Supervisor of Elections Audit - #841
Executive Summary

Why CAO Did This Review

Pursuant to Section 102.118 of the Municipal Code, each of the constitutional officers is to be audited by the Council Auditor's Office at least once every five years. This audit on the Supervisor of Elections Office was conducted to meet this requirement. Additionally, pursuant to Section 5.10 of the Charter of the City of Jacksonville and Chapter 102 of the Municipal Code, all agencies of the consolidated government are subject to audit.

The Supervisor of Elections is responsible for maintaining the voter roll and conducting all elections within Duval County as established in Article IX of the Charter of the City of Jacksonville. The focus of our audit was the payment to part-time election workers from the Supervisor of Elections separate payroll process for their services rendered related to the elections held on March 19, 2019 and May 14, 2019.

The Supervisor of Elections Office issued 4,890 payments to election workers totaling $1,317,010 for the two 2019 Elections between January 1, 2019 and September 30, 2019.

What CAO Found

Overall, it appears that payments made to election workers were materially accurate. However, we did find some internal control weaknesses and documentation issues. Several of them are noted below.

- The Supervisors of Elections Office did not have any procedures or documentation regarding the review of access rights for the Election Workers payment program and we found where many users had inappropriate access.
- There was a lack of adequate review of payment amounts to election workers.
- There were inadequate access controls for the election worker payroll calculation spreadsheet.
- Some year-round part-time employees of the Supervisor of Elections office were paid using the election workers payment system instead of being paid from the City's payroll system as they normally were, leading to instances of inaccuracies for some payments.
- In some instances, election related timesheets were not completely filled out, such as leaving the time in/out blank or not having the proper supervisory approval.

What CAO Recommends

- Procedures should be created for the review of access rights to the Election Workers payment program and the review should be completed and documented on a regular basis.
- There should be a review of individual election worker payments, at least on a sample basis, and review of total amounts compiled and uploaded into the City's payroll system.
- Access to the election worker payroll calculation spreadsheet should be limited.
- Each employee should only be paid through one payroll system and for year-round employees, it should be the City's normal payroll system.
- All information required on an election related timesheet should be completed.

Council Auditor's Office

Supervisor of Elections Audit

March 14, 2020

Report #841

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EXECUTIVE SUMMARY

AUDIT REPORT #841

OFFICE OF THE COUNCIL AUDITOR
    Suite 200, St. James Building

March 14, 2020   Report #841

Honorable Members of the City Council
City of Jacksonville

INTRODUCTION

Pursuant to Section 102.118 of the Municipal Code, each of the constitutional officers is to be audited by the Council Auditor's Office at least once every five years. This audit was conducted to meet that requirement. Additionally, pursuant to Section 5.10 of the Charter of the City of Jacksonville and Chapter 102 of the Municipal Code, all agencies of the consolidated government are subject to audit.

The Supervisor of Elections is a constitutional office established pursuant to Article VIII Section 1 (d) of the Florida Constitution and Article IX of the Charter of the City of Jacksonville. The Supervisor of Elections is responsible for maintaining the voter roll and conducting all elections within Duval County as established in Article IX of the Charter of the City of Jacksonville.

Our audit focused on payments to part-time election workers for services rendered related to the elections held on March 19, 2019 and May 14, 2019. The Supervisor of Elections Office issued 4,890 payments to election workers totaling $1,317,010 for the two 2019 elections between January 1, 2019 and September 30, 2019. The payroll process for part-time election workers is separate from the City's normal payroll process that is utilized for other Supervisor of Elections and City employees.

As part of our testing, we also performed a follow-up review of our past audit report #765 (Supervisor of Elections Audit issued June 30, 2015) to determine whether corrective action had been taken in response to our findings and recommendations that had not been resolved in our follow-up report #765A (issued May 8, 2018).

STATEMENT OF OBJECTIVES

The objective of the audit was to determine whether payments made to election workers were accurate and properly supported.

STATEMENT OF SCOPE AND METHODOLOGY

The scope of our audit was all elections held in Duval County between January 1, 2019 and September 30, 2019.

To gain an understanding of the election worker payment function, we conducted staff interviews and reviewed any applicable laws, regulations, rules, and written policies and procedures. We also performed an analysis of different risk factors and applied various procedures to assess internal controls used to mitigate those risks. We performed the following audit procedures to reach our conclusions.

We obtained a listing of election worker payments issued through the Supervisor of Elections separate payroll process to part-time employees related to the elections that occurred from January 1, 2019 through September 30, 2019. The elections were held on March 19, 2019 and May 14, 2019. We then independently obtained a listing of all the transactions recorded in the City's accounting system related to election worker payments and compared it to the total amounts per the population of payments obtained from the voter registration system. We also compared the total payment amount from the voter registration system to the total amount on the check registers, which we obtained from the City's Information Technologies Division (ITD). We investigated discrepancies, as necessary.

For payments that were issued to call center, warehouse, and downtown location election workers, we reviewed their timesheets for documentation of their hourly rate, as needed. We also agreed the hours paid to the hours notated on their timesheets, and we reviewed the timesheets for supervisory signatures.

For Election Day payments, we reviewed the Election Day sign-in sheet and notated each worker's position and then compared their actual pay rates to a list of election worker pay rates we received from Supervisor of Elections Office staff. If the Election Day sheet indicated that they did not work the whole day, we recalculated the prorated amount they should have received and compared it to the amount they were actually paid. The Election Day sign-in sheets for one of the elections (May 14, 2019) did not have a place for the precinct manager's signature; however, they did contain a separate page called the "Election Day Poll Official ID Check" in which all precinct managers and assistant managers verified that they checked the ID of everyone assigned to their precinct. Therefore, if the Election Day sign-in sheet for the March 19, 2019 election contained a manager's signature or if the ID Check document for the May 14, 2019 election was signed by both the manager and assistant manager we considered this to be proper "approval" for payment. We also reviewed the training cards for any election workers that had been manually added to Election Day sign-in sheets to ensure they had completed the required training.

For Early Voting payments, we reviewed the timesheets for an indication of what position the worker filled and compared the rate their calculation was actually based on to the rate that was authorized for their position according to the list from Supervisor of Elections Office staff. We also agreed the hours paid to the hours notated on their timesheets, and we reviewed the timesheets for supervisory signatures.

Any overtime hours were recalculated using weighted average where necessary (i.e., employee worked two different positions with different payrates within a week and worked overtime). We

also re-calculated the Social Security and Medicare tax deductions amounts, if applicable, and the total net amounts paid for each election worker payment.

We performed certain analytical testing to identify any other potential issues. We then matched Supervisor of Elections Office employee payroll data from the City's payroll system with the payroll data from the voter registration system to check to see if any Supervisor of Elections Office employees had the ability to issue a payment to themselves due to permissions in the voter registration system.

To verify the legitimacy of the election workers paid, we ensured that all zip codes for the residential addresses for the election workers were located in Duval County per the United States Postal Service's website since election workers are required to be registered voters within Duval County. Additionally, we matched the payroll data from the voter registration system with all Duval Country voters' registration information to check for differences in addresses.

REPORT FORMAT

Our report is structured to identify Internal Control Weaknesses, Audit Findings, and Opportunities for Improvement as they relate to our audit objective(s). Internal control is a process implemented by management to provide reasonable assurance that they achieve their objectives in relation to the effectiveness and efficiency of operations and compliance with applicable laws and regulations. An Internal Control Weakness is therefore defined as either a defect in the design or operation of the internal controls or is an area in which there are currently no internal controls in place to ensure that management's objectives are met. An Audit Finding is an instance where management has established internal controls and procedures, but responsible parties are not operating in compliance with the established controls and procedures. An Opportunity for Improvement is a suggestion that we believe could enhance operations.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit 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 our audit objectives.

AUDITEE RESPONSES

Responses from the auditee have been inserted after the respective finding and recommendation. We received these responses from the Mike Hogan, Supervisor of Elections, in a memorandum dated February 11, 2021.

AUDIT CONCLUSION

Overall, it appears that payments made to election workers were materially accurate. However, we did find some internal control weaknesses and documentation issues that need to be addressed.

AUDIT OBJECTIVE

To determine whether payments made to election workers were accurate and properly supported.

Internal Control Weakness 1 – Poll Worker Payroll Access Rights Issues

The voter registration system utilized by the Supervisor of Elections Office has multiple modules/functions that are used during the preparation of an election. One of the modules within the system is the Election Worker module which is used to manage election workers and process their respective payments. During our review of voter registration access rights, we discovered that 55 out of 70 users had inappropriate access to election worker functions which allowed a user to assign work and a location to an election worker. Out of the 55 users with inappropriate access, 16 were not current employees of the Supervisor of Elections Office.

There were no written procedures regarding access rights. We also found that the review of access rights only occurs intermittently and that there was no set time period or set of events that trigger an access rights review. When a review is completed, it is not documented.

All of the items above have been documented issues in previous audits. While during one previous follow-up there were no longer issues with excessive access rights, this has become an issue again. This appears to be at least partially caused by the fact that there is not a documented process in place for a standard review of the access rights.

Recommendation to Internal Control Weakness 1

We recommend that a review of access rights to the Election Worker module of the voter registration system be performed and documented on a regular basis to prevent unauthorized access and permissions. We also recommend that the Supervisor of Elections Office create standard operating procedures regarding the review of these access rights.

Auditee Response to Internal Control Weakness 1

Agree ☒   Disagree ☐   Partially Agree ☐

This has been accomplished and will be included in a Standard Operating Procedure which will be created by the IT Director to quarterly review access and make changes accordingly.

Internal Control Weakness 2 – Inadequate Controls Related to Payment Amounts

The payroll process for election workers involved a part-time Supervisor of Elections Office employee, designated as the payroll compiler, entering the relevant information from election workers' timecards for early voting into a spreadsheet. The employee then used the spreadsheet to calculate the early voting amount owed to each worker and entered that information and the information from Election Day into the voter registration system. Note that since election day pay is a flat amount based on job function, there is not the same type of separate calculation needed like early voting where the payment is based on hours worked and job function. After the payroll compiler finished calculating the payments to election workers, the Chief Elections Assistant reviewed a voter registration system report and ensured the report properly footed, ultimately approving the payments. There was no review by anyone of the support for individual election worker pay amounts calculated by the payroll compiler. Additionally, no one was reviewing to confirm that the amount approved by the reviewer was the amount that was actually processed for payment per the City's financial system.

The current review process does not detect or prevent the employee compiling the election worker payments from making unauthorized changes to payroll payments before or after the review has been performed since no one else reviews the supporting documentation.

In the past, there was a review of supporting documentation for at least a sample of payments, but in this audit, we found no evidence of such a review. The other issue, which noted there was no confirmation that the amount reviewed was the actual payment, had been noted in a prior audit.

Recommendation to Internal Control Weakness 2

We recommend that a Supervisor of Elections Office employee other than the compiler of election worker payroll or the person who uploads the file into the payroll system:
- review at least a sample of individual election worker pay amounts to ensure they are correct. This would include reviewing the calculation and supporting documentation.
- agree the voter registration report signed by the reviewer to the amounts uploaded into the City's accounting system. This review should be documented.

Auditee Response to Internal Control Weakness 2

Agree ☒   Disagree ☐   Partially Agree ☐

The Supervisor of Elections agrees. The Supervisor will implement a random review for accuracy. The Supervisor will have staff member review spreadsheets prior to FAMIS upload and after.

Internal Control Weakness 3 - Inadequate Access Controls for Election Worker Payroll Calculation Spreadsheet

The Supervisor of Elections Office's staff utilizes a spreadsheet to calculate the pay of Early Voting workers based on data obtained from hard copy timecards. We found these spreadsheets do not have the proper controls in place to protect against unauthorized manipulation. The spreadsheets are Excel files that are kept on a shared drive for the office. They are not password protected, and there is no process in place to track who has access to the files or who makes changes to them.

Recommendation to Internal Control Weakness 3

We recommend that the Excel files used for the calculation of election related payrolls either be placed in a folder on the shared drive that would only be accessible to the few people who need it or be password protected to reduce the chance of any unwanted manipulation of the data.

Auditee Response to Internal Control Weakness 3

Agree ☒   Disagree ☐   Partially Agree ☐

The file has recently been password protected and this will become standard procedure.

Finding 1 - Payments to Supervisor of Elections Office Employees Through Two Payroll Processes

During our testing, we found that some part-time (or seasonal) employees of the Supervisor of Elections Office who were paid through the City's normal payroll system were also being paid from the Supervisor of Elections separate payroll process for various election related duties. Using the less automated voter registration system has led to an increase in inaccuracies for some of these payments. Additionally, paying employees through different systems could result in issues with compliance with federal and local employment laws.

Recommendation to Finding 1

We recommend that each employee only be paid through one payroll system and for year-round employees, it should be the City's normal payroll system.

Auditee Response to Finding 1

Agree ☐   Disagree ☐   Partially Agree ☒

The SOE is in agreement that this is a good practice but has issues with implementation during elections. SOE will work with OGC to explore a solution to this process.

Finding 2 - Miscalculations in Payments for Election Workers

We found that out of 4,890 payments tested, 132 (or 2.7%) were calculated incorrectly (overpayment of $908.28). More specifically we found the following (note that some payments contained more than one exception):

- 111 payments were for the incorrect number of hours due to calculation errors on the election worker's timecard or errors in inputting the data in the calculation spreadsheet.
- For 14 payments, election workers received additional miscellaneous payments over the standard election worker rates.
- For 14 payments, the overtime rates used were not on a weighted average basis as required by the Fair Labor Standards Act.
- Three payments to election workers were paid at a different rate than they should have been based on their position.
- One payment was supported by a timecard with the original pay rate covered and a new pay rate handwritten in.

In addition, we found that two election worker payments included reimbursements for miscellaneous expenses. One payment was for lamps for a polling location and one payment was for mileage. We also found one election worker payment that was issued to the incorrect election worker. When a replacement check was issued to the correct worker, the other payment was not canceled.

Recommendation to Finding 2

We recommend that:
- someone other than the compiler or processor of the election worker payrolls review a sample of individual election worker pay amounts to ensure they are correct as recommended in Internal Control Weakness 2. This person should ensure that the number of hours as well as the rate based on the position worked are all correct.
- if any corrective amounts or reimbursements are to be paid to election workers, that those payments either be disbursed in a completely separate payment from their regular payroll or be included in the regular payroll with appropriate documentation and manager approval.
- weighted average be used for all overtime calculations where a person is paid two different rates in one week as required by Federal law.

Auditee Response to Finding 2

Agree ☒　　　　　Disagree ☐　　　　　Partially Agree ☐

The Supervisor agrees as this will be current practice and the third bullet point has now been fixed.

__Finding 3 - Incomplete or Incorrect Election Worker Documentation__

While reviewing the timecards and sign-in sheets used to record attendance and hours worked, we found that out of the 4,890 payments tested:

- 2,562 (52.39%) payments were for poll workers that did not properly record both their time in and time out on the sign-in sheet. For the May 2019 election, the poll worker sign-in sheets did not even have fields for recording the time in/out. For the March 2019 election, 1,000 out of 1,694 payments were for poll workers that did not properly record time in or out. This lack of recording time properly on poll worker sign-in sheets was also an issue in our previous audit of the Supervisor of Elections.
- 161 payments were for other election related payrolls (not Election Day or Early Voting) and were supported by timecards that did not state the election worker's pay rate.
- 27 payments were for Election Day poll workers that did not notate their position when they were manually added to the sign-in sheet.

Also, for Election Day sign-in sheets:

- 119 (or 59%) of the 203 sign-in sheets where a worker was absent (and not paid) were not marked by a supervisor to evidence that the election worker(s) was/were absent.
- None of the Election Day sign-in sheets had any markings that indicated that additional election workers were not utilized. Without this marking, someone could be added after the manager's approval.

These same Election Day sign-in sheet issues were also found in the previous audit of the Supervisor of Elections.

In addition, although the timecards for Early Voting have the standard opening and closing time for the polling location pre-printed on the timecard, we found that out of the 1,977 Early Voting timecards we reviewed, 1,781 had a change to the scheduled starting or ending time noted on the timecard. Of these 1,781 timecards, 1,546 (or 86.8%) did not provide an explanation as to the reason these times were changed even though the timecard states the worker is to indicate the reason for any time differences.

Recommendation to Finding 3

We recommend that:
- all information required on an election related timesheet be completed.
- there be clear and consistent policies and practices on whether to include time in/out on the Election Day sign-in sheets and how that impacts pay. This should be communicated to election workers.
- Election Day sign-in sheets have clear markings for approval of time by managers when a poll worker is absent and when additional workers are not utilized.

Auditee Response to Finding 3

Agree ☒   Disagree ☐   Partially Agree ☐

Bullet point 1 will be reinforced in training. Bullet point 2 has been resolved. Bullet point 3 will be addressed and stressed in training.

Finding 4 - Inadequate Authorization for Election Worker Documentation

While reviewing election worker timecards and sign-in sheets, we noticed issues with the authorization of the time worked. Many of the election payments tested did not have the proper authorization for payment. Out of the 4,890 payments tested:

- 1,431 were for Election Day workers that did not have either the bottom of the sign-in sheet signed by each member or the Official ID check form signed by the manager and assistant manager which we viewed as evidence the worker was present. The May 2019 Election Day sign-in sheets did not have a section allowing for a signature at the bottom so for that election we relied on the Official ID check form for this testing.
- 147 payments were for workers whose timecards did not have a supervisor's signature. This mostly consisted of Rover and Special Assignment poll workers whose timecards do not have a field for a supervisor's signature.
- 65 payments were for Early Voting election workers whose timecards either were not signed by a supervisor or were not signed by the assistant supervisor (if it was the supervisor's timecard).
- 16 payments were for Supervised Voting workers whose sign-in sheet was not initialed by a supervisor.
- Eight payments were for Early Voting election workers who worked at a polling location with no supervisor assigned.
- One payment was made to a Supervised Voting worker that was not present on the sign-in sheet for the location.

Recommendation to Finding 4

We recommend that all election related time/sign-in sheets have the appropriate manager's approval prior to processing the payments. In addition, we recommend that the Supervisor of Elections Office increase training for the precinct managers, team leaders, and other election workers on what is required to be completed on timesheets.

Auditee Response to Finding 4

Agree ☒   Disagree ☐   Partially Agree ☐

SOE agrees with this recommendation.

Opportunity for Improvement 1 – Automation of Calculation Spreadsheet

The spreadsheets used to calculate pay for Early Voting workers had calculations that were not fully automated, which could increase the likelihood of error. Even though formulas to calculate the total hours worked and total pay were used, there were still some instances in which the overtime rate used was manually entered as opposed to being a formula.

Recommendation to Opportunity for Improvement 1

We recommend that the election worker calculation spreadsheet be automated as much as possible, including formulas for proper overtime calculations.

Auditee Response to Opportunity for Improvement 1

Agree ☒   Disagree ☐   Partially Agree ☐

SOE will review spreadsheet to ensure values are calculated programmatically.

We appreciate the assistance and cooperation we received from the Supervisor of Elections Office during this audit.

Respectfully submitted,

Kim Taylor

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Council Auditor

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