



GRAINGER COUNTY AMBULANCE AUTHORITY

Investigative Report
January 19, 2016

Justin P. Wilson, Comptroller





**STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
FINANCIAL AND COMPLIANCE INVESTIGATIONS**

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January 19, 2016

Roger L. Ritchie, Director
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Director Ritchie:

Our office performed an investigation of the Grainger County Ambulance Authority (the ambulance authority) for the period January 1, 2015, through July 25, 2015; however, we expanded the scope as necessary. Based on our review of the records and employee interviews, we determined that ambulance authority employees received net wages totaling at least \$6,181.32 for hours not worked. A summary of deficiencies is noted below:

Background

The ambulance authority is a department of Grainger County, Tennessee, and is the only emergency medical provider in the county. The ambulance authority employs approximately 26 full-time emergency medical technicians and paramedics as well as other part-time staff. Full-time employees work one of three 24-hour shifts (shifts denoted as red, green, or blue) on a three-day rotation cycle at one of four stations in the county. The ambulance authority utilized manually prepared time sheets, and the time sheets were signed by both the employee and the office manager. The ambulance authority utilizes the When2work.com system to prepare shift schedules showing the employees on duty, their assigned station, pick-up shifts, and requested time off. The ambulance authority also prepared reports for each ambulance run, which documented the date and time of the service, station number, truck number, patient information, services provided, and the employees who provided services.

Findings and recommendations, as a result of our investigation, are presented in this report. We reviewed these findings and recommendations with the Grainger County Mayor and the ambulance authority director to provide an opportunity for their response. Also, these findings and recommendations have been reviewed with the district attorney general for the Fourth Judicial District.

INVESTIGATIVE FINDINGS AND RECOMMENDATIONS

FINDING 1 EMPLOYEES RECEIVED WAGES TOTALING AT LEAST \$6,181.32 FOR TIME NOT WORKED

Employees of the ambulance authority received net wages totaling at least \$6,181.32 for time not worked. This included payments to employees of \$6,474.84 for hours not worked less \$293.52 for hours employees worked but were not paid. According to the *Rules of the Tennessee Department of Health, Bureau of Health Licensure and Regulation, Division of Emergency Medical Services*, Section 1200-12-1-.15, each ambulance service shall maintain

“Time cards, time sheets, call rosters, or shift schedules accurately indicating the availability of ambulance service personnel and the crews assigned on each date for each staff ambulance within a specified county or jurisdiction.”

We reviewed selected time sheets, shift schedules, run reports, truck reports, and other payroll documentation for the period January 1, 2015, through July 25, 2015. In lieu of using time clocks, the ambulance authority used manual time sheets to document work time.

After conducting interviews and reviewing documentation, we determined that employees did not consistently record actual time worked on their time sheets, did not document compensatory leave earned and used on their time sheets, did not consistently notify 911 dispatch when beginning their shift, and did not consistently submit a daily ambulance check-off report. Officials admitted they periodically failed to update scheduling information on the When2work.com system and failed to reconcile employees’ leave with their time sheets. In addition, employees were allowed to swap shifts. Several employees stated that when swapping a shift, they recorded the actual hours worked on their time sheet; conversely, the office manager stated employees recorded the hours as listed on the schedule. The lack of supporting documentation reduced our ability to verify employee hours worked, which could result in the amount of wages for time not worked being understated. These unearned wages were the result of a lack of management oversight. We noted the following deficiencies:

- A. The red shift supervisor received \$5,257.32 in wages for hours he did not work and was underpaid \$293.52 for a net overpayment of \$4,963.80 as follows:
 - 1. \$4,542.72 for 384 hours not worked when the employee noted that he had worked on his time sheet. The employee stated that due to his schedule, he would sometimes submit his time sheets before the actual due date, and since he alerted the office manager of days he needed off, he assumed she was updating his time sheets.
 - 2. \$283.92 for 24 hours not deducted from the employee’s sick leave balance. The employee noted on his time sheet that he was out sick; however, officials failed to deduct the amount from the employee’s leave.

3. \$283.92 for 24 hours the employee did not work and did not submit a time sheet. The office manager stated that she filled out the employee's time sheet and inaccurately noted he worked on the day he was off.
4. \$146.76 for 12 hours he was overpaid while working another shift.
5. We determined this employee, while swapping shifts with other employees, was not paid \$293.52 for working a 24-hour shift. The director incorrectly filled out the employee's time sheet when all of the time sheets for the station were missing.

Prior to this investigation, the employee entered into an agreement with management to reimburse the county \$4,963.80 for wages he received for hours not worked.

- B. A paramedic on the red shift received a total of \$540 in wages for 48 hours she did not work. The employee stated she submitted her time sheet early and failed to update it after taking sick leave for an emergency. The employee sent a text to notify the office manager she would not be able to work her shift.
- C. An employee on the green shift received a total of \$384 in wages for 48 hours he did not work. The employee stated the office manager submitted a time sheet for him when he was off and mistakenly noted he worked two days when in fact he was off.
- D. We determined a green shift supervisor received a total of \$293.52 in wages for 24 hours he did not work. The director stated he submitted a time sheet for the employee because the station's time sheets were missing, and he mistakenly noted the employee worked this particular shift.

The table below summarizes the above-noted net overpayments:

Part	Amount
A.1.	\$ 4,542.72
A.2.	283.92
A.3.	283.92
A.4.	146.76
	<u>\$ 5,257.32</u>
A.5.	(293.52)
	<u>\$ 4,963.80</u>
B.	540.00
C.	384.00
D.	293.52
	<u> </u>
Total	<u>\$ 6,181.32</u>

RECOMMENDATION

The ambulance authority should pay employees only for time worked, and time sheets should record actual time worked. Shift schedules should be prepared by the office manager or director, and at the end of each shift, the preparer should verify and accurately document the employees who actually worked the shift. The director should compare shift schedules to time sheets before authorizing payments.

MANAGEMENT’S RESPONSE – ROGER L. RITCHIE, DIRECTOR, GRAINGER COUNTY AMBULANCE AUTHORITY

- A. The Red-Shift Supervisor in question entered into a contract to reimburse Grainger County the sum of \$4,968.60 prior to the investigation. The true amount found by investigation was \$4,963.80. An adjustment will be made to reflect the new amount and the terms of the agreement implemented immediately.
- B. Red Shift Paramedic receiving \$540.80 will be required to make arrangements to reimburse either funds or time worked to the county.
- C. The Green-Shift Employee has already reimbursed the county the sum of \$384.00 through the forfeit of pay on two subsequent shifts.
- D. The Green-Shift Supervisor will be required to make arrangements to repay the sum of 293.52 to the county.

All shift scheduling will be conducted by the Office Manager. All hours worked will be validated on by the on-duty Supervisor each shift using the When2Work system. The Director will compare individual time sheets submitted by employees to the hours recorded on the When2Work system.

FINDING 2 THE AMBULANCE AUTHORITY HAD PAYROLL AND OPERATIONAL DEFICIENCIES

The ambulance authority had payroll and operational deficiencies. Personnel policies permit employees to accumulate earned but unused vacation, sick, and compensatory leave. For the period under examination, we reviewed time sheets and selected payroll records and noted the following deficiencies, which resulted from a lack of oversight by management.

- A. In one instance, a time sheet showed an employee properly recorded sick leave he used instead of working; however, the office manager or director did not reduce the sick leave used from the employee’s accumulated sick leave balance as noted in Finding 1.A. Our interviews with employees, the office manager, and the director confirmed employees were responsible for documenting the leave they used on their time sheets, and the office manager was responsible for calculating the employees’ accumulated leave balances at the bottom of the time sheets.

- B. We noted several instances where time sheet hours did not always accurately reflect time worked resulting in overpayments. In some instances, employees did not prepare or sign their time sheets, submitted time sheets before the due date resulting in inaccurate information, or requested the office manager fill out their time sheet. The ambulance authority's standard operating procedures require all employees to complete a time sheet to receive payment for hours worked. All time sheets must be completed daily and be signed before the end of the payroll period. The director should have reviewed all time sheets and made adjustments accordingly.
- C. Employees did not accurately document compensatory leave earned, used, and the accumulated balances on their time sheets. Compensatory time was recorded in a generic receipt book in the office.
- D. In many instances, employees said they sent the office manager a text when needing time off for vacation leave. The Standard Operating Procedure provides vacation requests must be submitted a minimum of two weeks prior to the requested date on the When2work.com system.
- E. Employees failed to notify 911 dispatchers on a regular basis when beginning their assigned shift. Standard Operating Procedures provide the on-duty crew will report their unit numbers and employee numbers over the radio by notifying 911 dispatchers.
- F. In some instances, employees did not submit vehicle check-off sheets. Standard Operating Procedures provide each vehicle will be checked at the beginning of every shift utilizing the vehicle check-off sheets. These sheets indicate the mileage, employee(s) on board, supplies, and the condition of the vehicle.
- G. In some instances, employee schedules did not accurately reflect hours worked. The office manager admitted she occasionally failed to update scheduling information on the When2work.com system.

RECOMMENDATION

Employees should accurately calculate and document vacation, sick, and compensatory leave on time sheets. Management should verify the accuracy of the time sheets before payment is made. Employees should submit vacation requests a minimum of two weeks prior to the requested date as provided by Standard Operating Procedures. The ambulance authority should follow their Standard Operating Procedures.

MANAGEMENT'S RESPONSE - ROGER L. RITCHIE, DIRECTOR, GRAINGER COUNTY AMBULANCE AUTHORITY

- A. Employees will be responsible for recording any sick or vacation time used in the area provided on the existing time sheets. The Office Manager or Director will keep

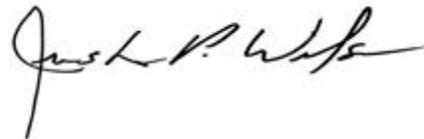
record of all sick and vacation time and provide accumulated balances to employees upon request.

- B. Standard Operating Procedures will be followed regarding the proper handling of time sheets, and such procedures incorporated into annual training.
- C. All compensatory time will be recorded in compliance with county requirements.
- D. All vacation requests must be submitted two weeks prior to the requested date using the When2Work system.
- E. All oncoming crews will be required to sign on with E911 dispatch at the beginning of each shift, providing employee numbers for all members working on a specific unit.
- F. Tin-Mar, a new daily vehicle and inventory system has been implemented in which records crew member names and signatures.
- G. Supervisors are now required to validate all hours reported on the When2Work system, and the Director then compares recorded times to individual time sheets submitted by employees prior to approving payment.

These measures are intended to correct existing and/or prior deficiencies and will be evaluated frequently.

If you have any questions concerning the above, please contact this office.

Sincerely,



Justin P. Wilson
Comptroller of the Treasury

JPW/kbh