



Topic/Issue: FY 2024 Continuous Monitoring for MyTime
Meeting and Date: Audit Committee, June 18, 2024
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1. Why Office of Auditor General (OAG) did this audit

This summary outlines the results of the Office of Auditor General's (OAG) continuous monitoring procedures for Time and Attendance in accordance with the FY 2024 audit plan approved by the Fairfax County School Board and in accordance with generally accepted government auditing standards.

OAG expanded the continuous monitoring to include Time and Attendance transactions in MyTime, through a direct connection to the database. Accurate records of hours worked directly impact employee pay and associated costs for FCPS. Therefore, robust controls are essential to ensure the integrity and reliability of these records.

As a pilot, OAG utilized an analytical software, ACL, to determine if technology-based audit techniques could help to analyze patterns and trends and select and test transactions in the MyTime System. This was an attempt to further understand risks and identify exceptions in a timely and efficient manner.

The scope of this audit included time and attendance data reported in MyTime, FCPS' application for tracking time and attendance data, for the six months period from July 1, 2023, to December 31, 2023. MyTime is FCPS official records of hours, while Lawson system maintains FCPS employees' hourly rate. The salary compensation for the 12-month period totals \$2,142,820,208, as listed in the FCPS – FY 2024 Operating Fund Expenditure Commitment Item Summary. The objectives of the audit are:

1. Evaluate compliance with timekeeping FCPS policies and regulations including the effort to comply with the Fair Labor Standards Act (FLSA).
2. Determine if internal controls are adequate and functioning as intended.
3. Determine if transactions are reasonable and do not appear to be fraudulent.

2. What is the purpose of this report?

The purpose of this report is to provide the Audit Committee a summary of OAG's continuous monitoring over time and attendance data. OAG used auditing software, ACL, to assist in performing analysis on 3,399,343 transactions that occurred during the scope period (i.e., from July 1, 2023 to December 31, 2023). In addition, OAG performed a test of internal and information system controls and processes for the following attributes:

- Segregation of duties: Separate individuals handle timekeeping processes and approvals.
- Authorized timekeeping methods: Clearly defined and authorized methods for recording time are used to prevent unauthorized entries.
- Access controls: Access to time and attendance of employees is limited to authorized personnel only, with strong password policies and multi-factor authentication.

- Time and attendance policies: Clear and well-defined policies and procedures are communicated for recording time, including start and end times, overtime, and leave requests.
- Supervision and review: Supervisor regularly reviews employee timesheets for accuracy and adherence to policies.
- Time codes setup: Attendance and leave time codes are legitimate, and accurate.
- Time and attendance processing controls are complete and accurate.

3. Summary of Results

The information system controls around the time and attendance data in MyTime are operating effectively. However, internal controls related to supervision and review by the program managers, are manual controls which rely on human judgment and intervention and therefore increase risks of inconsistency of performance and inaccuracy of time and attendance records. Please note, the procedures performed by OAG did not include verifying the accuracy of hours approved by supervisors at work locations.

OAG utilized ACL to run commands and analyze time and attendance transactions in MyTime database to identify anomalies, such as unusual patterns of time attendance and leave, excessive overtime, duplicate time records or missing entries. As a result, OAG identified irregularities in overtime data that required further review. The review included 59 instances in which 15 hours of overtime was reported in a single day. OAG reached out to work locations to determine the reasonableness of the hours reported. As a result, correction memos were issued by the work locations for three out of the 59 irregularities. The three situations included two transactions with coding error, and one transaction where overtime worked on weekends on consecutive days were charged to one day. No notable items of concern were identified.

4. Next steps/action needed

This is a status update, and no additional action is required at this time. Going forward, OAG will continue with conducting similar data analytics.