Agenda – Council – February 18, 2009

Report – Executive Policy Committee – February 11, 2009

Item No. 7 Winnipeg Police Service Overtime Audit
eFile FA-2

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Audit Committee and submits the following to Council:

1. That the Winnipeg Police Service Overtime Audit report dated October 2008 be received as information.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Executive Policy Committee – February 11, 2009

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 11, 2009, the Executive Policy Committee concurred in the recommendation of the Audit Committee and submitted the matter to Council.

AUDIT COMMITTEE RECOMMENDATION:

On February 9, 2009, the Audit Committee received as information the Winnipeg Police Service Overtime Audit report dated October 2008, and submitted the matter to the Executive Policy Committee and Council.

Winnipeg

Audit Department

Winnipeg Police Service Overtime Audit
Final Report
October 2008

Leaders in building public trust in civic government

Table of Contents

Executive Summary 4
Mandate of the City Auditor 6
Audit Background 6
Audit Objectives 6
Audit Approach 6
Audit Scope 7
Audit Conclusions 7
Acknowledgement 8
Winnipeg Police Service Background 9
Potential Risks for Overtime 10
Trend Analysis 2004 – 2007 10
Observations and Recommendations 15
Does the WPS have adequate policies to govern overtime? 15
Has the WPS evaluated recent service delivery initiatives to determine their impact? 18
Are WPS Human Resource practices consistent with the objective of controlling overtime? 20
Do information systems provide management with timely and relevant information for decision making purposes? 22
Appendix 1 – Audit Process 27
Appendix 2 – Overtime Approval Process 28
Appendix 3 – IACP Model Overtime Policy 29
Appendix 4 – Recommendations 31

Executive Summary

The Winnipeg Police Service (WPS) provides a critical service to the citizens of this City. Since this service is provided around the clock, twenty-four hours a day, 365 days of the year, it is expected that overtime will be required in the line of duty. For responsible management of public funds, it is essential that proper risk management strategies are in place to ensure appropriate use of overtime.

An audit of overtime in the Emergency Services Departments was included in the City Auditor's 2007-2009 Audit Plan. This is the first of two audits; the second will focus on overtime incurred by the Winnipeg Fire Paramedic Service.

The objectives of this audit were

- to examine the causes of trends in the overtime levels incurred by the WPS over the past four years; and
- to evaluate the governance and management frameworks and practices employed in controlling police overtime.

The 2007 overtime expenditures by the WPS totaled nearly $7.25 million; this represented about 5% of the WPS operating budget and approximately 51% of all overtime paid to City of Winnipeg employees.

Overtime is a complex issue. It does not simply come down to adding more resources in order to reduce overtime. The resources that are in place must be properly managed, before more resources are added, to avoid compounding any inefficiency in the system. Prudent management is the responsibility of all of the functional areas of the WPS.

The next section discusses the trends we observed through our statistical analysis of data provided by the WPS. During the review, we attempted to verify the accuracy of the data; however, due to information systems limitations, we were either unable to obtain complete information or received conflicting information, in some cases, to support our analyses. We have made recommendations in the report that should help to strengthen the quality of information.

Trend Analysis: 2004 to 2007

Over the four years reviewed, overtime hours increased by about 15%, gradually leveling off by 2007. On the surface, this trend appeared contrary to expectations, given the trends in service demand and resource complement. During the period, the level of dispatched calls (service demand) remained fairly constant. At the same time, the overall staff complement (resources) increased by about 9% and the complement of officers by about 12%. Upon further discussion, we were able to obtain reasonable explanations for this apparent anomaly. We found that reported overtime hours included time incurred for specialized police services provided to external agencies which are fully reimbursed to the WPS. While we were unable to determine the actual number of hours, it appears that this is a growing trend.

We also found that the number of officers assigned to the Uniform Operations divisions, which incur the greatest level of overtime, who were actively available to respond to 911 dispatched calls had actually declined. The number of cars and officers on-duty each shift remained steady, but the available pool of officers shrunk during the period, necessitating more overtime to maintain the minimum strength. Although we were unable to obtain a precise count, there were significant transfers to the Investigations divisions and to the specialized Street Crime Unit, which does not respond to 911 calls. Temporary secondments to process a larger recruit class also contributed to the reduction in the overall complement of available officers.

On the other hand, net growth occurred in the overall officer complement in the Investigations divisions, the next largest group incurring overtime, due to increased provincial funding targeted at specific areas. With the increased staff strength, the WPS made a strategic decision to take a more proactive approach to reducing drug, gang and other major crime activity. Although we were unable to obtain specific workload data, we were advised that the investigation of these major crimes is more complex and time consuming than in the past, and the proactive approach leads to the discovery of new crimes to be investigated that would otherwise go undetected.

Analysis of overtime by activity illustrated that nearly three quarters of overtime was incurred for direct policing activities. The remaining overtime was comprised of indirect activities (training, fitness appraisals, etc.) and officer attendance at court, which saw a large reduction from the levels incurred previously. We commend the WPS on this success. There was also some evidence to indicate that other strategies, such as the creation of the Street Crime Unit, are producing results.

From a financial perspective, overtime costs appear to have leveled off. A slight decrease in costs in 2007 can partly be attributed to a younger, lower-cost workforce in the high overtime incurring Uniform Operations divisions.

Overall, a leveling off of the rate of overtime incurred is a positive sign, but the lack of detailed supporting information leaves us unable to conclude that the results attained were the best possible outcome. We believe that the WPS has the ability to improve the control over and information regarding overtime; we have highlighted some of our key recommendations in the next section. A summary of all recommendations is attached as **Appendix 4**.

Key Recommendations

The WPS has an opportunity to consolidate diffused information on overtime into an overarching policy. This will provide the backbone for managing by providing an accessible knowledge base with guidance on the appropriate use of overtime. A model policy is attached for consideration. Improvements can also be made to other policies related to overtime to reduce inappropriate overages in time banking.

An agreement between the WPS and the Minister of Justice, which contributed to the significant decline in court related overtime, has lapsed. A new agreement should be signed to ensure that savings continue to be realized. Also, the WPS needs to perform further analysis on the results of pilot programs to validate their success.

We have recommended more diversified training for WPS staff in supervisory roles to better equip them in understanding their new responsibilities and the role they play in achieving departmental objectives. We have also recommended the WPS review the practice of providing paid leave incentives for completion of fitness appraisals.

Further development of WPS information systems will reduce duplication of tasks, provide better information for decision making, and allow for proactive analysis and monitoring of overtime. For example, in 2007, an estimated $600,000 in overtime wages coded to various miscellaneous and "unknown" categories provided management with little useful information. Changes will also free up internal resources to perform more value-added analyses.

At a time when safety is a major concern to citizens, the WPS must ensure that all allocated resources are used effectively and efficiently. While the WPS has made improvements in certain areas since our last audit, opportunities remain to further improve systems to control the use of overtime throughout the department.

Mandate of the City Auditor

The City Auditor is a statutory officer appointed by City Council under the *City of Winnipeg Charter Act*. The City Auditor reports to Council through the Audit Committee (Executive Policy Committee) and is independent of the City's Public Service. The City Auditor conducts examinations of the operations of the City and its affiliated bodies to assist Council in its governance role of ensuring the Public Service's accountability for the quality of stewardship over public funds and for the achievement of value for money in City operations. Once an audit report has been communicated to Council, it becomes a public document.

Audit Background

The Winnipeg Police Service (WPS) is mandated to ensure the safety of the lives and property of Winnipeg citizens, preserve peace and good order, prevent crime from occurring, detect offenders, and enforce the laws. These activities are vital services to the public and carry responsibilities that generate overtime in the normal course of operations.

The 2007 overtime expenditures of the WPS totaled nearly $7.25 million. This represents about 5% of the WPS operating budget and approximately 51% of all overtime paid to City staff in 2007. Due to the proportion of spending attributable for overtime in the City's emergency services departments, an audit of WPS overtime was included in the 2007-2009 Audit Plan. This is the first of two audits, with the second being an audit of overtime generated by the Winnipeg Fire Paramedic Service.

Audit Objectives

The objectives of the audit were

- to examine the causes of trends in the overtime levels incurred by the WPS over the past four years; and
- to evaluate the governance and management frameworks and practices relative to the control of police overtime.

Audit Approach

We conducted the audit in accordance with generally accepted auditing standards. **Appendix 1** provides a flowchart of the audit process.

- We conducted interviews with the WPS Division Commander of Division 32, Organizational Development and Support to gain an understanding of the WPS, the policies and procedures in place relating to overtime and the overtime monitoring process.
- We conducted interviews with, and gathered statistical information from, staff in the Finance Division.
- We conducted interviews with the Human Resources Manager to gain an understanding of the performance evaluation process.
- We reviewed related reports, policies, procedures and other relevant background documentation relating to the WPS in general and to overtime within the WPS more specifically.
- We reviewed the progress on the recommendations made in a 1999 audit report on WPS overtime.
- At the conclusion of the audit, we provided a report to the Chief of Police, the Deputy Chief, the

Division 32 Commander, the Chief Administrative Officer and Council.

Audit Scope

Our audit encompasses the 2004 – 2007 operating periods, which are the four most recently recorded full operating periods before the date of our report. Changes to information systems were implemented in 2004 including changes to the roster system and reporting structure; therefore, we have chosen 2004 as the opening year of analysis to eliminate any inconsistencies with prior data tracking systems. We believe that this scope of analysis affords us the ability to analyze emerging trends in overtime without a pervasive risk of losing context in the examination due to continually changing social, environmental and economic circumstances.

Audit Conclusions

Our audit work led us to the following conclusions:

- Overtime hours increased by about 15% from 2004 to 2007 at the same time that service demand remained relatively constant and the staff complement increased by about 9% overall and about 12% for officers. While this trend in overtime initially appeared contrary, we were able to obtain reasonable explanations for the increase, which included redeployment of uniformed officers due to internal re-structuring, a more proactive approach to investigating major crimes, and more time devoted to specialized services for other agencies that reimburse the WPS. These strategies, among others, have helped to gradually level off the costs associated with overtime. We commend the WPS on actions taken to date, in particular, the significant decrease in overtime achieved with respect to court appearances. At the same time, an inability to obtain complete information to support our analyses due to system limitations leaves us unable to conclude that the results obtained were the best possible outcome.

- The absence of some key policies on overtime creates a significant gap in the governance framework and leaves supervisors without important guidance detailing when it is appropriate to authorize overtime. We observed that opportunities exist for the WPS to improve the data that is being captured in information systems, to identify cost drivers of overtime, and to aid in evaluation of strategic initiatives. Implementation of recommendations will also free up internal resources to perform more value-added analyses. Renewing an agreement with the Minister of Justice will help to ensure that savings realized in court related overtime continue.

The conclusions in our report are based upon information available at the time. In the event that significant information is brought to our attention after completion of the audit, we reserve the right to amend the conclusions reached.

Acknowledgement

The Audit Department wants to extend its appreciation to the Winnipeg Police Service, in particular, the Deputy Chief of Police, the Division 32 Commander, the Human Resources Manager, the Controller and his staff, for their cooperation.

Members of the Audit Team

Bryan Mansky, MBA, CMA, CIA
Audit Manager

Kevin Milne, CGA, CIA
Senior Auditor

Micheal Giles, CA
Auditor



Shannon Hunt, FCGA, CFE
City Auditor

October 2008
Date

Winnipeg Police Service Background

The mandate of the Winnipeg Police Service (WPS) is to ensure the safety of the lives and the property of Winnipeg citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the laws.

Legislated authority for the creation of the WPS is derived from two provincial Acts, *The Provincial Police Act* and *The City of Winnipeg Act*. Officers from the WPS enforce the *Criminal Code of Canada*, as well as a variety of other federal laws, and provincial and municipal statutes. The resources that were available to accomplish this mandate in 2007 included a complement of 1,307 sworn officers and a civilian staff of 364.

Administratively, the Chief of Police reports to the Chief Administrative Officer. Politically, the WPS reports to the Standing Policy Committee on Protection and Community Services.

WPS Divisional Structure

Any division within the WPS structure may incur overtime. The divisions can be described in four basic categories:

- Executive & Administration - comprised of divisions which ensure that all of the proper managerial systems are in place for the department. These divisions include the Chief's Office, Human Resources, Information Systems, Finance, Organizational Development and Support, and Community Relations.
- Uniform Operations - divisions that embody the frontline officers who actively patrol the City and service the day-to-day calls received in the Communications Call Centre. The Uniform Operations divisions include the six geographical districts (subsequent to the audit the number of districts was reduced to five) within the Winnipeg city limits and Central Traffic as well as the Street Crime Unit.
- Investigations – divisions that carryout the investigations for major crimes including homicide, prostitution, gang activities and drug related offences.
- Support Services - divisions that aid the Uniform Operations and Investigations divisions in the completion of direct policing activities. These divisions include Behavioural Health, Police Records, the Communications Centre and the Training division.

Overtime Approval Process

There are many circumstances within the WPS environment for which overtime is required. Typical examples of when overtime may be necessary include when officers must extend their regular shift due to large call volumes; when officers are in the middle of an incident and their shift is scheduled to have ended; when officers are called in to maintain minimum strength; or when a major crime has occurred and must be investigated until it is resolved. **Appendix 2** outlines the overtime approval process.

In all cases, verbal approval must first be obtained from the officer's Shift Supervisor. The only instance where verbal approval is deemed to be given is when an officer is called in to maintain minimum strength. Once the officer's shift is over, he or she must complete an overtime/time exception form. The overtime/time exception form requires the officer to note the hours of overtime worked, at what rate the overtime was earned, the proper activity code, and whether the overtime is to be paid or collected in a time bank. The form must then be reviewed and signed by the Shift Supervisor Sergeant and the Division Commander before being entered into the Scheduling and Attendance Management

System (SAMS). The overtime information is then manually entered into the SAMS system and is paid out two weeks after the end of the four week overtime cycle in which the overtime is earned, or added to the officer's time bank.

In order to utilize the hours in the time bank, another overtime/time exception form must be completed requesting the dates for leave. This form must also be approved by the Shift Supervisor Sergeant and the Division Commander before being entered into SAMS. The time will be deducted from the officer's time bank and paid when the leave is actually taken.

Potential Risks for Overtime

Risks are potential circumstances that may negatively impact service to the public. Risks must be properly mitigated or controlled to demonstrate prudent management of resources. Potential risks associated with overtime include:

- lack of policies providing direction concerning the appropriateness of overtime;
- lack of communication of policies;
- lack of training to interpret and adhere to the overtime policies;
- information systems that do not capture the appropriate data to be able to provide useful management information;
- lack of the proper level of human resources to manage overtime;
- ineffective allocation of human resources, preventing the reduction of overtime;
- individuals working levels of overtime that impact their health and quality of service to the public; and
- inefficiencies in the justice system, outside of the WPS' control, that cause unnecessary overtime.

We employed a risk-based approach to this audit and designed procedures to assess whether the WPS has implemented strategies to manage the potential risks.

Trend Analysis 2004 – 2007

The WPS is a large, complex organization that is continually changing to meet the evolving demand for its services. Information systems must be able to capture and provide management with reliable information in order to ensure that resources continue to be managed efficiently and effectively.

The statistics that we have analyzed examine overtime based on hours worked, segregated by divisions, individuals, and activities performed. All statistical data was retrieved from both the SAMS and the City of Winnipeg's PeopleSoft System.

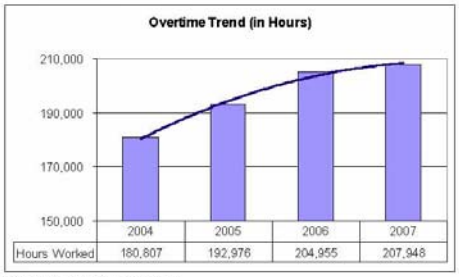
We have undertaken appropriate procedures in an attempt to verify the accuracy of the information we were provided. At various times during the review, due to information system limitations, we were either unable to obtain information or received conflicting information to support our analyses. In the *Observations and Recommendations* section of the report, we have made recommendations to improve the quality of information available to WPS management.

Departmental Overtime Analysis

To provide context for the level of overtime incurred by the WPS, we wanted to compare the trend in overtime hours to the demand for service and the human resources complement over the period of review.

As Exhibit 1 below indicates, the number of overtime hours worked increased by 15% over the last four years; however, the rate at which those hours increased gradually leveled off over the period of review.

Exhibit #1: Overtime Hours



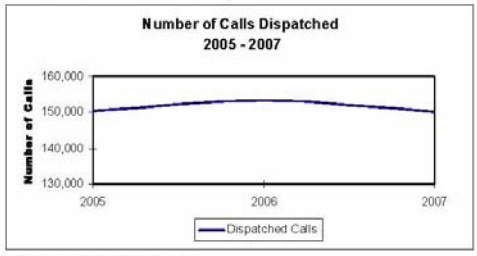
Source: SAMS Database

The total hours shown include both regular overtime as well as hours related to overtime incurred to provide specialized services to external agencies such as the RCMP, Manitoba Justice, MPI and the Winnipeg Airport Authority. Costs associated with these services are fully reimbursed by the respective agencies. At the time of the review, the WPS was unable to provide a breakdown of the number of overtime hours that were incurred for specialized services. We were advised that the time required to provide this information would be onerous. Nevertheless, there is evidence to suggest that specialized services comprise a growing component of total overtime hours, particularly in 2006 and 2007.

The hours recorded in the graph do not include those incurred for voluntary duties provided by off duty officers. Voluntary duty hours and costs are budgeted and recorded separately and are incurred when off-duty officers sign-up for working at sporting events, concerts, etc. The costs associated with voluntary duty are also fully reimbursed.

Exhibit 2 below illustrates the number of calls the WPS responded to during each of the previous three years. The 2004 figure could not be used for this analysis because of the change in the systems which recorded the dispatch information. The differences in the measurements recorded rendered the 2004 data meaningless for comparative purposes.

Exhibit #2: Number of Calls Dispatched

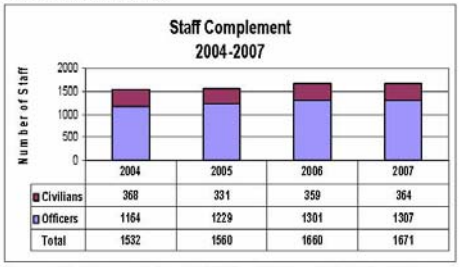


Source: Division 32 Report

While not every call will require the same level of resources, the general trend for the period 2005 to 2007 has seen the number of calls dispatched stay relatively close to the mean of 151,000 calls.

Exhibit 3 depicts the trend in staff complement for 2004 to 2007. Overall, the staff complement increased by about 9% during the period. For officer resources, the chart shows a continual increase with more modest gains towards 2007. The overall increase was about 12%. Civilian resources decreased from 2004 to 2005 and then sustained a gradual increase until 2007.

Exhibit #3: Staff Levels



Source: WPS Annual Reports 2004 – 2006 and HR data 2007

Our high level comparative analysis showed an increase in overtime hours during the same period that the volume of dispatched calls remained steady and the staff

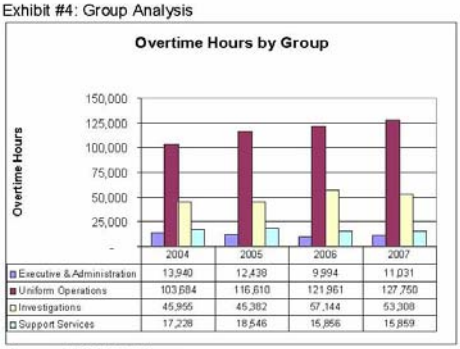
complement increased. In the next section, we provide further analysis and discuss potential reasons for these trends.

Overtime Analysis by Group

Total overtime hours, as an indicator, provides limited information on which to evaluate the management of WPS overtime. Overtime hours are incurred by different types of divisions providing very different services.

Exhibit 4 shows that the vast majority of all overtime hours worked during the period were performed by the Uniform Operations and Investigations divisions. The Executive & Administration and Support Services divisions had a minimal number of hours in comparison to the other divisions. In 2007, almost two thirds of the nearly 208,000 overtime hours were performed by officers in the Uniform Operations divisions. About one quarter of the overtime was performed by the Investigations divisions. The remainder was incurred by the Support Services and Executive & Administration divisions.

Exhibit #4: Group Analysis

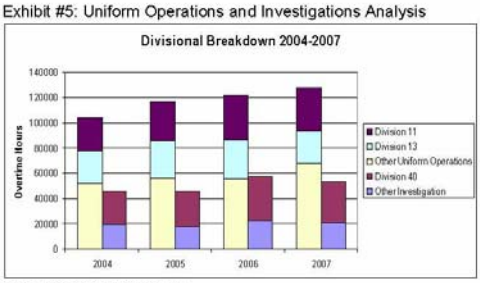


	2004	2005	2006	2007
Executive & Administration	13,940	12,438	9,994	11,031
Uniform Operations	103,684	116,610	121,961	127,750
Investigations	45,955	45,382	57,144	53,308
Support Services	17,228	18,546	16,856	15,859

Source: SAMS Database

Exhibit 5 illustrates that approximately half of all overtime incurred in Uniform Operations is accounted for by only two divisions, Division 11 (central) and 13 (north). Similarly, within the Investigations divisions, nearly half of all overtime is accounted for by Division 40 (Homicide, Drugs, Hate Crimes, Major Crimes, Organized Crime, etc.).

Exhibit #5: Uniform Operations and Investigations Analysis



Source: SAMS Database

Our preliminary analysis indicated that the total officer complement increased during 2004 to 2007 while dispatched calls remained relatively constant. Yet Exhibit 4 shows that overtime hours increased steadily for Uniform Operations during the period and, for Investigations divisions, increased from 2004 to 2006 and then decreased slightly in 2007. This trend in overtime hours appears to be contrary to the trends in service demand and resources. Upon further analysis and discussion, however, we were able to obtain reasonable explanations for the anomaly.

The overall officer complement rose from 2004 to 2007 primarily due to increased provincial funding. New positions, however, had to be assigned to specific areas as a condition of the funding agreements. For the most part, this obligated the WPS to add officers to the complement of the Investigations divisions. The positions were filled by seasoned officers from the ranks of the Uniform Operations division.

WPS has designed its organization such that officers in the Uniform Operations divisions are responsible for responding to 911 dispatched calls. For the last three years, the number of cars on the road and officers on-duty for each shift has remained

virtually constant. What has shrunk over this period is the pool of officers available.

During the review, the WPS was unable to provide complete information that would allow us to accurately determine the precise size of the officer complement in the Uniform Operations divisions. Management, however, was able to provide information that suggested an overall reduction in the officers available to respond to calls during this period. For example, recruitment classes doubled. Officers were seconded from the Uniform Operations divisions to temporary assignments such as performing time consuming background checks on potential recruits. There was also some significant internal restructuring that resulted in the redeployment of officers to other activities including pilot projects. For example, *Operation Cleansweep*, a successful pilot project, became the permanent Street Crime Unit with a complement of 47 uniformed officers. Officers assigned to the SCU do not respond to 911 dispatched calls but provide an enhanced street presence intended to deter crime.

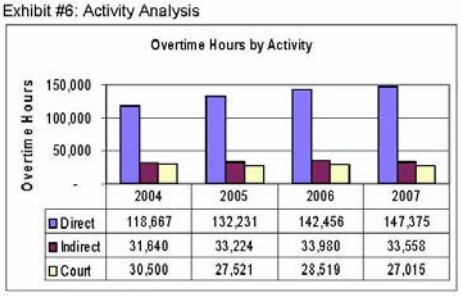
To maintain the on-street complement of officers responding to 911 calls, it was necessary to draw on a smaller pool of officers, resulting in additional overtime. Furthermore, movement of seasoned officers into specialized investigations left less experienced officers in the Uniform Operations divisions, lengthening the time required to process dispatched calls.

The other officers that provide police service to the public work in the Investigations divisions. The officer complement of the Investigations divisions increased by about 63 positions as a result of funding from the province. At the same time, overtime hours increased from 2004 to 2007. Officers in the Investigations divisions do not respond to service calls from the Communications Centre. Rather, these officers are assigned to often complex investigations related to homicides and other major crimes. The WPS was unable to provide a detailed analysis of the nature of the changing investigative workload because of system constraints; however, anecdotally, there is some support to suggest that the scope and complexity of investigations has increased in recent years. A strategic decision was made to invest additional resources in growth areas such as gangs, drugs, weapons, internet child pornography, etc. Overtime was incurred to investigate new crimes exposed through proactive initiatives as well as to handle the more complex cases in the normal investigative workload.

Overtime Analysis by Activity

On an activity basis, the overtime hours spent on direct policing activities greatly surpassed the hours spent on indirect activities and in court. (See Exhibit 6.) This is a significant change from prior periods of audit examination where the court hours had made up nearly half of the total overtime hours. The direct hours continually increased from year to year while the indirect and court hours remained virtually constant.

Exhibit #6: Activity Analysis



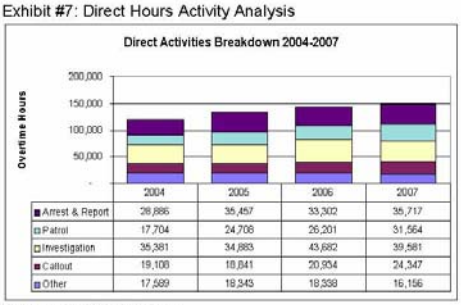
	2004	2005	2006	2007
Direct	118,667	132,231	142,456	147,375
Indirect	31,840	33,224	33,980	33,558
Court	30,500	27,521	28,519	27,015

Source: SAMS Database

Nearly three quarters of overtime hours were directly related to policing activities; the remainder of overtime was incurred for indirect activities and court attendance. Indirect activities include time given as incentive for fitness appraisals, overtime for training and backlogs of work for support staff.

Exhibit 7 illustrates the breakdown of the direct hours into various activity groupings. The SAMS system lists approximately 71 direct activities that we have grouped into five main categories. Each of the categories for arrest and report, patrol, investigations, and callouts are made up of between two to seven similar activities. The remaining 50 activities are grouped together as the "other" category and include such activities as meetings and training.

Exhibit #7: Direct Hours Activity Analysis



	2004	2005	2006	2007
Arrest & Report	28,886	35,457	33,302	35,717
Patrol	17,704	24,708	26,201	31,564
Investigation	35,381	34,883	43,682	39,581
Callout	19,108	18,841	20,954	24,347
Other	17,589	18,343	18,338	16,156

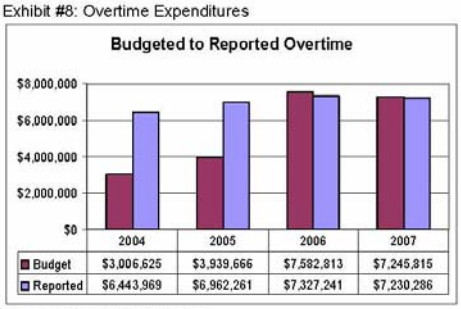
Source: SAMS Database

This exhibit emphasizes the fact that the majority of direct hour overtime is incurred in activities that ensure the police have a strong, visible public presence and to investigate crimes.

Financial Analysis

An overview of overtime budgets and expenditures for the last four years shows an initial upward trend from 2004 to 2006 with a slight decline in 2007 as illustrated in Exhibit 8. The WPS budget for overtime was adjusted in 2006 to more accurately match the budget to the actual spending that occurred. Overtime expense has risen by about $785,000 from 2004 to 2007. We note, however, that a significant portion of the increased expenditure would have resulted from salary costs imposed by collective agreement bargaining.

Exhibit #8: Overtime Expenditures

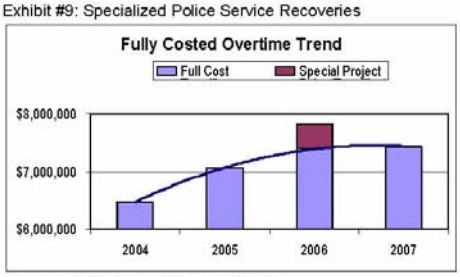


	2004	2005	2006	2007
Budget	$3,006,625	$3,939,666	$7,582,813	$7,245,815
Reported	$6,443,969	$6,962,261	$7,327,241	$7,230,286

Source: PeopleSoft Database

While the number of overtime hours (shown previously in Exhibit 1) has continued to increase, the expenditures reported in Exhibit 8 show a decrease in 2007. These two trends appear at odds with one another and there are a couple of explanations for this. Exhibit 1 included overtime hours incurred to provide specialized service to external agencies that are fully reimbursed to the WPS. The process used by the WPS to account for these recoveries is to offset the majority of revenues against total overtime costs, thereby lowering reported costs. Exhibit #9 shows the level of these recoveries added back to the total cost of overtime reported by the WPS. The adjusted total cost trend is more consistent with what we observed for the trend in total overtime hours. We also note that in 2006 the WPS was involved in a very large investigation (for which the costs incurred were reimbursed). We have highlighted the associated costs separately for the purposes of the exhibit.

Exhibit #9: Specialized Police Service Recoveries



Source: WPS Finance Division Reports

Another explanation for the cost decline in 2007 is that a higher proportion of overtime is being worked by a younger, lower-cost workforce in the high overtime incurring Uniform Operations divisions. We note that the impact of this trend will diminish in the future as the large volume of recently recruited officers remain with the WPS, increase their years of service, and move up the salary scales defined within the collective agreements.

Observations and Recommendations

The remainder of this report documents the results of the audit process. We recognize that the model to deliver police services may change in the future. At the same time, we believe that the issues identified would have to be dealt with under any delivery model. Therefore, it is important to view all recommendations within the context of both current operations and future challenges. A complete summary of our recommendations is attached as **Appendix 4**.

Does the WPS have adequate policies to govern overtime?

The WPS needs to develop and communicate a comprehensive overtime policy.

In order to support the WPS in fulfilling its mandate, the proper control structure must be in place. Well written policies are the backbone of the control environment; they give management a universally accessible reference for guidance on the issues most pertinent to day-to-day operations. The American based International Association of Chiefs of Police (IACP) published a model overtime policy in response to the growing demand for an overarching policy dealing with overtime. The model policy is included in **Appendix 3** by permission of the IACP. This model includes the following basic elements:

- the purpose for the policy;
- management's overall attitude concerning overtime;
- a statement of the legal statues/agreements that govern overtime;
- management's attitude concerning paid versus banked overtime;
- requirement for the coding of all overtime;
- guidance for the categories used to record overtime;
- when overtime is considered to be appropriate;
- responsibility for the analysis of overtime and the feedback thereon;
- responsibility for ensuring adherence to the policy; and
- responsibility for the maintenance and updating of the policy.

The IACP Model Policy provides an excellent example of a well written comprehensive overtime policy and serves as a useful template for the development of a WPS policy.

Instead of an overarching policy, the WPS currently uses the collective agreements with the officers' and senior officers' unions to manage overtime. The WPS has also published several different listings of interpretations for the agreements which apply to a number of specific circumstances encountered in the past. We found that these listings handle a wide array of specific overtime issues, but do not offer guidance other than for the specific circumstances cited.

The collective agreements and the interpretations are not an appropriate substitute for an overtime policy. These documents clarify when overtime is required for payment under specific circumstances, but do not assist in the proper planning and management of overtime. Also, the documents do not contain any of the important key elements found in the IACP model policy. In addition to these shortfalls, we found that some managers were not aware that several different interpretation documents existed; this can lead to inconsistency in decision making for areas where precedents have been set.

A draft overtime policy was written by the WPS in 2006; this draft had not yet been approved either for implementation or for redraft at the time of our audit work. This draft was also lacking many of the key factors relevant in the IACP model policy. While the draft does contain a skeletal description of an overtime approval process, the document was quite cumbersome due to too many situational and unit specific considerations.

One positive feature of the draft was an appendix regarding other overtime issues that were not included in the draft policy itself. The appendix contained reference to where appropriate guidance on these issues could be found. We believe that an appendix like this is useful to provide a universal reference for specific overtime issues. An appendix could also be used to reduce the circumstantial and unit specific items that have encumbered the current draft.

Recommendation #1

We recommend that a comprehensive policy regarding overtime be developed and implemented. The policy should include an appendix of references to related documentation.

Management Response

Agreed. The Operational Development and Support Division (ODS) will be assigned to develop comprehensive overtime policy. The policy completion will be targeted for the 2009/2Q to correspond with the promotion cycle so that newly promoted supervisors can begin training.

The *Annual Leave Policy* needs to be updated.

Annual leave for WPS employees is directly related to overtime because of the ability for employees to bank overtime and take it in leave at a later date. Accommodating annual leave for employees has been cited by the WPS as an issue currently affecting delivery of service to the public. Proper strategies in scheduling leave are necessary to minimize the impact on service delivery. We reviewed the annual leave policy for the WPS to gain an understanding of the strategies in place.

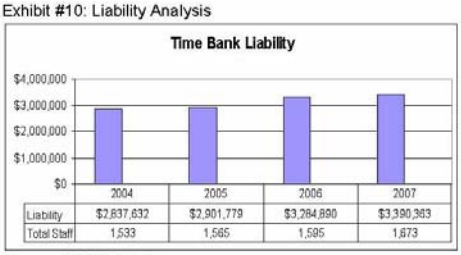
Though it is not stated anywhere in the policy, the types of leave applicable to the policy are annual vacation leave, statutory credit leave (time given for statutory holidays worked) and extra-duty leave (banked overtime). The policy provides guidance for how many staff can take leave from one division at one time, when staff can take their leave, limits for consecutive days to be taken and the notice required when requesting leave. The policy has been kept current by the WPS and has been revised when necessary.

The annual leave policy does not, however, contain any guidance with respect to the amount of time that may be accumulated in the time banks themselves. According to the collective agreement, an employee may bank overtime hours worked to be taken in leave at a later date. The agreement also limits the bankable hours to 110 hours at any given time during the year (subsequent

to the audit the maximum was increased to 130 hours). Time bank balances must be taken in time; they cannot be paid out in cash. Management believes that paying out balances will disrupt the Department's regular cash flows.

About one fifth of all overtime hours worked in a year are banked. Given this constant, it is logical that the total time bank liability will grow as the number of staff continues to grow; this is illustrated in Exhibit 10.

Exhibit #10: Liability Analysis

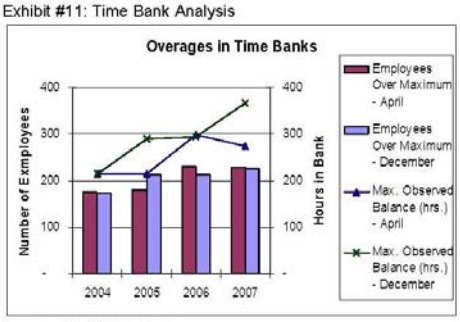


	2004	2005	2006	2007
Liability	$2,837,632	$2,901,779	$3,284,890	$3,390,383
Total Staff	1,533	1,565	1,595	1,673

Source: SAMS Database

Comparable to the situation with the overtime policy, the collective agreements are used to govern the time bank balances. Similarly, we believe that this is not suitable as a policy; we found that the limit on bankable hours in the collective agreements are not being consistently enforced. We reviewed the time bank balances for employees at both December 31 and April 30 for the past four years. We found that there were significant numbers of overages on both dates for the number of employees exceeding the limit and the maximum amount of hours in individual time banks.

Exhibit #11: Time Bank Analysis



Source: SAMS Database

The number of employees over the time bank maximum had increased from about 170 in 2004 to nearly 230 in 2007. For those employees exceeding the time bank balance, the greatest number of hours an officer exceeded the maximum between December and April had increased from 214 hours in 2004 to 320 hours in 2007.

We were informed that there is an inconsistency in the treatment of time bank balances by supervisors, whereby some supervisors allow employees to accumulate higher balances than the maximum 110 hours. When reviewing the ranks of staff who exceeded the maximum balance for the 2004 to 2007 operating periods, we noted that several executive staff (who have since retired) were carrying balances above the maximum. Executive staff carrying high balances sets a tone at the top that diminishes the ability of lower level supervisors to enforce the limits.

The main concern with allowing employees to exceed the maximum time bank limit is that the WPS has an obligation to service all time in the banks. As we previously noted, servicing leave time balances has been identified by the WPS as a problem affecting service to the public. Allowing staff to exceed the maximums only compounds the effect on delivery of service.

Recommendation #2

We recommend that the annual leave policy be amended to include the maximum allowable time for employee time banks. WPS management should then actively monitor and enforce that limit.

Management Response

Agreed. The ODS Division will be assigned to develop a comprehensive leave policy that includes all types of leave. The policy completion will be targeted for the 2009/2Q to correspond with the promotion cycle so that newly promoted supervisors can begin training.

Has the WPS evaluated recent service delivery initiatives to determine their impact?

Changes to the process for officers reporting for court duty have resulted in significant financial savings.

The WPS incurs significant expenses for sending officers to testify in court proceedings. Due to a clause in the collective agreement stipulating a minimum number of hours for court appearances, court expenses are material enough for the WPS to segregate and track separately from other police activities. Our interviews with the police revealed that there is a general belief that court hours can be reduced, primarily in the large proportion of hours when officers are not required to testify.

The City of Winnipeg Audit Department released a report in February, 1999 in which the expense incurred for court overtime was addressed. For the period of analysis at that time, the proportion of court overtime ranged from 38-46% of all overtime hours. Also, officers were not required to testify about 57% of the time that they were subpoenaed for a court appearance. The main reason for the high overtime was the lack of communication between the Crown Attorneys and the WPS when an officer was no longer required to appear in court. The WPS believed that this was a large drain on public resources which reduced the efficiency of routine policing activities. Recommendations were made in the 1999 report for collaboration with the Province to reduce the number of unnecessary court appearances.

An agreement was signed with the Minister of Justice's office in October, 2001 to allocate resources from both agencies to a joint project. The sole intention of the project was to reduce the number of overtime hours incurred by the City for the attendance of police officers at court appearances. The agreement stated that one employee would be dedicated from each agency to review files requiring court attendance by an officer and liaise back and forth with any subsequent adjustments to the court schedules. The project was successful in reducing the hours and the agreement was renewed in November, 2003. Since the prior overtime audit, we have found that the hours required for court overtime have been cut in half and that court overtime hours now comprise an average of 15% of all overtime hours for our periods of review; the trend in court overtime hours is still gradually declining year after year. We also found that the project has realized an average net cost savings, after program costs, to the WPS of $1.2 million to $1.3 million (representing about 41,000 hours) in salaries per year from the 1999 audit.

This is a significant decrease in the amount of court overtime over levels required in the past. We commend the WPS on the large reduction in unnecessary overtime and the success of this joint project.

An important item to note is that the most current agreement with the Minister of Justice expired on March 31, 2004. The project has been run according to the terms in the expired agreement since that date, but no new agreement has been signed.

Recommendation #3

We recommend that the WPS renew the agreement with the Minister of Justice and continue to operate the inter-agency project to achieve efficiencies in court attendance.

Management Response

Agreed. The overtime savings realized as a result of the court overtime project warrant a renewed agreement. The WPS will endeavour to secure a new agreement by 2009/2Q.

Further opportunities to reduce court overtime should be explored.

One of the prime motivators for the WPS to reduce their court overtime is the large percentage of time that officers are required to appear in court but do not end up testifying. In our prior audit, we found that the percentage of time that officers were not required to testify was 57% of all court appearances. This proportion has increased over the years. We found that the current rate for court appearances with no testimony is about 80% of all court hours – this resulted in about $1M of overtime salaries in 2007. The increase in the overall proportion of time without testimony is partially due to the overall reduction in court overtime hours.

Discussions with the WPS also revealed that the increase in this proportion is due to defense strategies employed by public defenders. We were advised that public defenders will assess whether their clients should plead guilty or not based on whether the material witnesses (police officers) show up in court; once the officer has arrived, a guilty plea will be submitted. Confirmation of this explanation is outside of the scope of this audit.

From our discussions with the WPS, an expansion of the project has not been evaluated. Given the benefits achieved by the project, it may be appropriate to consider whether the project should be expanded. The WPS should also review the strategies in place in other jurisdictions to reduce the levels of court overtime.
Recommendation #4

We recommend that the WPS continue to work with the Minister of Justice's office to develop further strategies to avoid appearances where officers do not testify.

Management Response

Agreed. Opportunity to improve the overtime project in the form of strategies to avoid appearances where officers do not testify will be explored with Manitoba Justice by 2009/2Q.

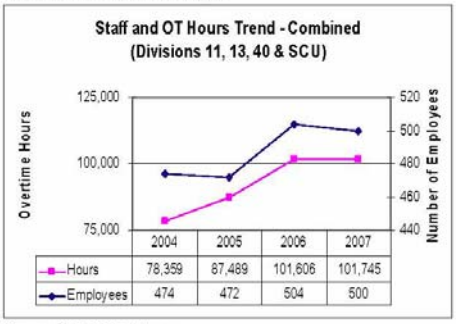
Recent strategies to enhance public safety require performance indicators to determine if they are a success.

The WPS recognizes that there are opportunities to increase service quality to the public while reducing the amount of overtime required in doing so. "Operation Cleansweep" was a pilot project that resulted in the creation of the Street Crime Unit (SCU) in September 2006. The initiation of the SCU was considered to have the potential for reducing crime in the criminal hotspots in the City by providing a pro-active, high-visibility uniform police presence. A large number of officers were taken from all divisions, including Divisions 11, 13, and 40, which are also the highest overtime incurring divisions, and reassigned

to the SCU. In 2007, the permanent salaries assigned to the SCU were reported at over $3.1 million, which is a considerable investment of resources.

While a reduction in overtime was not a direct goal of the initiative, Exhibit 12 analyzes the effects on overtime of the three targeted divisions grouped together with the SCU.

Exhibit #12: Combined Analysis



Source: SAMS Database

This analysis shows that the SCU has had an immediate effect on overtime for these three divisions. The addition of the unit halted the level of overtime incurred for the three divisions in 2007 from the escalation experienced in prior years. Based on this measure, the SCU appears to be reducing the strain on resources in Divisions 11, 13, and 40.

This analysis was created by Audit Department staff from the combination of various reports received from the WPS. A review of WPS planning reports to support the development of the SCU did not reveal any comparable quantitative measures to enable WPS management to determine if the initiative was successful. The WPS was able to provide information on where the unit has focused its resources and the number of arrests. However, the absence of any baseline measures and performance targets means that we could not objectively determine the degree of success of this initiative.

The WPS has also implemented other initiatives such as weekend shifts for investigative units, alternatives to dispatch and creating an early third relief to add more resources to the streets when calls for service are at a maximum. Due to the large amount of resources the WPS employs for these types of pilot projects, it is imperative that both operational and financial performance is properly evaluated. If performance measurements indicate that the desired results are not being achieved, then changes to strategies must be developed.

Recommendation #5

We recommend that the WPS develop methods to evaluate the effectiveness of its pilot programs including the impact on related performance measures such as overtime costs.

Management Response

Agreed. The WPS is committed to excellence through continual improvement. Strategic initiatives, often in the form of pilot programs, are one method of testing and implementing internal improvements. As a matter of course, performance measures—including overtime—will be considered when evaluating pilot programs.

Are WPS Human Resource practices consistent with the objective of controlling overtime?

WPS supervisors should receive additional formalized management training.

It is important to equip supervisory staff with the proper tools for appropriate decision making about when overtime is necessary.

Many supervisors have been promoted up to supervisory roles from junior positions. As such, they may not yet have received focused administrative, analytical, and financial training.

The training that we had expected to be a part of the formalized curriculum included:

Administrative Training with a Focus on Internal Control: Recently promoted supervisors are in charge of a significant amount of resources. Understanding their new responsibilities and the role they play in achieving departmental objectives would equip them with the tools to make effective decisions.

Analytical Training: Non-financial statistics are analyzed in order to assess efficiency and effectiveness of performance. Analysis of overtime hours by division and activity can give a picture of where and why overtime is being incurred, and can be compared to expectations.

Financial Training: Financial performance is analyzed against budget in order to assess the efficiency of performance and identify areas of concern.

We discussed the training curriculum with the WPS and were informed that most of the training that takes place for new supervisors is to teach them how to use the IT systems (i.e. SAMS). Some informal internal control and budgeting training is also given, but is not part of the curriculum. No financial management training is currently in the curriculum; however, the HR manager has advised us that the topic is planned to be included in future sessions.

Recommendation #6

We recommend that the Winnipeg Police Service provide formal administrative, analytical, and financial training to its officers who are in supervisory positions.

Management Response

Agreed. The WPS currently provides some formal administrative training to newly promoted supervisors. This has primarily focused on the systems used to manage overtime. The WPS will commit to expanding the training in this area to include administrative, analytical, and financial training. This training will be developed and implemented in phases during 2009 and 2010.

The WPS should review the practice of providing additional incentives for successfully passing fitness appraisals.

Within the overtime activities captured by the SAMS system there is a category for "fitness appraisals". The average number of hours awarded due to this activity for the period from 2004 through 2007 was about 12,500 hours per year or 6 ½% of all overtime hours. Officers are awarded with 20 hours (placed in their time banks) upon successfully passing a fitness appraisal. This translates to an reported cost which has continually escalated over the last four years from $310,000 to $420,000 annually.

Officers are required to complete a fitness appraisal annually; however, we were advised that this is not strictly enforced. Officers are ineligible to receive pay increment increases in years where they have not successfully passed the fitness standard; these increments occur during the first five years of service and later for years 10, 13, and 16. Officers are also ineligible for promotion if they have not completed the fitness exam in the prior year. In the years when there is no pay increment, or they are not eligible for promotion, officers are not penalized if they do not complete the fitness exam. We were advised by the Physical Fitness Coordinator that there is a drop in the number of employees who do complete

the exam in years where the only incentive is the 20 hours of extra duty leave (EDL).

From discussions with the WPS, the real incentive for completing a fitness exam is eligibility for either a pay increment or promotion. The practice of granting 20 hours of EDL does not appear to be the main motivator. Furthermore, this practice compounds the issue of servicing leave time bank balances as noted earlier in this report. Despite this, the WPS believes that the treatment for fitness appraisals is entrenched in the collective agreement and no changes were planned for future bargaining sessions. We believe that, while it would likely not be possible to negotiate the provision out of the collective agreement, alternative incentives may be bargained for that are more beneficial to both the employee and the WPS, such as additional training hours.

As in many occupations, WPS officers need to maintain their physical abilities to enable them to perform their duties. We enquired whether other jurisdictions have similar incentives for successful fitness exam completion and received responses from the Toronto and Ottawa police departments. Neither of these jurisdictions offered similar incentives. We also note that other professions, such as firefighters who must also maintain physical fitness, do not enjoy similar incentives.

Recommendation #7

We recommend that the WPS review the practice of providing incentives for officers who successfully pass their fitness appraisals. We recognize that any change would require collective bargaining negotiation.

Management Response

Agreed. The WPS will review the practice of providing financial incentives for officers who successfully pass fitness appraisals as part of a larger review of our overall fitness program.

If the review determines that this incentive is no longer beneficial to the Service, this item will be included in the collective bargaining process. This review is targeted to commence in early 2009.

Do information systems provide management with timely and relevant information for decision making purposes?

System enhancements would eliminate duplication of effort and improve the quality of reports for management.

The implementation of the new Scheduling and Attendance Management System (SAMS) began in 2000. This system consists of customized software that allows for the scheduling of resources and attendance tracking of employees on multiple levels including regular/overtime, date, time, division and activities performed. Collecting these details allows for numerous different reports to be generated to facilitate management decision making. The system has been implemented across all of the divisions to provide consistent time tracking information. Information collected in SAMS is exported to the City's PeopleSoft database.

In the fall of 2007, the project leader for the implementation of SAMS unexpectedly passed away. This put any further systems development on hold until a new project leader could be found; a project leader had not yet been found at the time of this report. This loss limited the development of controls in SAMS as discussed below:

Duplication of Effort

The initial phasing for the software started with overtime being captured manually on an overtime slip which would be subsequently entered into SAMS by a data entry clerk. The development of the software was to eventually lead to the direct input of time tracking information into the database without any manual forms. We noted that manual forms are still being filled in, causing duplication of work when the data entry clerk enters the form in SAMS. This is expected to be remedied upon the employment of a new project leader.

Exception Reporting

The information system is heavily dependent on analysis that is completed by employees in the Finance Division. Many of the issues that are brought to the attention of management regarding overtime are prompted by the department Controller. We were advised by the Controller that some of the manual analysis is very time consuming due to the volume of data that is processed. Generating a series of automated reports, for overtime and other issues, would allow for proactive monitoring by the appropriate supervisor and enable the WPS Controller to avoid focusing resources on time-consuming, routine analysis.

Recommendation #8

We recommend that the WPS eliminate the duplication of work in SAMS and develop a list of management reports that will be automatically generated and routed to the appropriate supervisors.

Management Response

Agreed. The WPS Information Systems Manager and Project Leader positions were recently filled. Currently, the manager is assessing the capacity of the IS unit and to determine the long term direction for SAMS system development.

It is clear that substantial changes to the SAMS system will be required to achieve this recommendation. Specific details on management reports to be considered and clarification on the technological functions that will be required in the system will need to be determined.

WPS Information Systems is currently working to migrate the SAMS system to a more robust and effective development platform. In conjunction with WPS Finance, a review of current reports is part of that process and modifications to enhance reports will follow. This process has already started with 10 HR and Finance reports being targeted for completion by the end of 2008 and the balance reviewed in 2009.

Further actions will include the creation of a reporting system for SAMS that allows ad hoc reporting for management as well as automatic notifications, and creation of web-based forms which WPS members can use for submission of overtime for supervisor approval. Resources permitting, we anticipate implementation by 2009/3Q.

Improved accuracy of overtime hour recording will assist management in analyzing the causes of overtime.

The SAMS system has the capability to capture overtime hours by police activity: the WPS currently has defined 71 direct activities (i.e. arrests, report writing, general patrol, etc.). We noted in the overtime reports that about six percent of all overtime was attributable to the 'no code' and 'unknown' categories. The miscellaneous hours attributable to these codes totaled about 13,000 hours in 2007 which represents at least $600,000 in average overtime wages.

The SAMS system also allows overtime to be coded to fields that contain a blank description for the overtime hours; the

departmental Controller explained that the blank coding fields were line items for new or atypical activities for which a brief encapsulating description was developed but was not imported into the reporting system by IT personnel.

Coding this level of hours to a 'no-code' or 'unknown' category does not provide management with useful information and hinders variance analysis to identify areas of overtime that exceeded expectations.

In discussions with WPS management, we were also informed that when officers are temporarily reassigned (eg. performing background checks on potential recruits) their hours are not consistently coded to the proper activity. Further, WPS management believed that increased reporting requirements to the Crown have contributed to higher levels of overtime. In fact, the amount of overtime hours coded to reporting activities has actually decreased over the last two years.

When overtime hours are not accurately recorded in the SAMS system, management is unable to identify the major or new cost drivers of overtime. This then prevents the development of targeted strategies to improve efficiency at the operational level.

Recommendation #9

We recommend that the WPS eliminate the ability to code hours to "no-code", "unknown" or undefined activities. Further, we recommend WPS management ensure all staff code their overtime hours to the most appropriate activity that has been approved by WPS management.

Management Response

Agreed. WPS Finance has been working on this and has a meeting scheduled with all SAMS data entry staff to introduce the changes. This change is effective Nov. 9, 2008 coinciding with the start of the new overtime year.

Accounting practices for specialized investigative work should be revised to provide greater transparency.

A part of the reason that the overtime costs were within budget for the last two years, while the hours continued to increase, is due to specialized investigative projects that are funded by external agencies. These projects employ officers for specialized investigative work that has been requested by that agency.

Ideally, the accounting practices in place would allow the determination of gross expenses incurred for the project by the WPS, the amount of revenue that has been received to offset the gross expenses, and the net cost to the WPS after the external funding has been applied. We believe that the most transparent method to accomplish this would be to include one contra account within each grouping of project costs to properly segregate the costs from the offsetting revenues in determining the bottom line net costs. We were informed by the WPS controller that this is not currently the case.

The current accounting practice is to net some of the revenues that are received for special projects directly against the cost account and to include some of the revenues in the general revenue account. This practice restricts the ability of the WPS to determine the total amount of revenues received for specialized investigative projects and to ensure they are operated on a full cost recovery basis.

Recommendation #10

We recommend that the WPS adjust the accounting practices to record the revenues associated with specialized investigative projects in contra accounts labeled by project.

Management Response

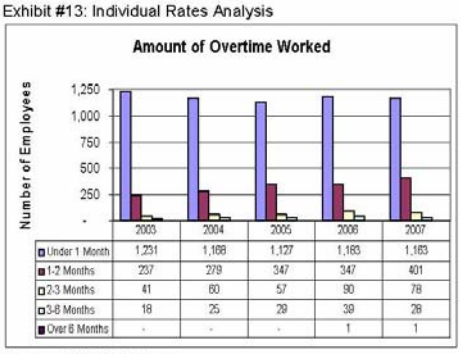
Agreed. Accounting practices will be adjusted to reflect recoveries of overtime associated with specialized investigative projects as a contra account to overtime. This will be done commencing in the 2009 financial year.

Information system should alert management when individual rates of overtime reach a specified threshold.

We believe that excessive overtime is defined as the amount of overtime that begins to negatively affect either the health of the employee or the service level to the public. There may be pressures both internal and external to the WPS that influence employees to work excessive overtime.

Exhibit 13 shows the summary of overtime for all officers. When analyzing the total hours worked by employees over the period of examination the graph illustrates that most employees worked less than one month in overtime hours. The graph also shows that the number of employees who work more than one month of overtime is increasing on a yearly basis. Roughly five percent worked between two and three months (321 – 480 hours) of overtime and three percent worked over three months (481+ hours) of overtime. The highest amount of overtime worked by one employee in 2007 was about six and one-half months (just over 1,000 hours) of overtime. The chart does not included hours worked for voluntary duty, which is tracked separately.

Exhibit #13: Individual Rates Analysis



Source: SAMS Database

The majority of the top 10 overtime earners in each year were from the homicide unit; these employees are subjected to long hours around the time of an event due to the time sensitivity of evidence. However, we also found that one individual in the top 10 overtime earners for 2006 was from a Uniform Operations division. Aside from recording one of the highest totals for regular police overtime in SAMS, this individual also incurred approximately 500 additional overtime hours by signing up for voluntary duty overtime (which is recorded in a separate system). All voluntary extra-duty assignments are for services provided to external third parties and all costs associated with the officer's time are charged to that party. There is, however, no restriction on the amount of voluntary duty that an officer may work.

It is important that the WPS have the proper strategies in place to mitigate the risk of officers working excessive amounts of overtime which can result in burnout. We discussed this with the Human Resources manager for the WPS. She explained that a new strategy was being implemented in 2005 entitled the Early Intervention Program (EIP). The EIP is a best practice for police services that has been designed to help detect early signs of employee burnout. The system tracks statistics tied to employee behaviour which tend to be precursors to burnout. These statistics

include: citizen complaints about the officer, workplace complaints against the officer, the "use of force" incidents, sick leave utilization, the pursuits the officer was in, and the times an officer is injured on duty. Overtime hours have not yet been implemented as a factor.

When a threshold for one of these indicators is reached, an automated report is sent to the Human Resources Division and is also forwarded to the appropriate supervisor. The supervisor will discuss the report with the employee before the employee's next shift. The supervisor is required to clear the report by taking the appropriate action and returning the cleared report to the HR division. Any long outstanding reports are tracked and noted in the performance evaluation of the supervisor.

The threshold for the number of overtime hours worked is planned to be 350 hours, or just over two months, of overtime worked in one year. Overtime hours incurred for voluntary duties are not tracked in the SAMS system as is the case for overtime hours incurred for regular police activities. The EIP will need to ensure that total overtime hours, regardless of source, are used to determine when an employee has reached the defined threshold.

Recommendation #11

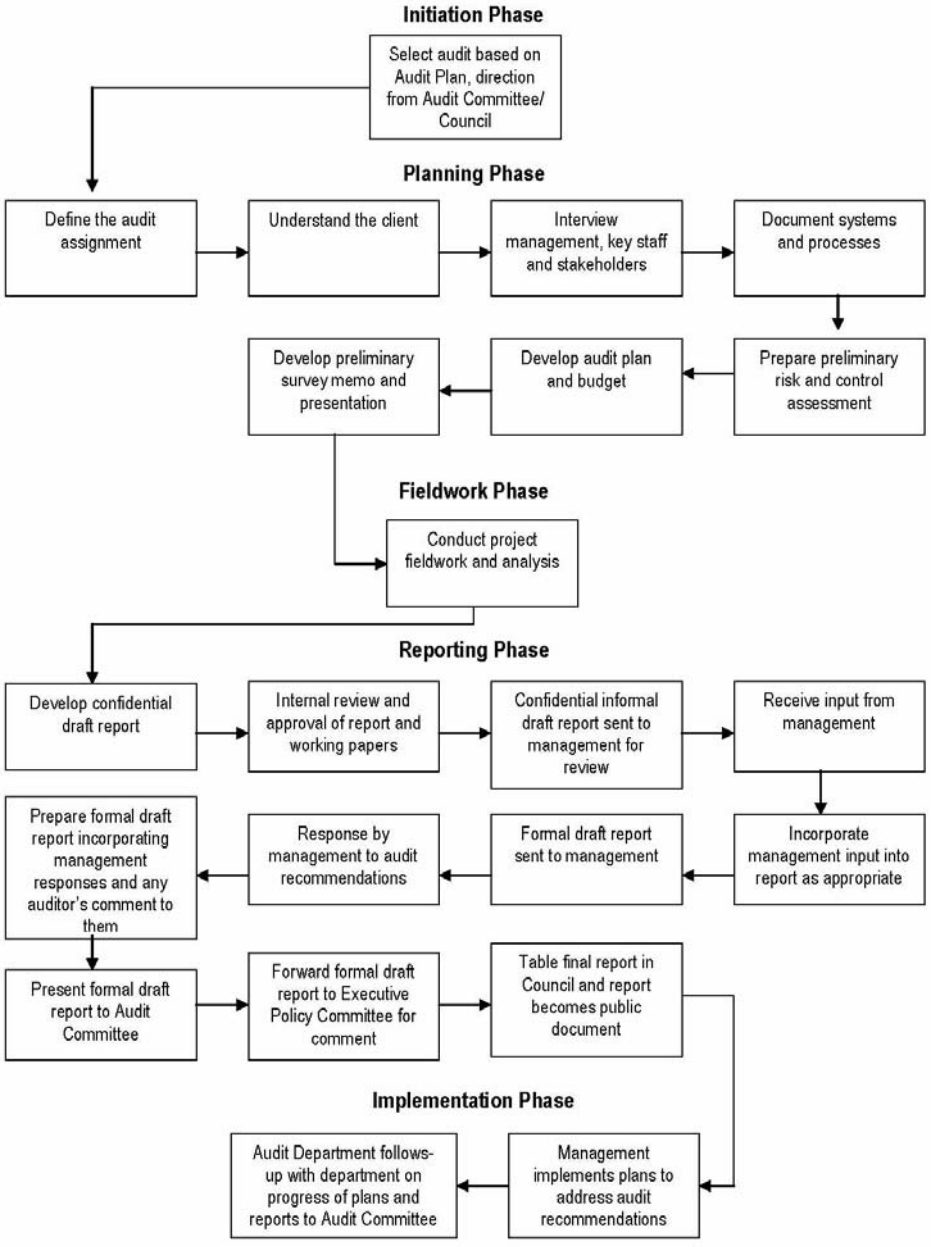
We recommend that the WPS continue to implement the Early Intervention Program and to include total overtime hours as an evaluation factor.

Management Response

Agreed. Overtime thresholds would be a value added indicator as part of the Early Intervention Program.

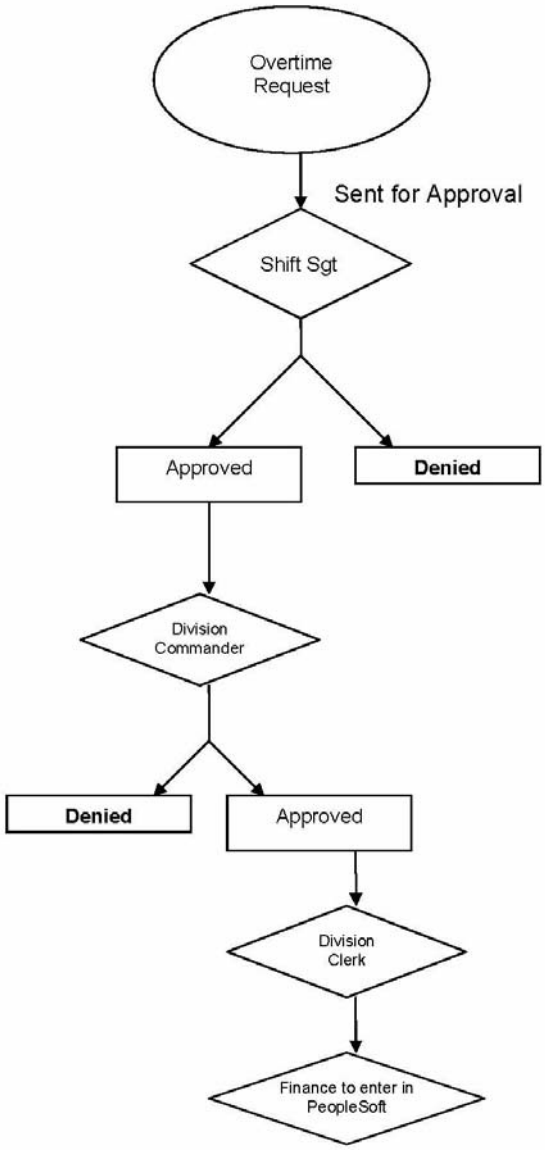
Reports will now be generated quarterly to flag members who have reached a predetermined threshold of overtime hours, and will form an evaluation factor as part of the Early Intervention Program. Automation of this function will be considered in future IT development projects.

APPENDIX 1 – AUDIT PROCESS



1280

APPENDIX 2 – OVERTIME APPROVAL PROCESS



APPENDIX 3 – IACP MODEL OVERTIME POLICY

OVERTIME

Model Policy

	Effective Date **August 1, 1999**	*Number*
Subject Overtime		
Reference		*Special Instructions*
Distribution	*Reevaluation Date*	*No. Pages*

I. PURPOSE

The purpose of this policy is to provide a structure for monitoring, managing and controlling the use of personnel overtime.

II. POLICY

All personnel of this agency must be mindful of and exercise fiscal responsibility in the use of public funds and resources. Overtime pay requires particular attention because it constitutes a sizeable expenditure of agency revenue that is provided at premium rates. Without adequate controls, unplanned expenditures can create budget overruns and divert resources from key operational areas. Therefore, it is the policy of this agency to effectively manage the use of overtime and that of each employee to use overtime in a responsible and judicious manner.

III. DEFINITIONS

Overtime: Work performed in excess of 40 hours in one week or as otherwise established by state law.

Fair Labor Standards Act (FLSA) (29 U.S.C. §207(a)): Federal law regulating wages and work hours to include provisions for overtime pay.

IV. PROCEDURES

A. General Provisions

1. This agency conforms to overtime provisions of the FLSA and applicable state laws. Personnel shall refer to this agency's personnel pay policy, FLSA policy and labor agreements for details on exempt and non-exempt positions, circumstances in which overtime pay may be granted, rates of payment for all overtime that qualifies for payment at the premium rate and related matters.
2. Whenever reasonably possible, paid overtime will be used in lieu of unpaid compensatory time off.

B. Reporting, Recording and Analysis

1. All overtime worked shall be approved for payment by the designated supervisor. The category of overtime work performed shall be coded in accordance with agency personnel procedure and forwarded by unit commanders to the designated agency unit for recording, accounting and analysis.
   a. Paid overtime and unpaid compensatory time will be recorded separately.
   b. Overtime expenditures shall be kept separately by function (e.g., briefings and roll calls, training, investigations) and by the agency unit in which the expenditure is incurred. Individual and summary data will be compiled on at least a monthly basis.
   c. Overtime funds expended under federal or state grant programs will be accounted for separately from those in the general budget.
2. The designated entity shall maintain overtime records and provide individual and summary data of overtime worked on a monthly basis to responsible agency supervisors and command personnel.
3. Unit commanders and supervisors shall monitor individual and summary data reports of overtime expenditure. Identification of unusual, unexplained or disproportionate expenditures in overtime may include but are not limited to the following circumstances:
   a. Disproportionate overtime by individual

officer(s) engaged in or assigned to the same task/function;

b. Significant and unexplained changes in overtime expenditures when compared to similar periods of time;

c. Significantly higher overtime costs for completion of the same or similar activities or tasks previously performed; and

d. Expenditure of overtime at a rate that could exceed or negatively affect the agency's budget or that of individual units, programs or functions.

C. Overtime Management

1. No task or function shall be performed on overtime by agency personnel that could otherwise be performed during regular work hours.

2. Supervisors shall establish and hold personnel responsible for a level of performance during standard work hours that minimizes the need for overtime and/or the need for additional personnel.

3. Only overtime required to meet vital service demands of the department shall be authorized.

4. All tasks and functions that require the use of overtime shall be routinely evaluated in terms of their cost-effectiveness. Alternatives to the use of premium pay to accomplish these tasks or program objectives shall be evaluated and implemented where appropriate.

5. All overtime must receive advance authorization unless unreasonable due to emergency circumstances.

   a. Unit and watch commanders and designated supervisors are the personnel primarily responsible for authorizing and managing overtime.

   b. Division or comparable level command staff must approve overtime requests designed to fill an on-going personnel vacancy or meet an unusually high yet foreseeable workload. (i.e., personnel vacancies are authorized staff positions left unfilled when vacated permanently or for extended and indefinite periods of time).

6. Supervisors and command staff shall take measures and issue directives where reasonably possible to reduce or limit the demand for overtime. This includes but is not limited to supervisory efforts to perform the following.

   a. Assign non-emergency service requests received near shift change to on-coming shift personnel.

   b. Use auxiliary and reserve officers/employees and volunteers where feasible to offset temporary personnel shortages/vacancies and meet specialized needs.

   c. Anticipate and manage workload requirements where reasonable to best utilize standard duty hours.

   d. Manage and coordinate vacation, leave and related requests to minimize manpower deficiencies.

   e. Ensure that officers who make arrests late in their shift receive available assistance to process prisoners as quickly as possible.

   f. Ensure that arresting officers in misdemeanor incidents conduct tests, take statements or witness any actions/procedures essential to prosecution so that only the officer will be needed to testify in court. Arrest reports should include only the minimum number of officers; those who were integral to the arrest and who must be subpoenaed in any subsequent court testimony.

   g. Ensure that agency overtime policy, rules and regulations and the particulars of any labor agreement are consistently adhered to by agency personnel as they relate to overtime for court appearances, standby, travel time, training, holiday leave, vacations and related matters.

   h. Coordinate efforts with the court/prosecutor's office to establish overtime limits and control overtime usage.

This project was supported by Grant No. 95-DD-BX-K014 awarded by the Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice. The Assistant Attorney General, Office of Justice Programs, coordinates the activities of the following program offices and bureaus: the Bureau of Justice Assistance, the Bureau of Justice Statistics, National Institute of Justice, Office of Juvenile Justice and Delinquency Prevention, and the Office of Victims of Crime. Points of view or opinions in this document are those of the author and do not represent the official position or policies of the United States Department of Justice or the International Association of Chiefs of Police.

Every effort has been made by the IACP National Law Enforcement Policy Center staff and advisory board to ensure that this model policy incorporates the most current information and contemporary professional judgment on this issue. However, law enforcement administrators should be cautioned that no "model" policy can meet all the needs of any given law enforcement agency. Each law enforcement agency operates in a unique environment of federal court rulings, state laws, local ordinances, regulations, judicial and administrative decisions, and collective bargaining agreements that must be considered. In addition, the formulation of specific agency policies must take into account local political and community perspectives and customs, prerogatives and demands; often divergent law enforcement strategies and philosophies; and the impact of varied agency resource capabilities, among other factors.

APPENDIX 4 – RECOMMENDATIONS

Recommendation #1

We recommend that a comprehensive policy regarding overtime be developed and implemented. The policy should include an appendix of references to related documentation.

Recommendation #2

We recommend that the annual leave policy be amended to include the maximum allowable time for employee time banks. WPS management should then actively monitor and enforce that limit.

Recommendation #3

We recommend that the WPS renew the agreement with the Minister of Justice and continue to operate the inter-agency project to achieve efficiencies in court attendance.

Recommendation #4

We recommend that the WPS continue to work with the Minister of Justice's office to develop further strategies to avoid appearances where officers do not testify.

Recommendation #5

We recommend that the WPS develop methods to evaluate the effectiveness of its pilot programs including the impact on related performance measures such as overtime costs.

Recommendation #6

We recommend that the Winnipeg Police Service provide formal administrative, analytical, and financial training to its officers who are in supervisory positions.

Recommendation #7

We recommend that the WPS review the practice of providing incentives for officers who successfully pass their fitness appraisals. We recognize that any change would require collective bargaining negotiation.

Recommendation #8

We recommend that the WPS eliminate the duplication of work in SAMS and develop a list of management reports that will be automatically generated and routed to the appropriate supervisors.

Recommendation #9

We recommend that the WPS eliminate the ability to code hours to "no-code", "unknown" or undefined activities. Further, we recommend WPS management ensure all staff code their overtime hours to the most appropriate activity that has been approved by WPS management.

Recommendation #10

We recommend that the WPS adjust the accounting practices to record the revenues associated with specialized investigative projects in contra accounts labeled by project.

Recommendation #11

We recommend that the WPS continue to implement the Early Intervention Program and to include total overtime hours as an evaluation factor.