Office of Inspector General

Review of the Bureau of Trade Analysis Time and Attendance Practices A09-06

July 2009

FEDERAL MARITIME COMMISSION

FEDERAL MARITIME COMMISSION
Office of Inspector General
Washington, DC 20573-0001

July 28, 2009

Office of Inspector General

TO: Florence A. Carr
Director, Bureau of Trade Analysis

FROM: Adam R. Trzeciak
Inspector General

SUBJECT: Review of the Bureau of Trade Analysis' Time and Attendance Practices

The Office of Inspector General (OIG) conducted a review of the Bureau of Trade Analysis' (BTA) Time and Attendance (T&A) practices. The primary objectives of internal control in a T&A system are to ensure that the system complies with applicable legal requirements, supports reporting of reliable financial information, and operates effectively and efficiently. The objective of this review was to assess whether BTA complied with agency policies and government regulations concerning employee time and attendance.

The OIG selected T&A records for 12 employees to test payroll procedures and processes used in BTA. Four of the employees selected have T&A processing responsibilities. All records pertained to calendar year 2008.

BTA has generally implemented controls over T&A processing. The OIG did not identify payroll abuse and managers and timekeepers, for the most part, seemed cognizant of controls over payroll processing. We found staff protected Personal Identifiable Information on payroll-related documents. T&A administrators are responsible for providing training to the timekeepers.

On the other hand, we identified practices in BTA that, while not material, are not compliant with agency payroll policies and procedures. Still, noncompliance in some areas could, if not corrected, eventually lead to payroll-related waste or abuse. Findings of noncompliance involved leave request and certification requirements and select other work schedule documentation requirements. For example, employees did not routinely prepare the OPM Form 71, *Request for Leave or Approved Absence,* when requesting/accounting for leave used. In total, we identified 255 hours of leave used without a leave slip by five employees. We noted that these employees accounted for the leave used on FMC-109, *Employee Arrival and Departure Record,* but the FMC-109 is not provided to the supervisor either in advance of the leave taken or for supervisory approval.

Other observations and findings, and recommendations to address them, are provide in the attached report. We thank BTA staff for its help and cooperation.

cc: Deputy Director, Bureau of Trade Analysis
Deputy Director, Office of Administration
Special Assistant, Office of Administration
Director, Office of Financial Management
Director, Office of Human Resources

Review of the Bureau of Trade Analysis Time and Attendance Practices

The Office of Inspector General (OIG) completed a review of time and attendance (T&A) practices in the Federal Maritime Commission's (FMC) Bureau of Trade Analysis (BTA). This audit was part of a coordinated review of T&A practices in five Commission bureaus and offices. The audit objective was to assess whether BTA complies with agency policies and government regulations concerning T&A reporting.

Background

The FMC has a Service Level Agreement with the U.S. Department of Agriculture, National Finance Center (NFC), to process agency time and attendance records and to pay its employees. The System for Time and Attendance Reporting (STAR), a web-based application, is used by timekeepers to prepare and transmit attendance reports to the NFC as a first step in pay and leave administration. Employees are responsible for accurately recording their time and attendance and certifying the accuracy of their T&A records. Supervisors are responsible for approving work schedules, leave requests and certifying T&A biweekly submissions.

The FMC's Office of Financial Management (OFM) issued Standard Operating Procedures (SOP) for T&A in July 2007 and again in April 2008. The SOPs identify procedures and responsibilities relating to the documentation and transmission of the agency's T&A records and processes. The agency also provides guidance to its employees in Commission Order (CO) 64, *Employee Absence and Leave* (December 3, 2004), and CO 92, *Work Schedules*, (December 15, 2003). CO 92 requires employees to document their work schedules on FMC-110, *Employee Request for Work/Telework Schedule* (See Appendix A) and the actual hours worked on FMC-109, *Employee Arrival and Departure Record.*[1] (See Appendix B)

Employee requests for leave (sick, annual or other) are to be made to the supervisor on Office of Personnel Management (OPM) Form 71, *Request for Leave or Approved Absence* (i.e., leave slip) in advance of the proposed leave (See Appendix C). The supervisor can approve, disapprove or modify the request. When the supervisor approves the leave slip it is generally provided to the timekeeper to reconcile with other supporting documents at the end of the pay period. The employee's signature on the leave request form is a strong control over leave abuse, as it certifies that the *leave/absence requested is for the purpose(s) indicated... and that falsification of information on the form may be grounds for disciplinary action, including removal.* OPM Form 71 provides employees with the option to include their social security number (SSN) on the form when requesting leave. However, in September 2006, the Commission notified its staff that this identifier was no longer needed to process the leave requests.

[1] Employees on compressed work schedules are required to complete FMC-109, however the agency recommends that all employees use the form to document time and attendance.

The bureau director designates the timekeepers and alternates on FMC-81, *Designation of Authorized Representative* (See Appendix D). The alternate timekeeper is responsible for entering time and attendance information when the primary timekeeper is not available. To ensure that no individual enters his/her own T&A information into STAR the alternate timekeeper also enters the primary timekeeper's T&A bi-weekly.

In calendar year (CY) 2008, BTA had four timekeepers; one for the BTA front office and one for the offices of Agreements (AGR); Service Contracts & Tariffs (SCT) and Economics & Competition Analysis (ECA). The timekeeper relies on the information provided by the employee (i.e. the hours worked/leave used) for STAR system input. The timekeeper also relies upon leave slips for those employees on a "regular," eight-hour work schedule, as the employee is not required to maintain a FMC-109. Once the employee's hours worked/leave used are entered into STAR, a report is printed for each employee for that pay period. The timekeeper, employee and the supervisor must certify to the STAR report accuracy and that leave used was in keeping with federal laws and regulations. It is, therefore, critical that the reports are accurate and supported by detailed records.

Timekeepers are required by the OFM SOP to maintain employee leave on FMC-183, *Annual Attendance Record*, for each pay period (See Appendix E). Timekeepers are required to enter annual/sick leave hours used by each employee for each day of the pay period. The electronic version of the form automatically calculates the leave balances based on carryover balances at the beginning of the year, the hours an employee accrues each pay period and the number of hours of leave used (when applicable). OFM provides the timekeeper with this form at the beginning of the leave year. Three of the four BTA timekeepers maintained the FMC-183 for their staff.

Objectives, Scope and Methodology

According to the Government Accountability Office (GAO), the primary objectives of internal control in a T&A system are to ensure that the system complies with applicable legal requirements, supports reporting of reliable financial information and operates effectively and efficiently.

The objective of this review was to assess whether BTA complied with agency policies and government regulations concerning employee time and attendance. At the time of our audit, BTA had a staff of 19, including the four timekeepers. We selected two employees and the primary timekeeper from each office for detailed review of their respective leave slips, STAR reports, work schedule requests, employee arrival/departure sheets and annual attendance record. The review scope included all pay periods in CY 2008.

We began the review by gaining an understanding of T&A practices used in BTA and compared these practices with OPM and FMC timekeeping policies and procedures. For each employee in our sample we reviewed STAR reports and reconciled leave taken with leave request forms, and verified that each STAR report contained required certifications (timekeeper,

employee and supervisor). We reviewed employee requests for leave to determine whether leave was requested and approved in advance of the leave taken. We also tied leave requests back to the STAR system to verify that leave requested matched leave recorded and inspected each form for Personally Identifiable Information (PII). We reviewed forms FMC-109 and FMC-110 to determine whether they were completed accurately and, when applicable, evidenced supervisory approval. Finally, we reviewed the FMC-183 for accuracy and reconciliation with STAR for the last pay period in the year.[2]

We conducted the audit in January through June 2009, in accordance with generally accepted government auditing standards. Those 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 a reasonable basis for our findings and conclusions based on these objectives.

Audit Findings and Recommendations

BTA has generally implemented controls over T&A processing. The OIG did not identify payroll abuse and managers and timekeepers, for the most part, seemed cognizant of controls over payroll processing. We found staff was protective of PII on payroll-related documents. All timekeepers have received required training on the STAR payroll system.

On the other hand, we identified practices in BTA that, while not material, are not compliant with agency payroll policies and procedures. Still, noncompliance in some areas could, if not addressed, eventually lead to findings of waste or abuse. Findings of noncompliance involved leave request and certification requirements, and selected other work schedule documentation requirements. For example, employees did not routinely prepare the OPM Form 71, *Request for Leave or Approved Absence,* when requesting/accounting for leave used. In total, we identified 255 hours of leave used without a leave slip (or e-mail) by five sampled employees. We noted that these employees accounted for the leave used on FMC-109, *Employee Arrival and Departure Record,* but the FMC-109 is not provided to the supervisor either in advance of the leave taken or for supervisory approval.

The T&A files did not contain the required documentation to identify work schedules for three of the 12 employees we reviewed. A third of the employees sampled worked an alternative work schedule and, although required, did not routinely record their arrival and departure times. For one employee, the FMC-109 was prepared in advance by the timekeeper with the employee's approved work schedule. Deviations from the approved schedule were not noted on the form. The employee certified the FMC-109 as correct bi-weekly.

We also identified one employee who worked an alternate work schedule (AWS), worked on scheduled days off, but did not request approval to earn "comp time" or to use it in lieu of

[2] Because the OIG relied on timekeepers to supply much of the documentation we audited, we requested the BTA staff certify, in writing, that the records were not modified (created, deleted or altered) from the date of our request. The Director, primary and alternate timekeepers signed the certification.

annual leave. This employee accumulated 50 hours and used 44 hours without proper documentation.

These and other findings, along with recommendations to address the noted deficiencies, are provided below.

Finding 1. Leave Documentation Requirements were not Routinely Followed

According to GAO's T&A guidance, *Maintaining Effective Control over Employee Time and Attendance Reporting*, leave approval should be made by the employee's supervisor before the leave is taken. If leave is not approved in advance, because of an unusual or emergency situation, it should be reviewed for approval or disapproved as soon as reasonably possible after it is taken.

Commission Order 64, *Employee Absence and Leave*, requires employees to request annual and sick leave, compensatory time off, leave without pay, family and medical leave, and other paid absences, on OPM Form 71, *Request for Leave or Approved Absence*. These requests are initiated by the employee and approved (or disapproved) by the employee's supervisor and, except in extenuating circumstances, are to be submitted in advance of leave used. The form is given to the timekeeper (i) to validate that leave taken in a given pay period was approved and (ii) to identify the number of leave hours used in the pay period for entry into STAR.

We reviewed leave request forms for the 12 employees in our sample for each pay period in 2008 (26 pay periods). Specifically, we reviewed whether leave was requested in advance using required leave request forms and reconciled to the STAR reports, and whether leave requests unnecessarily contained Personally Identifiable Information (PII), e.g., social security numbers (SSN).

Leave Slips were not routinely used to Request Leave in Accordance with OPM and FMC Regulations

The BTA management requires staff to request all leave on OPM Form 71 and we found this policy is generally followed, although there is room for improvement. When we identified exceptions, BTA staff that used the FMC-109, *Employee Arrival and Departure Record,* noted the leave hours on that form.

The OIG identified 22 instances, totaling 255 hours of leave charged by five (5) of the 12 sample staff, where no approved leave slip was provided for leave used. We relied upon the FMC-109 to reconcile leave taken with leave entered in STAR. The following table illustrates the number of hours of leave used during the year without a valid leave request form:

Table 1. Employee Leave without OPM Form 71

	Number of Instances	*Number of Hours*
Timekeeper	7	117
Timekeeper	7	90
Staff	2	19
Staff	6	24
Staff	1	5
Total	**23**	**255**

The OIG identified 23 leave events, totaling 255 hours of leave, where no approved leave slip was provided for leave used. We observed that 81 percent of the leave hours without a leave slip were associated with two timekeepers. Three of the 4 timekeepers told us that when leave slips are provided to the supervisor and approved, they are generally returned to the timekeeper for reconciliation with the FMC-109, when available. This is a strong control over leave abuse because it prevents employees from altering or withholding the leave slip from the timekeeper with the intent of not recording leave used. A few hours of leave taken at the beginning of a pay period could easily be overlooked by a supervisor when certifying several STAR reports.

Recommendation 1. *We recommend the supervisors provide the approved leave slips directly to the timekeeper for reconciliation for all BTA staff.*

Use of Updated OPM Form 71

We reviewed completed leave slips (when available) to determine whether employees used the revised OPM Form 71 and to identify PII.

The Standard Form 71 was provided to federal employees through OPM in December 1997 until OPM re-issued an updated OPM Form 71 in June 2001. The revised OPM Form 71 requires an employee who requests sick leave to indicate the purpose for the leave, to include (i) *illness/injury/incapacitation of requesting employee* and (ii) *care of family member with a serious health condition.* The CO 64 requires an employee who invokes his/her right to Family and Medical Leave to provide medical certification. These requirements provide the employee's supervisor with additional information relating to the use of sick leave. FMC requires that all leave request be made on the revised OPM Form 71.

Two (2) of the 12 BTA employees we reviewed always used the discontinued version of the form (25 requests) even though the updated form is provided to FMC employees on the intranet and as an appendix in the SOP for timekeepers. The two employees were timekeepers. We commend the remaining 10 employees for using the current OPM Form 71.

Recommendation 2. *We recommend all staff use the updated OPM Form 71 for leave requests.*

Social Security Numbers on Leave Slips

The SSN is a unique identifier issued to U.S. citizens, and to permanent and temporary residents. However, with increased awareness of identity theft and the need to protect PII, the collection of SSNs for routine uses has been significantly curtailed. PII is any information about an individual which can potentially be used to uniquely identify, contact or locate that individual.

In September 2006, the agency issued guidance to staff regarding the use of PII. The guidance stated, in part, that the SSN was no longer required on leave slips and other agency-used forms. Further, the agency disabled the SSN field on the electronic leave request form. None of the 12 employees used their SSN on any of the leave slips that were provided. We commend the BTA staff for protecting PII.

Finding 2. Adherence to Agency Policies

The Commission establishes policies and procedures for staff (employees, timekeepers and supervisors) to follow to ensure compliance with government-wide regulations. Review of timekeeping practices used by the employees in our sample revealed inconsistent compliance with agency guidelines in the following areas.

Employee Request for Work/Telework Schedule

According to CO 92, *Work Schedules*, employees are responsible for completing FMC-110, *Employee Request for Work/Telework Schedule* and submitting it to their Supervisor/Director (if applicable) for approval. This enables supervisors to better manage employees around office needs and to monitor employee arrivals and departures. Supervisors are responsible for providing each employee with a copy of the approved or disapproved form FMC-110. The FMC-110 is available on the agency's intranet.

We found three of nine sampled employees that worked AWS did not have a FMC-110 on file with the supervisor's approval. Another three employees that worked an AWS did not have an updated FMC-110 in the file to reflect the new form and/or the current supervisor.

To comply with the agency's policies we make the following recommendation.

Recommendation 3. *We recommend that all BTA staff complete FMC-110 to reflect their current work hours and obtain approval by the supervisor and/or the Director.*

Employee Arrival and Departure Record

Commission Order 92 requires employees on AWS to submit a written record of arrival and departure times on FMC-109, *Employee Arrival and Departure Record*, at the end of each pay period. The form is to be certified by the employee before it is submitted to the timekeeper. Employees working a "regular" work schedule (eight hours per day) are encouraged by the Office of Financial Management to use the form to document hours worked and leave used. When signed by the employee, it provides an audit trail which can be used to validate the accuracy of the T&A.

We identified mixed compliance with the CO 92 among employees working an AWS and those working eight hours per day. Nine (9) of the 12 sampled employees worked AWS. Six (6) of these nine employees did not complete the FMC-109 for all pay periods. For example, for the 26 pay periods we reviewed, the frequency with which we observed use of the form for the 6 employees ranged from zero to 24 occurrences.

During our fieldwork, we noted that one timekeeper prepared the Form-109 with each employee's scheduled time included on the form. This method saves staff time as only deviations from staff's schedule, to include leave used must be noted on the form. On the other hand, we noted that no changes were made to forms we examined to capture small increments (5 – 15 minute deviations), leading us to conclude that employees may not be recording their actual arrival/departure times when this format is used.

Finally, we noted that one of the nine employees that worked AWS did not record hours worked in pay periods nine (9) and 16. We learned that the hours worked were omitted in error, i.e., no leave was used by the employee.

TINQ Requests

The Time Inquiry-Leave Update System (TINQ) is an online entry and inquiry system that allows users to query and/or correct leave data from remote locations. The OIG reviewed all leave slips and transactions reported in the STAR for the 12 sampled employees to determine whether the correct annual/sick leave transactions were entered into STAR. When timekeeper errors are identified in STAR after the timecards are transmitted, corrections to the system (i.e., TINQ's) must be performed by OFM staff.

BTA timekeepers generally entered the correct leave category in STAR. However, we identified one instance (pay period 24) where 10 hours of annual leave were erroneously entered in STAR in place of sick leave. Rather than correcting the error through a prior pay period adjustment, the timekeeper simply made the adjustment in pay period 26 when the employee used annual leave (the timekeeper entered 10 hours of sick leave in STAR in place of the annual leave used). It is important to note the employee had the required leave balances to accommodate this transaction.

Although administratively simpler, errors that occur using this method would be difficult to find and correct. We suggest using prior pay period adjustments to make corrections.

The T&A SOP states that when a correction is needed to an employee's leave balance the timekeeper shall initiate a TINQ request to OFM's T&A administrators, through e-mail, with notification to the employee whose record is being changed and to his/her supervisor. We found the timekeeper did not follow this procedure stated in the T&A SOP.

Recommendation 4. *We recommend the timekeepers familiarize themselves with the T&A SOP and follow the stated instructions when applicable.*

Finding 3. Compensatory Time was Improperly Recorded and Used

Commission employees are eligible to earn compensatory time by following the program regulations. Requests for compensatory time off must be approved in advance to allow supervisors time to adjust workload and assignments as necessary, and the "comp" hours identified that will compensate for requested time off. Requests for compensatory time off are submitted to the supervisor for authorization on OPM Form 71, *Request for Leave or Approved Absence.* The timekeeper will record compensatory time earned and taken on the time and attendance record.

The accumulated balance of unused compensatory time earned must not exceed 40 hours, and such leave should be used as soon as administratively practical. No charge may be made to annual leave until the compensatory balance has been exhausted, and in no event may a compensatory leave balance be carried forward to a new leave year. An employee who fails to take compensatory time off to which he or she is entitled shall lose the right both to compensatory time off and to overtime pay, unless the failure is due to an exigency of the service beyond the employee's control.

The current CO 92, *Work Schedules,* states that work in excess of 80 hours for the pay period will be treated as paid overtime or compensatory time. When an employee requests overtime or compensatory time, form FMC-70, *Request, Authorization, and Report of Overtime/Compensatory Time*, must be filled out and approved by the bureau/office Director, Deputy Director, Office of Administration and the Director, OFM.

The OIG identified one BTA employee who was "informally" administering a compensatory time benefit without completing the agency's-required processes for requests or usage. The employee worked on scheduled AWS days off, and then used the hours as "comp" time. The OIG found no indication that the employee was abusing the hours banked. On the other hand, the employee did not complete any required documentation to earn the hours (FMC-70) nor did the employee request approval to use the hours. However, the employee recorded hours worked on scheduled AWS days off on FMC-109. The employee worked scheduled AWS days off in pay periods 5, 6, 7, 11, and 13 which resulted in 50 hours of banked leave. The employee used the "comp" time in pay periods 7, 11 and 12 using 17, 20 and 7 hours respectively, for a total of 44 hours.

Recommendation 5. We recommend that BTA management adhere to the agency's policy regarding use of compensatory time for its staff.

Finding 4. STAR Certification by Non-Designated Alternate Timekeepers

Bureau/Office heads submit form FMC-81, *Designation of Authorized Representative,* to the Office of Human Resources through the Office of Financial Management to identify the payroll certifier and the primary and alternate timekeepers. Timekeepers are assigned user codes and passwords to access the system. In BTA, there are four timekeepers responsible for entering time and attendance information for their respective offices within BTA.

According to GAO's *Standards for Internal Control in the Federal Government*, key duties and responsibilities should be divided or segregated among different people to reduce the risk of error or fraud. Further, the agency's T&A procedures state that alternate T&A clerks are responsible for entering the primary time clerk's T&A into STAR. We verified from the FMC-81 that BTA assigned alternate timekeepers for each primary timekeeper to perform duties in the primary timekeeper's absence and to enter the primary timekeeper's T&A into the STAR system. In BTA the front office primary timekeeper is responsible for entering the remaining three timekeeper's T&A into STAR. Her alternate is a timekeeper in the Office of Service Contracts & Tariffs.

For pay periods two (2) and 11, we noted that the front office timekeeper did not certify the SCT timekeeper's timecard. Due to the absence of the primary timekeeper, she relied on (i) OFM and (ii) another BTA timekeeper to certify her T&A input. In the first instance, the timekeeper followed the OFM's process to have her card certified by OFM. Staff in OFM have access to all payroll records and can input pay-related information. In the second instance, the timekeeper entered her own T&A information, but requested that another timekeeper certify the card. This certification signifies that the second timekeeper entered the information. However, she could not enter it because she does not have the required access. We note that this was not a routine occurrence and was done only to facilitate processing of the individual's timecard.

The larger issue here is the absence of internal control in the STAR system that allows timekeepers to access their own T&A information. This is a serious internal control vulnerability because timekeepers can make adjustments to, for example, their own leave balances with little fear of detection. To correct this deficiency the agency will need to eliminate the timekeepers' access to their records in STAR.

Since this condition is present in all bureaus/offices, the change will have to be addressed by the Office of Administration (OA). The OIG made the recommendation to OA, to deny access to timekeepers to their own payroll files, in a companion report on T&A administration in another FMC office.[3]

Recommendation 6. *We recommend BTA inform the timekeepers to request OFM staff to enter their T&A in STAR when the alternate timekeeper is not available.*

Finding 5. Certification of STAR

The STAR report is generated by the timekeeper after T&A information has been entered into the STAR system. The STAR report is printed and must be certified for accuracy by the timekeeper, employee and the supervisor. The T&A SOP states that when an employee is not available to certify the STAR, a notation explaining the employee's absence shall be made.

We found timekeepers; employees and supervisors did not always certify all STAR reports as required. For example, primary timekeepers failed to certify the STAR on five

[3] *Review of Office of the General Counsel's Time and Attendance Practices* (A09-03), dated July 7, 2009.

occasions; supervisors failed to certify the STAR on 13 occasions and BTA staff failed to certify the STAR report on 70 occasions.

Recommendation 7. *We recommend the BTA timekeeper adhere to the T&A SOP to obtain all certifications for the STAR or identify the reason an employee was not available to certify the STAR.*

Finding 6. Maintenance of the Annual Attendance Record with Errors

The T&A SOP states that timekeepers shall record all leave taken during the pay period to the employee's FMC-183, *Annual Attendance Record*, which is available manually or electronically. Each calendar year the timekeeper is provided a blank FMC-183 for this purpose. This record is to be maintained regularly, as it is used to create and verify leave balances, and it is routinely used by OFM to make corrections to the NFC database when errors occur.

We used a modified version of this form to perform a leave audit for the 12 employees in our sample using balances carried over from the last pay period in CY 2007, leave slips, FMC-109 and hours charged on STAR, and compared it to the FMC-183 maintained by the timekeeper.[4]

We identified one timekeeper that did not maintain the FMC-183 as required for 2 of the 12 sampled employees. Therefore, we could not compare it to the FMC-183. However, our leave audit and the STAR reconciled.

For the three timekeepers that did maintain the FMC-183, we identified discrepancies in five of the nine-sampled employees annual and sick leave balances that carried over into calendar CY 2009. Adjustments to correct these leave balances must be performed by OFM staff.

Table. 2 Leave Audit Results

	BTA Front Office Timekeeper	*SCT Timekeeper*	*AGR Timekeeper*	*ECA Timekeeper*	*Staff*
Annual Leave – STAR	250	248	38	53	233
Annual Leave – FMC-183	250	258	38	63	231
Annual Leave – Leave Audit	221	248	38	57	243
Difference	(29)	(10)	0	(4)	12
Sick Leave – STAR	101	596	66	8	220
Sick Leave – FMC-183	101	596	66	8	222
Sick Leave – Leave Audit	91	596	62	8	210
Difference	(10)	0	(4)	0	(10)

[4] A leave audit reconciles opening leave balances, leave earnings and usage, with closing leave balances for a predetermined time period.

The GAO Standards for Internal Controls states *transactions should be promptly recorded to maintain their relevance and value to management in controlling operations and making decisions.* The CO 64, also states that *timekeepers will keep accurate records and supervisors will carefully monitor the use of advance annual leave.* With incorrect leave balances, employees may be using leave that they are not entitled to.

Recommendation 8. We recommend the timekeeper maintain the Annual Attendance Record for CY 2008 and future years to reflect reconciliation based on leave slips, emails, FMC-109 and STAR reports, to ascertain the correct leave balances for its employees.

Recommendation 9. We recommend the timekeeper provide an updated FMC-183 to OFM for corrections in NFC and STAR before the end of FY 2009 for CY 2008.

Form FMC-2
(Rev. 07-89)

UNITED STATES GOVERNMENT FEDERAL MARITIME COMMISSION

Memorandum

DATE: July 2, 2009

TO : Office of the Inspector General

FROM : Director, Bureau of Trade Analysis

SUBJECT : Response to Review of the Bureau of Trade Analysis Time and Attendance Practices

Below please find the Bureau of Trade Analysis' (BTA) seriatim response to the Office of the Inspector General (OIG) Review of BTA's Time and Attendance Practices.

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OIG recommendation 1: OIG recommends "the supervisors provide approved leave slips directly to the timekeeper for reconciliation for all BTA staff."

BTA response: BTA concurs. On June 23, 2009, BTA supervisors were so instructed. Corrective action taken to address OIG's recommendation 1 is complete.

OIG recommendation 2: OIG recommends "all staff use the updated OPM Form 71 for leave requests."

BTA response: BTA concurs. On June 23, 2009, all BTA staff were instructed to use the updated OPM form 71 as reproduced on the Commission's intranet page for leave requests. Corrective action taken to address OIG's recommendation 2 is complete.

OIG recommendation 3: OIG recommends "all BTA staff complete FMC-110 to reflect their current work hours and obtain approval by the supervisor and/or the Director."

BTA response: BTA concurs. On June 23, 2009, all BTA staff were given Form FMC 110 with the instruction to complete the form and return to their supervisors by July 10, 2009.

OIG recommendation 4: OIG recommends "the timekeepers familiarize themselves with the T&A SOP and follow the stated instructions when applicable."

BTA response: BTA concurs. On June 23, 2009, timekeepers were instructed to re-read the T&A SOPs. Also, BTA will request the Office of Financial Management (OFM) give

a refresher session to BTA timekeepers on the T&A SOPs, with special emphasis given on procedures that might have changed since the last version of the SOP.

OIG recommendation 5: OIG recommends "that BTA management adhere to the agency's policy in regards to use of compensatory time off for its staff."

BTA response: BTA concurs. On June 23, 2009, the Director, BTA reminded all BTA supervisors of the agency policy with particular emphasis on re-scheduling alternative work schedules. Corrective action taken to address OIG's recommendation 5 is complete.

OIG recommendation 6: OIG recommends "BTA inform the primary timekeeper to request OFM stqff to enter her T&A in STAR when the primary and/or alternate timekeeper is not available."

BTA response: BTA concurs and on June 23, 2009, advised timekeepers to conform their behavior to this policy. BTA also will request OFM assistance to BTA timekeepers in this respect.

OIG recommendation 7: OIG recommends "the BTA timekeeper adhere to the T&A SOP to obtain all certifications for the STAR or identify the reason an employee was not available to certify the STAR."

BTA response: BTA concurs. At a meeting on June 23, 2009, all BTA employees were reminded to adhere to this T&A SOP. Corrective action taken to address OIG's recommendation 7 is complete.

OIG recommendation 8: OIT recommends "the timekeeper maintain the Annual Attendance Record for CY 2008 and future years to reflect reconciliation based on leave slips, emails, FMC-109 and STAR reports, to ascertain the correct leave balances for its employees and provide an updated FMC-183 to OFM for corrections in NFC and STAR before the end of FY 2009 for CY 2008."

BTA response: BTA concurs. On June 23, 2009, BTA timekeepers were instructed by the Director, BTA to maintain the FMC-183 forms for 2008 and future years, with the understanding that OFM might have further instruction as to records retention policies and practices. Also on that date, the Director, BTA instructed BTA timekeepers to provide OFM with updated FMC-183s by July 10, 2009.

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Based on the foregoing, BTA considers the corrective action it has already taken in response to OIG recommendations 1, 2, 5 and 7 to be complete. BTA has already taken steps to respond to OIG recommendations 3 and 8, but these corrective actions are not yet complete. BTA will advise OIG when those actions have been fully completed. As to OIG's recommendations 4 and 6, BTA will request that OFM conduct refresher courses

for BTA timekeepers to ensure they are keeping abreast of the latest T&A's SOPs and will also request that OFM assist timekeepers in entering T&A information into STAR when the alternate timekeeper is unavailable.

Florence A. Carr

Florence A. Carr

cc: Director, Office of Operations
Director, Office of Administration
Director, Office of Financial Management

FEDERAL MARITIME COMMISSION
EMPLOYEE REQUEST FOR WORK/TELEWORK SCHEDULE

To: _____

☐ I request a regular work schedule.

☐ I request that the following flexible hours be established for me.

Arrival time : _____

Departure time : _____

☐ I request that the following compressed work AND/OR telework schedule be approved for me. Please indicate 8-hour day, day off, or telework day, as appropriate. If requesting episodic teleworking, designate work hours and check the episodic teleworking line.

First week of pay period.

Monday	: _____	a.m. to	_____	p.m.
Tuesday	: _____	a.m. to	_____	p.m.
Wednesday	: _____	a.m. to	_____	p.m.
Thursday	: _____	a.m. to	_____	p.m.
Friday	: _____	a.m. to	_____	p.m.

☐ Episodic teleworking

Second week of pay period.

Monday	: _____	a.m. to	_____	p.m.
Tuesday	: _____	a.m. to	_____	p.m.
Wednesday	: _____	a.m. to	_____	p.m.
Thursday	: _____	a.m. to	_____	p.m.
Friday	: _____	a.m. to	_____	p.m.

_____ _____
Employee's Signature Date

SUPERVISORY RECOMMENDATION

☐ Approve
☐ Approve as modified
☐ Disapprove (justification attached)

_____ _____
Supervisor's Signature Date

☐ Approved ☐ Approved as modified ☐ Disapproved

_____ _____
Bureau or office director's signature Date

cc: Employee
Timekeeper

FMC-110
(Rev. 12/2001)

FEDERAL MARITIME COMMISSION

Employee Arrival and Departure Record

Name _____

Pay Period Beginning _____ Ending_____

DAY	ARRIVAL TIME	DEPARTURE TIME	LEAVE (hours) ANNUAL	SICK
MONDAY				
TUESDAY				
WEDNESDAY				
THURSDAY				
FRIDAY				
MONDAY				
TUESDAY				
WEDNESDAY				
THURSDAY				
FRIDAY				

I hereby certify the accurateness of this information.

_____ _____

Employee Signature Date

FMC-109
(3/92)

Request for Leave or Approved Absence

1. Name *(Last, first, middle)*	2.
3. Organization	

4. Type of Leave/Absence

Check appropriate box(es) and enter date and time below)	Date From	Date To	Time From	Time To	Total Hours
☐ Accrued annual leave					
☐ Restored annual leave					
☐ Advance annual leave					
☐ Accrued sick leave					
☐ Advance sick leave					
☐ Compensatory time off					
☐ Other paid absence *(specify in remarks)*					
☐ Leave without pay					

Purpose:
- ☐ Illness/injury/incapacitation of requesting employee
- ☐ Medical/dental/optical examination of requesting employee
- ☐ Care of family member, including medical/dental/optical examination of family member, or bereavement
- ☐ Care of family member with a serious health condition
- ☐ Other

5. Family and Medical Leave

If annual leave, sick leave, or leave without pay will be used under the Family and Medical Leave Act of 1993 (FMLA), please provide the following information:

☐ I hereby invoke my entitlement to family and medical leave for:

- ☐ Birth/Adoption/Foster care
- ☐ Serious health condition of spouse, son, daughter, or parent
- ☐ Serious health condition of self

Contact your supervisor and/or your personnel office to obtain additional information about your entitlements and responsibilities under the FMLA. Medical certification of a serious health condition may be required by your agency.

6. Remarks

7. **Certification:** I certify that the leave/absence requested above is for the purpose(s) indicated. I understand that I must comply with my employing agency's procedures for requesting leave/approved absence (and provide additional documentation, including medical certification, if required) and that falsification of information on this form may be grounds for disciplinary action, including removal.

7a. Employee signature	7b. Date signed

8a. Official action on request ☐ Approved ☐ Disapproved *(If disapproved, give reason. If annual leave, initiate action to reschedule.)*

8b. Reason for disapproval

8c. Signature	8d. Date signed

Privacy Act Statement

Section 6311 of title 5, United States Code, authorizes collection of this information. The primary use of this information is by management and your payroll office to approve and record your use of leave. Additional disclosures of the information may be: To the Department of Labor when processing a claim for compensation regarding a job connected injury or illness; to a State unemployment compensation office regarding a claim; to Federal Life Insurance or Health Benefits carriers regarding a claim; to a Federal, State, or local law enforcement agency when your agency becomes aware of a violation or possible violation of civil or criminal law; to a Federal agency when conducting an investigation for employment or security reasons; to the Office of Personnel Management or the General Accounting Office when the information is required for evaluation of leave administration; or the General Services Administration in connection with its responsibilities for records management.

Public Law 104-134 (April 26, 1996) requires that any person doing business with the Federal Government furnish a social security number or tax identification number. This is an amendment to title 31, Section 7701. Furnishing the social security number, as well as other data, is voluntary, but failure to do so may delay or prevent action on the application. If your agency uses the information furnished on this form for purposes other than those indicated above, it may provide you with an additional statement reflecting those purposes.

FEDERAL MARITIME COMMISSION

DESIGNATION OF AUTHORIZED REPRESENTATIVE

INSTRUCTIONS: **A new form must be completed and forwarded to the Office of Financial Management whenever the designee or alternate changes.**

NAME OF DESIGNEE (Print above, last name first	**☞SIGNATURE OF DESIGNEE**
NAME OF ALTERNATE (Print last name first)	**☞SIGNATURE OF ALTERNATE**
ORGANIZATIONAL AREA OF RESPONSIBILITY	

DESIGNEE (or Alternate) IS AUTHORIZED TO	**ADMINISTRATIVE LIMITATIONS**
☐ **1. CERTIFY/APPROVE TIME AND ATTENDANCE CARDS** ☐ **2. ACT IN THE CAPACITY OF TIME AND ATTENDANCE CLERK.** ☐ **3. REQUEST/APPROVE TRAVEL AUTHORIZATIONS, TRAVEL VOUCHERS AND LOCAL TRAVEL REIMBURSEMENTS.** ☐ **4. OTHER (SPECIFY)** _____ _____	**This cancels previously issued FMC-81**

SIGNATURE AND TITLE OF OFFICIAL AUTHORIZED TO DESIGNATE REPRESENTATIVE	**DATE**
Signature _____ **Title** _____	

Form FMC-81
(Rev. 11/06)

Appendix E

ANNUAL LEAVE RECORD - 2009

A - Annual
S - Sick
H - Holiday

Daily Record of Leave Used During Each Pay Period
Example: If you are sick 4 hrs. enter S-4 under the appropriate day.
If you take a day of annual leave, enter A-8 for that day.

Note: Annual leave earned each pay period depends on your length of service

0 -3 years..... 4 hrs.
3 - 15 years..... 6 hrs.
(10 hrs. in last pay period)
15 years..... 8 hrs.

Pay Period		SUN	MON	TUE	WED	THU	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT	Annual Leave Carry Over ____ Earned	Used	Balance	Sick Leave Carry Over ____ Earned	Used	Balance	Comp Hours Carry Over ____ Earned	Used	Balance
1	Jan 4 - Jan 17																							
2	Jan 18 - Jan 31		H	H																				
3	Feb 1 - Feb 14																							
4	Feb 15 - Feb 28		H																					
5	Mar 1 - Mar 14																							
6	Mar 15 - Mar 28																							
7	Mar 29 - Apr 11																							
8	Apr 12 - Apr 25																							
9	Apr 26 - May 9																							
10	May 10 - May 23																							
11	May 24 - Jun 6		H																					
12	Jun 7 - Jun 20																							
13	Jun 21 - Jul 4													H										
14	Jul 5 - Jul 18																							
15	Jul 19 - Aug 1																							
16	Aug 2 - Aug 15																							
17	Aug 16 - Aug 29																							
18	Aug 30 - Sep 12									H														
19	Sep 13 - Sep 26																							
20	Sep 27 - Oct 10																							
21	Oct 11 - Oct 24		H																					
22	Oct 25 - Nov 7																							
23	Nov 8 - Nov 21				H																			
24	Nov 22 - Dec 5					H																		
25	Dec 6 - Dec 19																							
26	Dec 20 - Jan 2						H							H										

Form FMC-183 (Front)

Last, First, MI _____

Leave Cat. Code _____

Service Comp Date _____