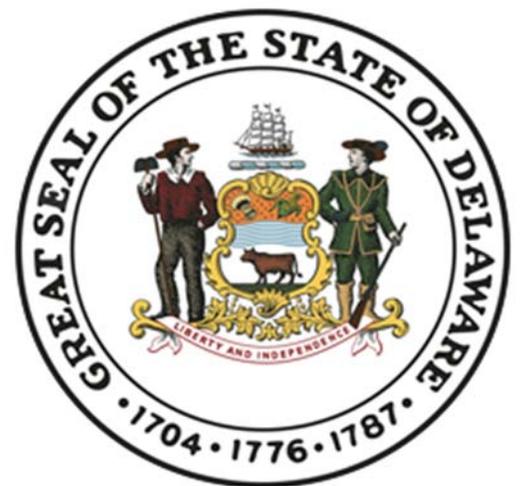


State of Delaware Office of Auditor of Accounts

Statewide Overtime

Inspection

R. Thomas Wagner, Jr., CFE, CGFM, CICA
Auditor of Accounts





State of Delaware
Office of Auditor of Accounts
R. Thomas Wagner, Jr., CFE, CGFM, CICA
At a Glance

Working Hard to Protect YOUR Tax Dollars

Why We Did This Inspection

As part of ongoing data analysis, the Office of Auditor of Accounts (AOA) reviewed Statewide data to identify top earners of overtime. This work supports our efforts in determining whether payments were properly authorized and for a legitimate purpose.

This inspection was performed in accordance with the Council of the Inspectors General on Integrity and Efficiency, *Quality Standards for Inspection and Evaluation*.

For further information on this release, please contact:

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What We Found

AOA obtained Statewide payroll data¹ to identify the top 50 overtime earners, and determine whether overtime was properly approved and reasonable. The State spent roughly \$57 million in overtime during Fiscal Year 2016, with those costs increasing to approximately \$60 million in Fiscal Year 2017.

In Fiscal Year 2016, 50 people across 5 departments earned roughly \$3 million in overtime, with 2 individuals earning more than \$100,000 in overtime.

During Fiscal Year 2017, 3 departments spent roughly \$3.5 million on overtime payments to 50 individuals, with 5 individuals earning more than \$100,000 in overtime.

All overtime reviewed by AOA was properly approved and for a valid purpose. In applying our reasonableness test, we found that 30 out of 200 pay periods reviewed showed employees working greater than 150 hours per pay period in Fiscal Year 2016.² For Fiscal Year 2017, 44 of the 250 pay periods reviewed showed employees working greater than 150 hours.

Most of the overtime payments were made by agencies that were experiencing staffing shortages in positions that require minimum staffing levels to ensure the safety and security of patients and the public. As such, the State should consider implementing changes to attract and retain employees in the nursing and youth counselor career paths to reduce the need for large amounts of overtime.

A Statewide timekeeping system allows those charged with governance to easily monitor overtime spending and to manage the risk excessive overtime imposes on the public and individuals receiving services. As a result of this engagement, we are recommending that the State begin an initiative to move all State agencies to the employee State Time and Attendance Reporting (eSTAR) system to automate the timekeeping function and to bring consistency to State employee timekeeping.

¹ Excluding Department of Corrections (DOC) and the Department of Education (DOE), school districts, and charter schools.

² A standard State employee works 75 hours per pay period.

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Abbreviations

Table with 2 columns: Abbreviation and Full Name. Includes AOA (Auditor of Accounts), BAM (State of Delaware Budget and Accounting Policy Manual), BDPA (Budget Development and Planning Administration), DHR (Department of Human Resources), DHSS (Department of Health and Social Services), DOC (Department of Correction), DOE (Department of Education), DSCYF (Department of Services for Children, Youth, and their Families), DSHS (Department of Safety and Homeland Security), DSP (Delaware State Police), DTI (Department of Information and Technology), eSTAR (employee State Time and Attendance Reporting), OMB (Office of Management and Budget), OST (Office of the State Treasurer), and PHRST (Payroll/Human Resource Statewide Technology).

Background

Statewide Overtime

The State of Delaware (State) has a Merit System of Personnel Administration governing select State positions through Merit Rules created by the Director of the Office of Management and Budget (OMB) and implemented upon approval from the Merit Employee Relations Board. The State's Merit Rules provide regulations regarding uniform pay plans, promotions, transfers, layoffs, grievances, and a variety of other personnel topics, and provisions for overtime service performed by State employees. Positions exempt from State Merit Rules are provided in 29 Del. C. §5903, and may be governed by collective bargaining agreements or Delaware Code. State Merit Rule 4.13.1 states, "...agencies may assign reasonable periods of overtime to meet operational needs." Agencies may need to assign overtime for a variety of reasons including providing adequate security over State prisons or providing weather-related services for citizens. OMB monitors overtime usage and reviews agency overtime requests.³ State agencies are required to receive the Director of OMB's approval to incur overtime for services performed by employees typically not eligible to receive cash overtime payments. Prior to approving overtime requests, OMB reviews the reason for the overtime and provides a limit on the overtime expenditures ensuring the agencies are not exceeding their annual budget.

State agencies paying overtime are also required to comply with the State Budget and Accounting Manual (BAM) section 14.2.1 requiring that organizations "...have in place and enforce effective internal controls to monitor Payroll-related transactions...Controls must include, but are not limited to, the review and approval of all wage payments, pre-approval of overtime, docking, and leave usage for employees." Agencies' pre-approval of overtime, the Merit rules, and OMB's overtime monitoring efforts are intended to ensure effective controls over Statewide overtime payments.

The State has also implemented several monitoring processes to review overtime. OMB's Budget Development and Planning Administration (BDPA) section monitors overtime spending each pay period through their analysis of agency payroll expenditures for all agencies receiving funding through Section 1 of the Annual Appropriations Act (Budget Bill). In the event anomalies are identified, the BDPA inquires with the agency to identify the reason for the anomaly.

Additionally, the annual Budget Bill states "...the Director of OMB, pursuant to 29 Del. C. §6529, may implement an overtime management practices review process for all state agencies with the exception of Legislative, Judicial, Higher Education and school districts. Said review shall include, but not be limited to, operational guidelines, guidelines to prohibit excessive utilization, staffing ratios and standard workweek schedules for employees. The Director of OMB shall report to the Governor and the Co-Chairs of the Joint Finance Committee no later than May 1 of each fiscal year on the status of any review process implemented pursuant to this section."⁴

In order to monitor agencies with high amounts of overtime, the Budget Bill requires the Youth Rehabilitative Services, Secure Care section of the Department of Services for Children, Youth and Their Families (DSCYF), Department of Corrections (DOC), and the Department of Safety and Homeland Security (DSHS) to submit quarterly reports, including the amount of overtime for each department, to both the Director of OMB and the Controller General.⁵

³ Merit Rule 4.13.6.

⁴ 148th General Assembly, House Substitute No. 1 for House Bill No. 225, Section 60 and 148th General Assembly, Senate Bill No. 285, Section 64.

⁵ 148th General Assembly, House Substitute No. 1 for House Bill No. 225, Sections 198, 214, and 243 and 148th General Assembly, Senate Bill No. 285, Sections 195, 211, and 241.

Objective, Scope, and Methodology

Objective

The objective of this engagement was to provide factual and analytical information for Statewide overtime payments, excluding DOC and the Department of Education (DOE),⁶ and determine whether overtime for top earners and others was properly authorized and for a legitimate purpose.

Scope

The scope of the inspection will encompass overtime payments made to State of Delaware employees, excluding DOC and DOE, from July 1, 2015 through June 30, 2017.⁷

Methodology

AOA's procedures consisted of the following:

- Obtained payroll data for the period July 1, 2015 through June 30, 2017 to identify the departments with the highest overtime expenditures.
- Considered reimbursements from non-State agencies for all overtime payments reviewed.
- Identify the top 50 individuals with highest overtime earnings for both Fiscal Years 2016 and 2017.
- Sampled and reviewed timesheets and supporting documentation for top overtime earners in Fiscal Year 2016 and Fiscal Year 2017, and ensured hours worked were reasonable and properly approved.
 - In instances where agencies utilized an automated overtime system, we considered system internal controls in lieu of testing individual transactions.
- Reviewed agency policy and procedures and determined if the internal control structure governing overtime expenditures are in accordance with the *State of Delaware Budget and Accounting Manual (BAM)*.
- Inquired with OMB to determine whether they have completed an Overtime Management Practices Review as described in the annual Budget Bills.⁸

⁶ The Department of Education exclusion includes all school districts and charter schools.

⁷ DOC and DOE were excluded from this Statewide Overtime Inspection because these agencies were reviewed in separate overtime engagements by AOA.

⁸ As explained in section 60 in Fiscal Year 2016 and section 64 of the Fiscal Year 2017 Budget Bill.

Procedures and Results

As highlighted in the Office of Auditor of Accounts (AOA's) Department of Correction Overtime Analysis Inspection issued on May 22, 2017,⁹ a majority of State departments incur overtime costs. In the year ended June 30, 2016 (Fiscal Year 2016), the State paid employees approximately \$57 million in overtime with that total increasing by approximately \$2 million to roughly \$59 million during the year ended June 30, 2017 (Fiscal Year 2017), as shown in Table 1 below.

Department	Overtime	
	Fiscal Year 2016	Fiscal Year 2017
Department of Correction	\$ 21,924,517	\$ 22,258,843
Department of Safety & Homeland Security	12,143,574	14,119,135
Department of Health & Social Services	7,418,058	7,207,759
Department of Education (School Districts and Charter Schools)	4,619,393	5,463,375
Department of Transportation	3,873,520	4,049,961
Services for Children, Youth, & their Families	3,220,768	3,230,956
Department of State	1,748,852	1,152,253
Higher Education	569,921	588,622
Department of Natural Resources & Environmental Control	351,551	388,931
Delaware National Guard	297,886	187,462
Executive	263,921	173,226
Department of Agriculture	197,221	228,564
Judicial	108,714	123,687
Department of Elections	80,465	164,515
Department of Labor	68,256	39,872
Department of Finance	60,863	59,888
Department of Technology & Information	60,239	50,005
Fire Prevention Commission	13,207	23,584
Legislative Branch	3,678	1,571
Other Elective Offices	1,777	-
Legal	-	-
Advisory Council for Exceptional Citizens	-	-
Total Statewide Overtime	\$ 57,026,381	\$ 59,512,209

Using the information in Table 1, we identified the top 50 earners of overtime from all State departments, excluding DOC and DOE, for Fiscal Years 2016 and 2017. These 50 employees worked for the Department of Health and Social Services (DHSS), DSCYF, Delaware State Police (DSP), Delaware National Guard and Delaware Veterans Home. A complete list of the top 50 overtime earners in Fiscal Years 2016 and 2017 can be found in Appendices A and B.

⁹ The *Department of Correction Overtime Data Analysis Inspection* is available at <http://auditor.delaware.gov/wp-content/uploads/sites/40/2017/05/Department-of-Correction-Overtime-Analysis-Inspection-1.pdf>.

¹⁰ Select State agencies, such as the Department of Safety and Homeland Security, which includes DSP, and the Delaware National Guard, are reimbursed for some payroll expenses, including overtime, by private entities and the federal government.

In analyzing only the top 10 overtime earners for Fiscal Years 2016 and 2017, we found that 8 employees were in the top 10 for both fiscal years. Further, as demonstrated in Table 2 below, two employees in Fiscal Year 2016 and three employees in Fiscal Year 2017 earned over \$100,000 in just overtime.

Table 2: Top 10 Overtime Earners for Fiscal Years 2016 and 2017

Position	Agency	2016			2017		
		Overtime ¹¹	Overtime Rank	Total Compensation ¹²	Overtime ¹¹	Overtime Rank	Total Compensation ¹²
Nursing Supervisor	DHSS	\$ 107,587	1	\$ 178,495	\$ 168,472	1	\$ 249,918
Master Corporal and Below	DSP	103,740	2	217,200	123,022	2	242,416
Sergeant	DSP	98,505	3	203,607	103,430	5	211,555
Master Corporal and Below	DSP	91,987	4	182,061	91,755	7	184,028
Registered Nurse III	DHSS	89,426	5	159,008	119,965	3	198,278
Sergeant	DSP	87,256	6	177,433	82,212	10	179,133
Sergeant	DSP	75,968	7	194,538	59,380	34	182,174
Sergeant	DSP	75,443	8	179,031	72,118	16	181,472
Lieutenant	DSP	73,705	9	178,958	95,881	6	206,952
Master Corporal and Below	DSP	73,390	10	183,752	84,028	9	199,108
Nursing Supervisor	DHSS	62,832	15	139,018	105,163	4	189,280
Master Corporal and Below	DSP	62,124	17	153,086	84,124	8	180,909
Total:		\$1,001,963		\$ 2,146,187	\$1,189,550		\$ 2,405,223

Agency Reviews

We reviewed each agency's records to determine whether OMB and the employees' supervisors properly authorized the overtime paid. We also performed a reasonableness test of the hours worked based on a maximum threshold of 150 working hours¹³ per pay period. AOA developed this threshold using the following criteria:

- a normal pay period is 10 working days;
- the recommended hours of rest (8 hours per day) for a normal shift according to The Occupational Safety and Health Administration's Extended/Unusual Work Shifts Guide;¹⁴ and
- the average American commute (26 minutes one way) as found in USA Today's *Americans' Commutes Aren't Getting Longer* article.¹⁵

¹¹ The overtime amount includes all amounts paid using an overtime earncode (e.g. straight time or time and a half).

¹² This amount includes all payroll payments to each individual.

¹³ These hours include only those hours in which an employee would have been present at work (e.g. regular hours, holiday worked hours, or overtime). This does not include non-working time (e.g. paid leave and holidays).

¹⁴ <https://www.osha.gov/SLTC/emergencypreparedness/guides/extended.html>

¹⁵ <https://www.usatoday.com/story/news/nation/2013/03/05/americans-commutes-not-getting-longer/1963409/>

Our reviews found that certain departments and facilities require staff to be on hand at all times for safety and emergency purposes and overtime is necessary to cover absences and vacancies. For example, DHSS and the Delaware Veterans Home must have a specified number of nurses on hand for the safety of the patients, with some patients in State facilities requiring one-to-one care. In a public safety role, DSP must ensure an appropriate number of troopers are on duty at all times, while DSCYF employs individuals in youth correctional facilities, which require adequate staffing to ensure safety. Additionally, the Delaware National Guard uses overtime to ensure firefighters are on location in case of emergencies.

We also reviewed the time keeping processes and systems in place at the selected agencies and found that agencies were using a variety of methods, from automated to manual, to track and approve overtime:

- DHSS and DSCYF were using a manual process during most of Fiscal Year 2016 before implementing Employee State Time and Attendance Reporting (eSTAR).¹⁶
- The Delaware Veterans Home moved from one automated system, Kronos, to eSTAR during Fiscal Year 2016.
- DSP uses an in-house automated Overtime Tracking System to track and approve overtime worked prior to entering payroll hours into the State's Payroll/Human Resource Statewide Technology (PHRST) system. Although approvals are automated, the Overtime Tracking System does not interface with PHRST requiring manual entry and reconciliation between the two systems.
- The Delaware National Guard uses manual timesheets prior to entering payroll hours into PHRST.

AOA inquired with OMB to determine when the most recent management practices review prescribed by the Annual Budget Bills was completed. OMB last completed an overtime management practices review¹⁷ in August 2012, to ensure written policies were developed to establish reasonable limits on overtime to address the issue of voluntary overtime being used to inflate final pension calculations.

Department of Health and Social Services

AOA reviewed multiple timesheets for 7 individuals earning overtime in Fiscal Year 2016 and 9 individuals earning overtime at DHSS in Fiscal Years 2016 and 2017. We reviewed approvals and obtained hours worked through eSTAR for Fiscal Year 2017, and a portion of Fiscal Year 2016. AOA found that all DHSS overtime reviewed during this engagement was properly approved. In reviewing whether hours worked by DHSS employees selected for review were reasonable, AOA found the following:

- Individuals in 18 of the 28 timesheets reviewed in Fiscal Year 2016 worked more than 150 hours in a pay period; and
- Individuals in 29 of the 145 timesheets reviewed in Fiscal Year 2017 worked more than 150 hours in a pay period.

Nursing Supervisor

A Nursing Supervisor at DHSS was the highest overtime earner in the State for both fiscal years reviewed, with this individual earning approximately \$107,000 in Fiscal Year 2016 and \$168,000 in Fiscal Year 2017. AOA determined that this employee worked a total of 4,681 hours in Fiscal Year 2017,

¹⁶ An automated timekeeping system utilized by select State agencies to report time and request leave and which integrates with PHRST.

¹⁷ As explained in section 60 in Fiscal Year 2016 and section 64 of the Fiscal Year 2017 Budget Bill.

which averages 180 hours per pay period. In comparison, a typical State employee works 1,950 hours per year.¹⁸ Table 3 below details the number of hours worked in the five pay periods where the Nursing Supervisor earning the highest amounts of overtime. While we found no evidence of errors during our inspection, a United States Department of Health and Human Services *Nurse Staffing and Quality of Patient Care* report found that “...working overtime increased the odds of making at least one medication-related error with the risk of error increasing when nurses work overtime after long shifts.”¹⁹

Table 3: Top 5 Pay Periods for Nurse Supervisor								
Pay Period 1								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total:
<i>Hours Week 1</i>	15.50	17.50	15.25	10.25	-	17.50	11.75	87.75
<i>Hours Week 2</i>	15.50	18.00	19.75	17.50	18.00	19.50	18.75	127.00
<i>Total Hours Physically Worked:</i>								214.75
Pay Period 2								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total:
<i>Hours Week 1</i>	16.75	18.25	18.25	10.75	18.75	11.50	7.00	101.25
<i>Hours Week 2</i>	11.25	13.75	16.75	18.00	17.50	17.75	8.50	103.50
<i>Total Hours Physically Worked:</i>								204.75
Pay Period 3								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total:
<i>Hours Week 1</i>	7.50	17.25	17.00	18.50	19.75	19.25	-	99.25
<i>Hours Week 2</i>	8.00	18.25	20.00	17.75	17.25	3.00	17.25	101.50
<i>Total Hours Physically Worked:</i>								200.75
Pay Period 4								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total:
<i>Hours Week 1</i>	10.50	18.50	17.50	19.50	18.50	11.50	8.50	104.50
<i>Hours Week 2</i>	15.75	15.50	19.75	-	15.50	18.00	10.50	95.00
<i>Total Hours Physically Worked:</i>								199.50
Pay Period 5								
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total:
<i>Hours Week 1</i>	17.50	18.50	17.00	17.75	19.50	3.50	5.50	99.25
<i>Hours Week 2</i>	16.00	16.00	15.75	16.25	14.75	1.75	13.25	93.75
<i>Total Hours Physically Worked:</i>								193.00

Causes of Overtime

DHSS requests its employees to work overtime due to severe staffing shortages and the necessity of maintaining a required standard of care for patients. The Delaware Psychiatric Center (DPC) had 70 vacant positions as of December 14, 2017, while the Delaware Hospital for the Chronically Ill (DHCI) had 82 vacancies as of December 19, 2017. AOA interviewed DHSS personnel who told us that staffing

¹⁸ The 1,950 hours worked for a typical State employee was calculated by multiplying 37.5 hours worked per week by 52 weeks per year.

¹⁹ The Nurse Staffing and Quality of Patient Care report prepared for the United States Department of Health and Human Services Agency for Healthcare Research and Quality can be found at <https://archive.ahrq.gov/downloads/pub/evidence/pdf/nursestaff/nursestaff.pdf>

shortages are a result of DHSS's inability to attract and retain employees as a result of non-competitive salaries, limits on the amount of employees to be hired at a given time, the increasing costs of healthcare plans, and the changes to the number of years to vest in the State's Pension Plan. AOA found that the average Registered Nurse in Delaware earns \$70,820²⁰ annually, while psychiatric registered nurses in Delaware earn an average of \$73,000²¹ annually. DHSS's average Registered Nurse salary for Fiscal Year 2017 is shown in Table 4 below.

<i>Position</i>	<i>Average</i> ²²
Registered Nurse I	\$ 45,831
Registered Nurse II	48,034
Registered Nurse III	52,945
Nursing Supervisor	59,102
Advanced Practice Registered Nurse	74,092
Assistant Nursing Director	70,255
Nursing Director	\$ 89,039

DHSS personnel explained that call-outs are also a contributing factor to the use of overtime as a consistent staffing level is required to ensure patient safety. The information shown in Figure 1, provided by DHSS, captures call-out data for a five day period of a Friday through Tuesday with the highest call-out volume on Friday and Tuesday. Over a five day period, DHCI received 44 unscheduled call-outs, 73% of which were Certified Nursing Assistants, and a majority of the call-outs occurred on weekdays during the first shift.

²⁰ <http://nursesalaryguide.net/nurse-salary-in-delaware>

²¹ <https://nursejournal.org/psychiatric-nursing/psychiatric-nursing-careers-salary-outlook/>

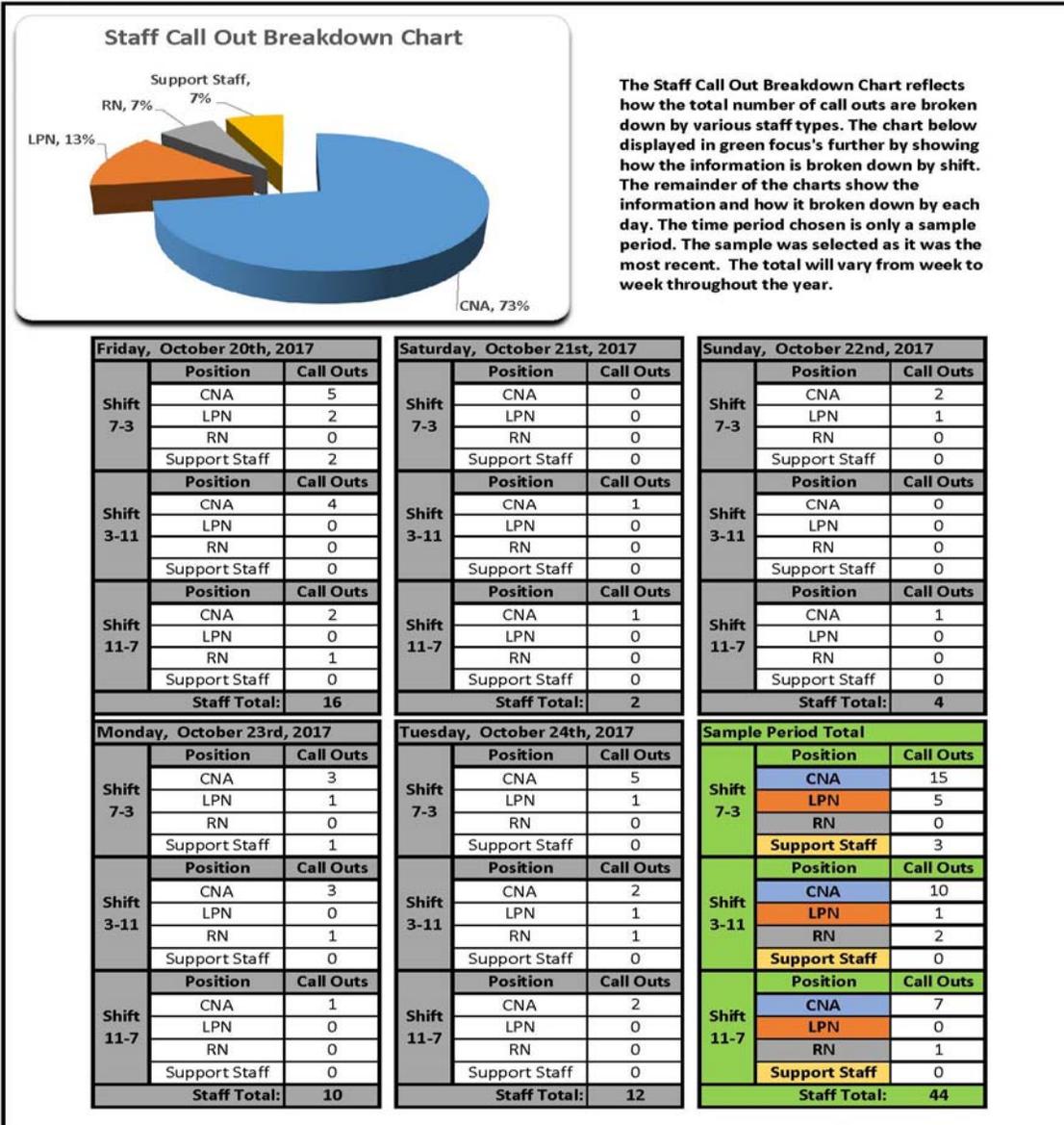
²² The average nursing salary was calculated using a Listing of Authorized Positions report from PHRST as of June 30, 2017 and calculating an average of the salaries reported for each position identified in Table 4 above.

Figure 1: DHCI Nursing Call Out Summary Report

DHCI Nursing Call Out Summary Report

11/1/2017

The following summary reflects Nursing staff call out data collected at the Delaware Hospital of the Chronically Ill (DHCI) during a five day period.



Delaware State Police

AOA reviewed multiple timesheets for 39 individuals earning overtime at DSP in Fiscal Years 2016 and 2017. Additionally, AOA performed an internal control walkthrough surrounding DSP's Overtime Tracking System and elected to rely on the system's internal controls rather than reviewing daily overtime approvals. In completing our reasonableness test, AOA found the following:

- Individuals in 3 of the 156 timesheets reviewed in Fiscal Year 2016 worked more than 150 hours in a pay period; and
- Individuals in 5 of the 195 timesheets reviewed in Fiscal Year 2017 worked more than 150 hours in a pay period.

DSCYF

Two individuals with DSCYF in Fiscal Year 2016, and two individuals in Fiscal Year 2017, were in the top 50 Statewide overtime earners. All overtime selected for review was properly approved. All 8 pay periods reviewed for 2 DSCYF employees in Fiscal Year 2016, and all 10 pay periods for 2 employees reviewed in Fiscal Year 2017, showed hours worked above 150 hours per pay period.

Department of State (Delaware Veterans Home)

One employee with the Delaware Veterans Home was included in the top 50 Statewide overtime earners in Fiscal Year 2016. AOA tested four pay periods for this employee and found that all instances reviewed were properly approved. In applying our reasonableness test, the employee selected for review worked more than 150 hours in one of the four pay periods reviewed.

Delaware National Guard

AOA reviewed four pay periods for one employee at the Delaware National Guard during Fiscal Year 2016, and found that all overtime was properly approved. Although the firefighters were typically working over 150 hours per pay period with 48-hour shifts, AOA did not find that the hours worked were unreasonable as they were provided a place to sleep during their shifts. All National Guard Duty overtime is initially paid through the PHRST system, but is later reimbursed by the federal government.

Recommendations

Statewide

A universal automated timekeeping system, such as eSTAR, which is already in place at DHSS, DSCYF, DOC, the Office of the State Treasurer (OST), the Department of Technology and Information (DTI), and the Delaware Veterans Home, should be utilized by all State agencies. Consistency in time and attendance reporting and approval would provide reliable data across all agencies and allow management to perform analyses to identify errors or risks. The eSTAR system also allows for automated time reporting where the system identifies instances of overtime and prompts an employee's supervisor for review and approval. As of the date of this report, eSTAR is the State standard for timekeeping and integrates with the State's PHRST payroll system, eliminating manual processes identified at DSP and the Delaware National Guard.

DHSS

Based on the United States Department of Health and Human Services *Nurse Staffing and Quality of Patient Care* report²³ findings that nursing overtime increases the likelihood of medication errors, nurse turnover, and may also compromise patient safety, the State should review options to reduce nursing overtime. AOA recommends a review of nursing salaries to be more competitive with private hospitals. In addition, to entice employees to remain at State hospitals, the State should revisit the State's pension plan vesting period for nurses. The State's Department of Human Resources (DHR) should also assist DHSS in developing options for when employees repeatedly call out of work and create a burden on the State's medical facilities.

²³ <https://archive.ahrq.gov/downloads/pub/evidence/pdf/nursestaff/nursestaff.pdf>

Responses to Findings

The Delaware Veteran's Home, Delaware National Guard, and Delaware State Police opted not to provide formal responses.

DSCYF

The Division of Youth Rehabilitative Services supports and appreciates the opportunity to work with the Auditor's office to review the adequacy and effectiveness of our overtime management process.

For Fiscal Year 2019, The General Assembly graciously increased the divisions compliment of staff in our secure care facilities by twenty-nine positions (twenty- seven Youth Rehabilitative Counselors and Two Youth Rehabilitative Counselor Supervisors). The addition of these positions allows the division to better meet the needs of the youth in our care and also ensure we are not relying on overtime to manage our facilities. The positions will increase the work-life balance for our staff and ensure we have enough coverage for expected and unexpected staff leave.



**Delaware Health
And Social Services**

Division of Management Services

1901 N. DUPONT HIGHWAY, NEW CASTLE, DE 19720

October 12, 2018

Mr. R. Thomas Wagner, Jr.
Auditor of Accounts
Office of the Auditor of Accounts
Townsend Building, Suite 1
401 Federal Street
Dover, DE 19901

Dear Mr. Wagner:

The Department of Health and Social Services (DHSS) would like to extend our appreciation to your team for their work in performing the Statewide Overtime Inspection.

As the report suggests, the use of overtime by nursing staff is critical at DHSS. Our Division of Substance Abuse & Mental Health (DSAMH) currently has over 30 vacant positions for licensed nursing and para-professional staff. Nursing overtime is primarily driven by the number of 1:1 or 2:1 coverage ordered by the physicians. If there are more 1:1 shifts needed than available nursing assistants, then licensed nurses receive the overtime assignment. Therefore, we are paying overtime at a nursing salary instead of a nursing assistant salary when those situations occur.

We are actively working with the Department of Human Resources to identify new recruitment strategies, including the reassessment of salaries and benefits to attract and retain nursing staff. Until these strategies are defined and implemented, individuals noted in this report will continue to voluntarily sign-up for needed overtime. Voluntary overtime decreases the number of mandatory overtime assignments, which improves moral and ensures adequate staffing levels so patient safety is not compromised. Individuals working increased overtime are supervised for signs of overwork, including impaired judgment and errors.

As the report notes, call-outs are a contributing factor to increased use of overtime. Nursing leadership has increased their scrutiny of employees with a pattern of calling out and have implemented a strict adherence to the staff time-off procedure, with the approval of last minute time-off only in cases of true emergencies with the appropriate documentation.

Overall, we find the report to be fair and balanced. It not only captures the data, but the complex business issues leading to the overtime seen in our Department. We look forward to fostering the teamwork between DHSS and the Auditor of Accounts staff.

Sincerely,

A handwritten signature in blue ink that reads "Lisa Bond".

Lisa Bond
Director

pc: Kimberly Rachiele, DHSS Controller
File

Appendix A

<i>Top 50 Overtime Earners for Fiscal Year 2016</i>					
<i>Rank</i>	<i>Position</i>	<i>Agency</i>	<i>Total Compensation (Excluding OT)</i>	<i>Overtime</i>	<i>Total Compensation</i>
1	Nursing Supervisor	DHSS	\$ 70,908	\$ 107,587	\$ 178,495
2	Master Corporal and Below	DSP	113,461	103,740	217,201
3	Sergeant	DSP	105,102	98,505	203,607
4	Master Corporal and Below	DSP	90,073	91,987	182,060
5	Registered Nurse III	DHSS	69,582	89,426	159,008
6	Sergeant	DSP	90,178	87,256	177,434
7	Sergeant	DSP	118,570	75,968	194,538
8	Sergeant	DSP	103,587	75,443	179,030
9	Lieutenant	DSP	105,252	73,705	178,957
10	Master Corporal and Below	DSP	110,362	73,390	183,752
11	Corporal I	DSP	74,561	64,452	139,013
12	Master Corporal and Below	DSP	95,646	64,063	159,709
13	Sergeant	DSP	110,000	63,581	173,581
14	Sergeant	DSP	97,170	63,533	160,703
15	Nursing Supervisor	DHSS	76,186	62,832	139,018
16	Registered Nurse III	Delaware Veterans Home	65,707	62,785	128,492
17	Master Corporal and Below	DSP	90,963	62,124	153,087
18	Master Corporal and Below	DSP	104,923	59,809	164,732
19	Master Corporal and Below	DSP	94,167	59,682	153,849
20	Sergeant	DSP	103,013	59,096	162,109
21	Sergeant	DSP	118,570	58,929	177,499
22	Master Corporal and Below	DSP	96,776	57,557	154,333
23	Registered Nurse III	DHSS	60,689	56,924	117,613
24	Sergeant	DSP	100,412	56,923	157,335
25	Master Corporal and Below	DSP	102,921	56,638	159,559
26	Corporal I	DSP	195,908	54,392	250,300
27	Master Corporal and Below	DSP	111,479	54,210	165,689
28	Sergeant	DSP	89,796	53,766	143,562
29	Master Corporal and Below	DSP	90,763	53,064	143,827
30	Master Corporal and Below	DSP	112,747	52,266	165,013
31	Sergeant	DSP	81,215	52,265	133,480
32	Nursing Supervisor	DHSS	74,513	52,188	126,701

33	Master Corporal and Below	DSP	85,130	51,374	136,504
34	Senior Corporal	DSP	77,423	51,188	128,611
35	Master Corporal and Below	DSP	111,454	49,909	161,363
36	Master Corporal and Below	DSP	94,192	49,338	143,530
37	Senior/Social Work Case Manager	DHSS	41,245	49,246	90,491
38	Master Corporal and Below	DSP	100,070	49,175	149,245
39	Youth Rehab Counselor II	DSCYF	38,054	49,088	87,142
40	Registered Nurse III	DHSS	61,493	48,061	109,554
41	Master Corporal and Below	DSP	102,196	47,694	149,890
42	Master Corporal and Below	DSP	100,145	47,659	147,804
43	Fire Protection	Delaware National Guard	70,994	47,133	118,127
44	Sergeant	DSP	104,637	46,944	151,581
45	Master Corporal and Below	DSP	94,576	46,119	140,695
46	Youth Rehab Counselor II	DSCYF	34,864	45,693	80,557
47	Senior Corporal	DSP	77,923	45,320	123,243
48	Master Corporal and Below	DSP	103,121	44,813	147,934
49	Sergeant	DSP	87,600	44,687	132,287
50	Sergeant	DSP	108,716	44,174	152,890
Total:			\$ 4,619,033	\$ 3,015,701	\$ 7,634,734

Appendix B

<i>Top 50 Overtime Earners for Fiscal Year 2017</i>					
<i>Rank</i>	<i>Position</i>	<i>Agency</i>	<i>Total Compensation (Excluding OT)</i>	<i>Overtime</i>	<i>Total Compensation</i>
1	Nursing Supervisor	DHSS	\$ 81,446	\$ 168,472	\$ 249,918
2	Master Corporal and Below	DSP	119,394	123,022	242,416
3	Registered Nurse III	DHSS	78,313	119,965	198,278
4	Nursing Supervisor	DHSS	84,116	105,163	189,279
5	Sergeant	DSP	108,125	103,430	211,555
6	Lieutenant	DSP	111,071	95,881	206,952
7	Master Corporal and Below	DSP	92,273	91,755	184,028
8	Master Corporal and Below	DSP	96,785	84,124	180,909
9	Master Corporal and Below	DSP	115,080	84,028	199,108
10	Lieutenant	DSP	96,921	82,212	179,133
11	Senior Corporal	DSP	78,442	80,648	159,090
12	Sergeant	DSP	103,318	79,496	182,814
13	Master Corporal and Below	DSP	112,171	77,421	189,592
14	Sergeant	DSP	108,325	76,397	184,722
15	Sergeant	DSP	106,750	72,845	179,595
16	Sergeant	DSP	109,354	72,118	181,472
17	Master Corporal and Below	DSP	107,644	71,333	178,977
18	Sergeant	DSP	115,755	70,732	186,487
19	Sergeant	DSP	122,793	70,587	193,380
20	Master Corporal and Below	DSP	107,444	70,211	177,655
21	Sergeant	DSP	83,150	69,121	152,271
22	Master Corporal and Below	DSP	92,893	68,588	161,481
23	Youth Rehab Counselor II	DSCYF	38,966	65,955	104,921
24	Master Corporal and Below	DSP	93,423	65,535	158,958
25	Master Corporal and Below	DSP	116,180	65,369	181,549
26	Sergeant	DSP	97,922	65,183	163,105
27	Master Corporal and Below	DSP	99,865	64,408	164,273
28	Registered Nurse III	DHSS	77,140	64,356	141,496
29	Master Corporal and Below	DSP	116,516	64,157	180,673
30	Master Corporal and Below	DSP	100,473	62,875	163,348
31	Master Corporal and Below	DSP	97,535	62,866	160,401
32	Sergeant	DSP	110,404	60,635	171,039
33	Master Corporal and Below	DSP	98,951	59,542	158,493
34	Sergeant	DSP	122,793	59,380	182,173
35	Master Corporal and Below	DSP	116,695	58,038	174,733

36	Senior Corporal	DSP	83,245	57,999	141,244
37	Master Corporal and Below	DSP	100,898	56,959	157,857
38	Registered Nurse III	DHSS	66,441	56,903	123,344
39	Youth Rehab Counselor II	DSCYF	42,179	56,041	98,220
40	Certified Nursing Assistant	DHSS	36,024	55,992	92,016
41	Master Corporal and Below	DSP	114,365	54,620	168,985
42	Registered Nurse III	DHSS	71,984	54,039	126,023
43	Senior Corporal	DSP	81,832	53,959	135,791
44	Master Corporal and Below	DSP	107,727	53,360	161,087
45	Registered Nurse III	DHSS	78,199	52,880	131,079
46	Master Corporal and Below	DSP	102,673	52,443	155,116
47	Master Corporal and Below	DSP	105,527	52,144	157,671
48	Lieutenant	DSP	111,484	52,108	163,592
49	Sergeant	DSP	93,504	51,745	145,249
50	Licensed Practical Nurse III	DHSS	47,088	50,621	97,709
Total:			\$ 4,761,596	\$ 3,567,661	\$ 8,329,257