Review of a Formula for Security Staffing at the Department of Public Safety*.

Background

Administering correctional institutions poses special challenges. At these institutions, operations are continuous, varied, and must ensure security.

Correctional institutions operate on a continuous basis—24 hours a day, 365 days a year. This means that many security posts must be staffed every day, often for two and three shifts. However, with time off for weekends, holidays, sick leave and other types of leave, security employees typically work much fewer than 365 days per year (often 220 or fewer). As a result, more than one person is required to cover a single security work position.

Correctional institutions must also function much like small, self-contained cities. They provide a variety of services, including law enforcement, food service, housing, medical care, public utilities, education, recreation, vocational training, and industrial production of commercial goods.

Most significant of all, correctional institutions must maintain security over persons charged with or convicted of criminal offenses, often of a violent nature. Escapes or major incidents can pose serious danger to inmates, to correctional employees, and to the general public.

A staffing formula: the “shift relief factor”

A formula, called the “shift relief factor,” is widely used in the correctional field to determine the amount of staffing required to provide needed coverage for all security work positions. This is necessary because more than one person is needed to staff one security work position (coverage for one post for one 8-hour shift).

This formula consists of the ratio between the number of days of work required (usually 365) and the number of days actually worked by the average security staff member (for example, 220 days per year). The shift relief factor is commonly presented as a decimal (for example, 365

divided by 220 = 1.66). The number of work positions that must be staffed is multiplied by this decimal to determine how many security staff members will be required. For example, if an institution has 100 work positions requiring year-around coverage, then it will need a security complement of 166 persons ($100 \times 1.66 = 166$) to ensure that the work positions will be continuously covered 365 days in the year.

Critical factors in developing the relief factor

The shift relief factor is profoundly affected by the amount of leave time taken by the security staff since it uses as a divisor the average number of days actually worked by security staff. Administrators must ensure the accuracy of the divisor by keeping accurate records of leave taken. To maintain efficient staffing, those administering security staffing also need to ensure that all leaves taken are reasonable and proper.

The staffing base, or the number of work positions to be covered, is also important because the shift relief factor is applied to the staffing base at an institution. This means that the nature of and need for each security post must be examined and justified. Some security posts may need to be staffed only one or two shifts a day instead of all three shifts, or some posts could be consolidated at certain times of the day, or some may need to be staffed five days a week instead of seven. In short, to exercise effective control over security staffing, administrators must be certain about the staffing base.

1992 request to change Hawaii's shift relief factor

In 1992, the Department of Public Safety submitted a request to the Legislature to increase correctional staffing based on a proposed higher shift relief factor. This change, if fully funded, would have added almost 200 more security staff members at an annual cost exceeding \$5 million. Instead of approving the request, the Legislature asked the State Auditor to conduct a comprehensive review of security staffing at Hawaii's correctional institutions.

1992 report on security staffing in Hawaii

The Auditor, assisted by James D. Henderson, an authority on correctional security staffing, issued a report in December 1992 that included several significant findings.

We found that the new shift relief factor proposed by the Department of Public Safety appeared to be reasonable based upon available information. However, we also found that some of the data underlying the calculation were questionable. As a result, we concluded that a definitive shift relief factor could not be determined until reliable data became available.

We also found that the base, or number of work positions, to which the shift relief factor was to be applied seemed to be larger than necessary

because it included various security posts and positions that did not appear to be needed. Unlike well run correctional systems elsewhere that use a systematic approach based on clear criteria and careful analysis to deploy their security staff, Hawaii's correctional institutions lacked criteria and guidelines and their staffing appeared to be based primarily on past practice. In comparing Hawaii's security management to a model approach, we found Hawaii lacking with respect to almost every element of the model.

Concurrently with our 1992 review of security staffing, we conducted a financial audit of the Department of Public Safety (*Financial Audit of the Department of Public Safety*, Report No. 92-26). The audit found that the department was not exercising adequate control over the use of leave time and overtime. As a result the use and costs of overtime were virtually out of control. For overtime in FY1991-92, the department budgeted \$3.8 million, but actually expended \$8.4 million.

To remedy these problems, we recommended that the department fix responsibility for security staffing at a senior management level. We also recommended that it take steps to assure the accuracy and reliability of leave data as well as the base used in calculating its shift relief factor. In addition, we recommended that the department install a system for managing security staffing based on a model. Finally, we recommended that the department establish appropriate control over lost time (for training, vacancies, leaves, etc.) and overtime.

1994 requests to the Legislature

During the 1994 session, the department returned to the Legislature with two requests relating to security staffing. First, it again requested that security staffing be increased to reflect a proposed increase in the shift relief factor. It estimated that the change would result in 152 additional security staff members at an annual cost exceeding \$4.1 million. But the department contended that the additional staffing would enable it to eliminate \$6 million in annual overtime costs.

The department also requested an emergency appropriation of almost \$2.1 million to cover additional overtime costs incurred during FY1993-94, bringing total overtime costs for the year to approximately \$9.8 million.

The Legislature approved the request for the emergency appropriation. However, an accompanying committee report also noted that the additional appropriation stemmed from abuses of overtime and sick leave. The report stated that the department should make "diligent and concerted efforts" to mitigate abuses, enhance internal administrative efficiency, and eliminate the continuing need for emergency appropriations.

The Legislature took no action on the request for additional staffing based on a change in the shift relief factor. Instead, it called for this review.

Objectives of the Review

1. Examine what actions the Department of Public Safety has taken in response to the Auditor's two 1992 reports (Report Nos. 92-26 and 92-27) to improve the department's management of security staffing and its use of fiscal and personnel resources in this area.
 2. Based upon the results of the above examination, make recommendations, as appropriate, to the department and to the Legislature.
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Scope and Methodology

This follow-up review focused on actions taken by the Department of Public Safety from January 1993 through August 1994 in response to the recommendations on security staffing in our two 1992 reports (Report Nos. 92-26 and 92-27).

We conducted interviews and examined and analyzed relevant departmental documents, paying particular attention to areas where in 1992 we had found policies and procedures lacking, weak, or informal or where recordkeeping was inadequate.

We contracted with the independent certified public accounting firm of Nishihama & Kishida, CPA's Inc., to examine the department's actions relating to control of abuses that affect overtime at three correctional institutions—Halawa Correctional Facility, Oahu Community Correctional Center, and Women's Community Correctional Center. The firm's examination was patterned after the one performed for the 1992 financial audit. The firm also assisted in the overall review of procedures and controls.

Our work was performed from June 1994 through September 1994 in accordance with generally accepted government auditing standards.

Chapter 2

Follow-up Review of Security Staffing

This chapter presents our follow-up review of security staffing for the correctional institutions of the Department of Public Safety (PSD). Since we issued our report in 1992, the department has made a good start toward implementing our recommendations and improving its management of security staffing. However, it still has far to go.

Summary of Findings

In 1992, we made five recommendations that we believed would result in significant improvements in the department's management of security staffing. The department has yet to achieve full implementation of these recommendations, specifically:

1. Due to administrative indecision, the department has not yet fixed responsibility for security staffing at a senior management level.
2. The department's proposed shift relief factor appears to be reasonable under existing circumstances, but a reliable base for applying the shift relief factor has yet to be developed.
3. Control and training relating to the use of leave records have improved but access to leave information is still not readily available.
4. Uneven progress has been made toward implementing a model for security management.
5. Appropriate management controls over leave time and overtime have yet to be established. Abuses of sick leave and overtime persist and overtime costs have continued to soar.

Previous Recommendations Are Slowly Being Implemented

The department is making a conscientious effort to implement our recommendations and has responded point by point on its actions to implement them. We recognize the department's efforts, but they remain limited. In the following sections, we describe the actions taken, results achieved, and further actions needed.

Senior management responsibility for security staffing is still lacking

In 1992, we found that no one below the department director was assigned responsibility for managing security staffing. We recommended that the department clearly fix responsibility for security staffing at a senior management level. We also recommended that senior management be responsible for ensuring the reliability of data used in determining the shift relief formula.

The department responded to our recommendation by initiating the creation of a new position of chief of security within the Inspections and Investigations Office, directly under the departmental director. It identified an existing position to be reclassified to that of chief of security and developed a proposed job description for the position focusing on security in correctional institutions.

The proposed chief of security position has been delayed

For more than a year, however, the department has become bogged down over the question of whether the position should encompass security activities for all of the department's law enforcement responsibilities or for just those at the correctional institutions. For example, it has considered whether the position's responsibilities should also extend to security concerns relating to maritime law enforcement, activities of the Sheriff's Division, and guards at various other public institutions, such as state hospitals.

Some departmental staff have contended that the responsibilities of the proposed chief of security are too narrow. Since the position is at the departmental level, they say the duties should encompass all law enforcement activities of the department and not just security at correctional institutions. Others feel that any expansion in the scope of the position would result in a long delay in filling it. It would require creating a new classification, which would be very time consuming.

The acting department director recently decided that the responsibilities of the chief of security position should encompass all departmental law enforcement activities. This decision has complicated and delayed the filling of the position. To reflect the expanded responsibilities, the proposed position description now has to be extensively revised and the department reorganized. Because of this, it is likely that the position will not be finalized for at least another year.

In the meantime, the department has created a temporary position of public safety security coordinator directly under the department director. The incumbent in the temporary position is playing an important role in spurring improvements in security staffing. However, a more permanent solution is needed soon.

The correctional institutions have been faced with persistent security staffing problems, including problems with overtime and patterns of

abuse of leaves that demand immediate attention. The controversy over the chief of security position has already dragged on for more than a year. Since security at the correctional institutions is a priority concern, the department should expedite and fill the position of chief of security as originally described, focusing on corrections. When security staffing at the correctional institutions is under better management and control, the position could then be broadened and reclassified to cover all law enforcement activities.

Problems Continue in Determining and Applying the Shift Relief Factor

The department has taken various actions to enhance the determination and application of the shift relief factor. In 1992, we found that in determining the shift relief factor, the department was relying upon data that were inconsistently and inaccurately recorded. Thus, while the proposed increase in the shift relief factor appeared reasonable, no definitive factor could be determined in the absence of reliable data.

The department had intended to make the new chief of security responsible for the reliability of needed data. In the meantime, the temporary public safety security coordinator has been responsible for determining Hawaii's shift relief factor and for monitoring related activities. She has developed forms and implemented information systems for gathering relevant data. As a result, much of the information needed for the shift relief factor and the base to which it is to be applied is now becoming accessible. Nevertheless, problems remain.

The department still can provide only a proposed "estimated" shift relief factor. This is because the department still lacks an information system that can deliver needed data on a reliable, timely, and readily usable basis. In addition, the base for applying the shift relief factor remains questionable.

Information systems are inadequate and some data are unreliable

The department has four overlapping information systems that include relevant data. The systems are uncoordinated, and no one of them is able to provide complete, current, and readily available information.

The permanent official leave records are kept manually at each institution. Daily leaves and absences are also recorded manually at each institution. The department had embarked on a large and sophisticated mainframe-based system to replace the manual systems. However, the system never became fully operational and was abandoned. The department is now in the process of developing a new system based on a network of personal computers at each institution and at the department.

In addition to the absence of reliable data, the department has not yet brought under control the abuses of sick leave and overtime at the correctional institutions. Excessive amounts of leave tend to distort the shift relief factor. Until the department can get a firm grip on this problem, it cannot eliminate or adjust for the impact of excessive leave on the determination of the shift relief factor.

The base for the shift relief factor remains questionable

The shift relief factor is applied to a base that consists of the total number of security work positions that are deployed throughout the correctional institutions. A security post consists of the duties and functions that would occupy one security staff member at a work station. A work position is the work of one post for one eight-hour shift per day. Some posts must be staffed seven days a week, 24 hours a day. Others may need to be staffed only one or two shifts per day or only five days per week.

In our 1992 review, we found that the department was applying the shift relief factor to a questionable base. To assure a proper base, the establishment of posts and work positions must be guided by formal policies and plans that are founded on sound criteria. Posts and positions must then be prioritized to determine when and in what order they can be closed down to meet temporary staff shortages and other emergencies. However, at that time the department lacked clear criteria for determining the need and priority for all the security posts and work positions located throughout the various correctional institutions.

We recommended in 1992 that the department adopt a system for managing security staffing based on a model approach. A key element of the suggested management model is the establishment of post and position plans for the various correctional institutions that can then be incorporated into an overall statewide plan. Each security post and position should be based on clearly established criteria for need and location.

Since our 1992 report, the department has gone through the process of establishing security post and position plans and staffing complements for its correctional institutions. Each institution has undergone a more or less standardized process of identifying and justifying its security requirements in terms of posts and positions. Most of the institutions have received departmental approval of their plans. These plans represent a significant step forward from the situation that existed in 1992.

Staffing complements are not based on established criteria

As part of its process of developing post and position plans for each correctional institution, the department is also developing an approved

staffing complement for each institution. However, these staffing complements have been based primarily on existing posts and positions and not on a review of the actual need as indicated by established criteria.

The department has not yet developed any formal criteria for determining the need for and location of security posts and positions. Lacking such criteria, justifying the establishment or retention of particular posts and positions becomes largely a matter of judgment and negotiation.

At the Halawa Correctional Facility, the department negotiated security staffing with the union representing the security staff. The resulting agreement requires virtually every work position to be classified as top priority and to be staffed at all times. Work positions cannot be closed down to meet even temporary staff shortages. We found no justification for classifying almost all work positions as priority positions.

The department should move as expeditiously as possible to develop sound criteria for determining the need for and location of security posts and positions.

“Estimated” shift relief factor appears reasonable

In the absence of a firm base and with only a proposed “estimated” shift relief factor, a definitive shift relief factor for Hawaii’s correctional institutions is still not available. At the same time, however, we note that in 1992 we had found the department’s proposed shift relief factor of 1.88 (as opposed to the long accepted factor of 1.65) to be reasonable. This was based on information available at that time and also on the experience of other jurisdictions with leave policies similar to those in Hawaii. Where there were data weaknesses, they generally pointed to a shift relief factor greater than 1.88 rather than less than 1.88.

For much the same reasons, we still find that a shift relief factor of 1.88 appears reasonable for Hawaii under existing conditions. Consequently, the department may be seriously constrained by being held to a shift relief factor of 1.65. A large portion of the overtime now being incurred may be attributable to the current low shift relief factor. The department contends that an increase in the shift relief factor from 1.65 to 1.88 will result in a marked reduction in overtime costs.

The department should be allowed to test the higher shift relief factor at one of the correctional institutions to determine if overtime can actually be reduced to the extent claimed by the department. We believe that the Oahu Community Correction Center would be an appropriate test facility. With about 30 percent of all inmates and security staff, it is of sufficient size and complexity to provide a fair sample to test the effects of raising the shift relief factor.

If the department is correct, then it should be able to reduce overtime and achieve a net savings in expenditures while increasing its regular security staffing. However, to ensure an adequate basis for evaluation, the test must be carefully constructed and properly monitored. The base for applying the increased factor must be accurately identified (i.e., positions by shift and whether they are 5-day or 7-day positions). The amount of normally expected or unavoidable overtime, such as for holidays, must be projected. A limit against excessive overtime or a target for overtime savings must be clearly established. Performance must then be closely monitored to determine whether or not expectations are being achieved. Results should be fully reported to the Legislature.

Improvements Are Made in Recording Leave

To control inconsistent, incomplete, inaccurate, and improper recording of leaves, we recommended in 1992 that the department train its personnel in the proper use of the standard DPS Form 7 for recording all leaves taken. We also recommended that internal controls be established to ensure the accuracy of data recorded on the forms. The department has taken steps to do both.

The department's Training and Staff Development Office is developing a required course in administrative procedures for its fiscal and personnel staff that includes training in the use of DPS Form 7. The department's Personnel Management Office has also been providing individualized training to personnel on request.

The Personnel Management Office has also stepped up its monitoring and auditing of the completed forms. For example, when an employee terminates employment with the department, the DPS Form 7 is audited to ensure a proper settlement of accrued leaves with the employee. The department now also requires that the forms be submitted for auditing whenever employees must receive approval for taking unpaid leave or transfer from one institution to another within the department.

Inaccurate records are still a problem

In this follow-up review, we found that the extent and severity of the problems previously associated with leave records and timesheets have declined substantially. However, errors continue. We also found that the "Application for Leave of Absence," Form G-1, often was not submitted to the time and attendance office at each institution.

We noted numerous instances at the three institutions we reviewed—Halawa Correctional Facility, the Oahu Community Correctional Center, and the Women's Community Correctional Center—where G-1 forms were not on file to support entries in the leave records. Form G-1 is the official document used to authorize absences and validate the type of

leave. Even though the forms were not submitted, employees were paid for leave. Staff at the institutions informed us that employees were not submitting the Form G-1 to their institutional time and attendance offices. Without an approved Form G-1 to support payment for absences, an employee may be paid for unauthorized absences.

At the Women's Community Correctional Center, we found 16 employees who were paid a total of \$32,000 for sick leave taken that was in excess of amounts properly earned as of June 30, 1994. The errors occurred when leave records (DPS Forms 7) were not updated in a timely manner to record actual leave taken. The department notified the affected employees of their deficit balances and is working out a repayment plan with the employees.

At another institution we found a failure to record a leave taken and a 10-hour error in the computation of leave time taken. We also found several errors relating to the Uniform Staff Daily Personnel Attendance Report, which is used for employees to sign-in and sign-out to document the hours they worked:

- In five instances, adult correctional officers (ACOs) did not sign out on the attendance report. Even though each ACO was paid for the entire shift, there was no documentation to verify that the ACO had worked the entire shift. The attendance report is the most basic record of time worked, functioning like a time card. Without a complete record of time in and out, the department cannot determine whether the employee is being over- or under-compensated.
- At one institution, there were three instances during one pay period when a supervisor did not sign the attendance record to verify the accuracy of the attendance record. The supervisor's approval is critical to the credibility and reliability of the attendance record.
- In several instances, overtime hours were overstated on the timesheets by one or two hours compared to the hours worked as recorded on the attendance sheets. These errors indicate that the department's review process over timesheets needs improvement.
- Timesheets were not always submitted in a timely manner. They were submitted sometimes as late as nine months after the pay period for which the hours were earned. The late submission of timesheets creates difficulties in verifying the overtime worked.

Computerization is needed

The department contracted for the services of a consultant to review the potential of automating its leave records. The firm recommended that the department consider discontinuing its manual DPS Form 7 system and rely entirely upon a computerized system. In making this recommendation, the consultant recognized that the manual DPS Form 7 system is the formal system used by the State and that the department would probably have to negotiate such a change with the State before it could be implemented. We agree with the department's consultant that computerization of the DPS Form 7 is a worthwhile objective and encourage the department to continue to pursue this.

Progress Toward Implementing a Model Management System Is Uneven

In our prior report, we recommended that the department install a model system for managing its security staff. The model included security staffing policies and procedures, criteria for determining which posts are necessary, approved post and work position plans and post orders, methods of scheduling, and monitoring of performance and compliance at the institutions.

The department has made a good faith effort toward implementing the suggested model approach. However, progress has been uneven and more needs to be done for the department to have a fully effective system.

Formal policies and procedures have been deferred

The foundation of a security management system is a well developed set of policies, procedures, and guidelines. The department agrees with this concept, but it has deferred initiating any broad effort to develop formal policies and procedures. It has preferred to try things out and see how they work before prescribing formal policies and procedures. Recently, it sought technical assistance in this area from the National Institute of Corrections.

This approach is reasonable except where clear guidelines are needed immediately. For example, for proper deployment of security staff and the establishment of a sound staffing base for applying the shift relief factor, the department needs to establish criteria for determining the need for and location of security posts and positions. Currently, the department is unable to assure that all the posts and positions included in its staffing base are actually necessary. We urge the department to develop definite criteria and priorities for security posts and positions.

Post and position plans need strengthening

Since the department adopted post and position plans without the benefit of definite guidelines for determining their need, it cannot assure that all the posts and positions are actually needed or are set at the right priority

level. This means the department still needs to strengthen the plans by carefully evaluating each post and position for both need and priority.

Overall review of post orders is still pending

Up-to-date post orders are essential to security management at correctional institutions. Post orders give general and specific instructions regarding the duties to be performed by security staff at each post and position. These instructions should be available at the individual posts as well as in the institution's central security office.

The department has not yet initiated an overall review of post orders to assure that all institutions have well developed, complete, and up-to-date post orders that are available and familiar to affected security staff. The department has indicated that it intends to initiate such a review. We urge that this be done.

Efforts are being made to improve scheduling

Since the issuance of our 1992 report on security staffing, the Department of Public Safety has devoted considerable time and effort to improving its scheduling of security staff. The department has developed and presented to its higher level security staff supervisors a training course in security staff scheduling. Besides introducing enrollees to basic scheduling concepts and terminology, the course has offered practical guidance on how to achieve a balanced schedule and to stagger days off. By monitoring institutional attendance and leave information on a daily basis, the department has also been able to detect poor scheduling practices at various institutions.

The department has also drafted a revised policy aimed at ensuring that vacations are spread evenly over the year. But implementation of this new policy is still pending and the department is uncertain as to when it will be implemented.

Also, a new collective bargaining agreement has been negotiated with the union that contains a provision affecting shift scheduling for correctional security staff members. The provision calls for shifts to be scheduled ahead of time for 12-week periods and to be assigned on a preferential basis by seniority. The effective date of this agreement was the beginning of FY1994-95, but implementation was delayed well beyond this point. The department has recently informed us that it has received clearance from the Department of Human Resources Development and is now proceeding to implement this provision.

Leave schedules are not followed

Unfortunately, leave schedules are not being followed. In reviewing the leave records at Halawa Correctional Facility, the Oahu Community Correctional Facility, and the Women's Community Correctional Center, we noted that employees took vacation leave outside their

assigned month or the time originally scheduled. Some of these vacation leaves were taken after the employee had worked on a scheduled day off. Others were taken on the same days the employees had worked an unscheduled shift on an overtime basis. These practices suggest that leave privileges are being abused.

To be effective, leave schedules should be followed as closely as possible. Employees should not be allowed to take their vacations outside of their assigned month except for emergencies.

We also noted that the Women's Community Correctional Center does not prepare a formal written vacation schedule for the year. The chief of security at the center indicated that he is able to schedule vacations by memory because of the small number of staff at the center. However, vacation schedules should not be left to memory. All institutions should have written vacation schedules regardless of the size of their staff.

Monitoring and auditing of security performance has been delayed

The department has accepted the concept of internal monitoring and auditing of performance, but it has delayed taking action pending the appointment of the proposed chief of security. In the meantime, the department has requested assistance from the National Institute of Corrections and has initiated some monitoring at the institutions. For example, it has been able to detect problems in staff scheduling such as the staffing of unauthorized positions. We encourage the department to continue its efforts in this area.

Abuses of Sick Leave and Overtime Continue

Overtime costs continue to soar. From FY1992-93 to FY1993-94, overtime costs increased by approximately 27 percent, from \$7.7 million to \$9.8 million. We found a continuing problem with high levels of overtime. Questionable patterns in the authorization and use of overtime are still occurring. We noted repeated instances of three attendance patterns that indicate possible abuses of leave privileges. These questionable patterns were as follows:

1. Employees worked on an overtime basis an unscheduled eight-hour shift on at least one of their two consecutive days off, and then took paid leave on the next scheduled work day.
2. Employees took paid leave on their scheduled shift but worked an unscheduled eight-hour shift on an overtime basis on the same day.
3. Employees took paid leave the day before or after working at least one double shift.

Generally, workers are compensated—including both paid work time and paid leave time (for holidays, vacations, sickness, etc.)—on the basis of 260 eight-hour days per year (52 weeks x 5 days per week = 260 days per year), or a total of 2,080 hours (260 x 8 = 2,080). Extra work on an overtime basis may then be added on top of this total. In most job situations, the extra time added for overtime is likely to be relatively small compared to the total amount of normally compensated time. For example, if an employee worked an extra eight-hour day every week for a year, the total amount of overtime would be only 416 hours (52 x 8 = 416), or 20 percent of the regularly compensated time (416 divided by 2,080 = .20).

We found, however, that among the security staff at the three affected institutions a number of employees were being compensated for extraordinarily high amounts of overtime. Several employees were actually compensated for more overtime hours than regular hours during FY1993-94.

One employee was paid for 2,563 hours of overtime and also took 304 hours of paid leave (vacation, sick leave, and compensatory “comp” time). The employee received overtime pay of \$52,735 in addition to his regular pay of \$30,544. Another employee was paid for working 1,249 hours of overtime for a total overtime pay of \$31,089 in addition to his regular annual pay of \$31,586. The employee also took 910 hours of paid leave. Yet another employee worked 2,306 hours of overtime and took 184 hours of paid leave.

To have accumulated this much compensated time in one year, these employees would have had to be compensated at the rate of 8 to 12 hours every day for 365 days per year. We find such a rate to be unrealistic and unreasonable.

Stronger policies are needed

The department is aware of possible abuses in sick leave but has lacked the policies and authority to take the necessary corrective actions. We were informed that prior arbitration decisions and court cases restricted management from monitoring employees’ sick leave.

An agreement regarding sick leave has been reached with the union. The agreement gives the department the authority to investigate and discipline, if appropriate, employees who exhibit patterns of abuse of sick leave. The department is currently developing and implementing policies and procedures under this agreement which are designed to bring sick leave abuses under control. The department should continue to give high priority to the implementation of this agreement.

Compensatory time off contributes to overtime costs

A recent settlement of a claim with the union has also contributed to increased overtime costs. The settlement required the department to grant employees compensatory time off for past services. At the Oahu Community Correctional Center, this amounted to more than 97,000 hours of additional time off due employees. At the Halawa Correctional Facility, more than 70,000 hours of time off were due.

Our testing of 14 employees found that they took a total of more than 2,000 hours of "comp" time during FY1993-94. To cover the duties of those taking this quantity of comp time has quite likely added to the department's need for more overtime. We were informed that the cost of the retroactive award of compensatory time credits was not incorporated into the department's budget. It is essential that the department properly schedule the use of this comp time to control future overtime costs at the facilities.

Emergency hires were erroneously awarded "comp" time

We also found that the Women's Community Correctional Center had erroneously credited emergency hires with over 3,000 hours of retroactive compensatory time off based on the union settlement. Emergency hires are not subject to the union settlement and should not have been credited with the comp time. The department, however, has already paid for 500 hours of this leave. The department is currently working to resolve this problem.

Recommendations

1. The Legislature should authorize the Department of Public Safety to test its proposed "estimated" shift relief factor of 1.88 at the Oahu Community Correctional Facility. In doing so, the Legislature should:
 - a. Require the department to identify precisely the base to which the factor is to be applied;
 - b. Require the department to project and justify the amount of normally expected or unavoidable overtime for FY1995-96;
 - c. Set a limit against excessive overtime or a target for overtime savings at the affected institution;
 - d. Require the department to monitor closely its performance in this area; and
 - e. Require the department to report on its performance to the Legislature during its 1996 session.

2. The Department of Public Safety should expedite the filling of the position of chief of security using the existing proposed position description, which focuses on security management at the correctional institutions.
3. The department should continue to give high priority to developing and implementing information and control systems that will result in reliable data for determining the shift relief factor. The department should also ensure the adequacy of the base by developing clear criteria for evaluating the need for and location of security posts and positions. It should then evaluate all posts and positions on the basis of these criteria.
4. The department should continue its efforts to maintain accurate leave records and timesheets. In this connection, the department should pursue the development of an automated system to replace its current manual system for recording leave time.
5. The department should mount a continuing and broad effort to implement all elements of the security management model. In doing so, the department should:
 - a. Develop formal policies and procedures;
 - b. Carefully evaluate each post and position at correctional facilities for both need and priority;
 - c. Conduct an overall review of institutional post orders;
 - d. Take steps to assure that leave schedules are followed to the extent practicable; and
 - e. Develop a system for monitoring and auditing security staffing performance.
6. The department should fully implement its new sick leave policy and continue its efforts to identify and stop patterns of abuse of leave and overtime.

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Response of the Affected Agency

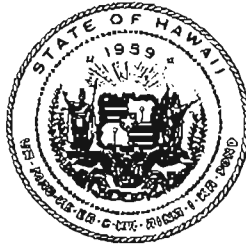
Comments on Agency Response

We transmitted a draft of this report to the Department of Public Safety on October 27, 1994. A copy of the transmittal letter is included as Attachment 1. The department's response is included as Attachment 2.

The Department of Public Safety responded that it feels this review was an accurate representation of what the department has been able to achieve since our last report. It also offers some additional commentary on the actions it is taking in response to our findings and recommendations. It generally agrees with our recommendations for a new chief of security for corrections and for further improvement. It disagrees with the recommendation to test the proposed shift relief factor of 1.88 at one site. It says the current insufficient factor of 1.65 is adversely affecting all of the institutions. We believe it would be useful to evaluate the impact of the new shift relief factor on operations and the department's chronic overtime problem before applying it to all correctional institutions.

ATTACHMENT 1

STATE OF HAWAII
OFFICE OF THE AUDITOR
465 S. King Street, Room 500
Honolulu, Hawaii 96813-2917



MARION M. HIGA
State Auditor

(808) 587-0800
FAX: (808) 587-0830

October 27, 1994

COPY

The Honorable George Iranon, Director
Department of Public Safety
677 Ala Moana Boulevard, Suite 1000
Honolulu, Hawaii 96813

Dear Mr. Iranon:

Enclosed for your information are three copies, numbered 6 to 8 of our draft report, *A Follow-Up Review of Security Staffing in the Department of Public Safety*. We ask that you telephone us by Monday, October 31, 1994, on whether or not you intend to comment on our recommendations. If you wish your comments to be included in the report, please submit them no later than Thursday, November 10, 1994.

The Governor and presiding officers of the two houses of the Legislature have also been provided copies of this draft report.

Since this report is not in final form and changes may be made to it, access to the report should be restricted to those assisting you in preparing your response. Public release of the report will be made solely by our office and only after the report is published in its final form.

Sincerely,

A handwritten signature in cursive script, reading "Marion M. Higa".

Marion M. Higa
State Auditor

Enclosures

JOHN WAIHEE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
919 Ala Moana Boulevard
Honolulu, Hawaii 96814

GEORGE IRANON
DIRECTOR

ROBERT C. VIDUYA
DEPUTY DIRECTOR

CLAYTON FRANK
DEPUTY DIRECTOR

ERIC PENAROSA
DEPUTY DIRECTOR

No. _____

November 7, 1994

The Honorable Marion M. Higa
State Auditor
State of Hawaii
465 S. King Street, Room 500
Honolulu, Hawaii 96813-2917

RECEIVED
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OFF OF THE AUDITOR
STATE OF HAWAII

Dear Ms. Higa:

This is in response to your report, *A Follow-Up Review of Security Staffing in the Department of Public Safety*.

We have carefully reviewed its content, and overall, feel it is an accurate representation of what the department has and has not been able to achieve during the past year. However, we would like to offer the following points of clarification.

Chief of Security Position

Since the time we met with your staff, we have given the scope of this position additional consideration. We agree that the position should initially encompass corrections security only, and in the future, it can encompass the law enforcement security functions. Therefore, we are proceeding with the establishment of the position for corrections.

"Estimated shift relief factor"

Shift relief factors, can be calculated in one of two ways: based on the type of leave taken by the individual, or based on the reason for absence. Both are acceptable practices in corrections. There is no mathematical difference in the shift relief factors of the two types of calculations, however, the figures within each leave category (e.g., sick, leave without pay) will differ. This is because an absence due to illness (reason for absence) may be charged to vacation or leave without pay (type of leave taken) if the individual has no accrued sick leave.

The department has implemented a system to collect data on reasons for absence. The type of leave data is currently not readily available. It is anticipated the installation of the hand geometry will provide us with the information system and data currently not available.

We are currently in the process of completing the installation of the hand geometry system at Halawa Correctional Facility. Upon its completion, we plan to proceed with the other facilities.

Staffing complements are not based on established criteria

We agree that posts and work positions at the correctional facilities need to be reviewed on a regular basis. We have been conducting site inspections of the facility post plans, and agree that a central office oversight is necessary.

Your report suggests justifying the need for and location of security posts and positions with established criteria. The purpose of criteria is to ensure standardization and uniformity. Our facilities are prisons and jails, with different custody levels, different physical plants, and different operations. Each facility would have to develop its own "criteria" in order to accomplish what you suggest.

We have checked with the National Institute of Corrections as well as a number of state and local jurisdictions, and none have criteria to determine the need and location of security posts and positions. If your office has a model in mind, additional information would be appreciated. Jim Henderson will be working with this department in early December under a grant from NIC. Perhaps we can meet with him at that time to discuss this issue further.

As you noted in your report, the department is constrained in its identification of posts and work positions by the bargaining unit agreement at Halawa Correctional Facility. Our ability to manage the facility is grossly compromised by these mandated posts.

Estimated shift relief factor appears reasonable

We continue to support the 1.88 shift relief factor. As you indicated previously, this is an accurate baseline in light of the existing sick leave abuse. We disagree that the shift relief factor should be "tested" at one site. The insufficient shift relief factor of 1.65 impacts adversely on all of our facilities.

Inaccurate records are still a problem

We concur that although the record keeping has substantially improved, it requires continued improvement. Some of our managers have taken a proactive approach to ensuring the submission of G-1s. For example, OCCC posts the names of employees who have not submitted G-1s. If no G-1 is submitted by the specified date, the leave will not be paid, and supporting documentation indicating the lack of a G-1 is generated.

Timesheets are not always submitted in a timely manner.

The department has approached UPW in the past regarding this issue. To date, there is no resolution. We plan to reinstate discussion on this topic.

Formal policies and procedures have been deferred.

Formal policies and procedures, regarding security staff management and rostering, have not yet been developed. However, instructional manuals addressing security rosters have been developed, the staff trained, and standardized forms implemented.

Overall review of post orders is still pending.

Post orders will be reviewed as departmental policies and procedures are developed. With limited resources, it was more productive to delay a review of post orders until after the policies and procedures are completed (rather than review the post orders twice). We have secured a grant for technical assistance from the National Institute of Corrections, and will be training top ranking security staff in security principles. This training will be followed up with the development of security policies and procedures that will guide the content of the post orders.

Abuses of sick leave and overtime continue

In mid August 1994, the department received instructions from DHRD regarding sick leave abuse. The facilities have or are in the process of identifying patterns of abuse. We have initiated a notice to employees, and expect to begin referring employees to our doctor by next month.


Compensatory time off contributes to overtime costs

Although proper scheduling can minimize overtime generated, it is unrealistic to expect the department to control future overtime costs through the proper scheduling of the compensatory time which was awarded. This comp time was a one time award, at an average of 200 hours per employee. This comp time was not accounted for in the shift relief factor (1.65 or 1.88).

Awards that increase the leave balance of an employee, must be accompanied with appropriate resources to the department.

We continue to strive towards the improvement of our operations, and welcome most of your recommendations.

Sincerely,



George Jeanon
Director