

FILE COPY



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



DARLENE GREEN  
Comptroller

*Internal Audit Section*

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St. Louis, Missouri 63101  
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January 27, 2005

Stephen J. Runde, P.E., Commissioner  
Traffic & Lighting Division  
Department of Streets  
1900 Hampton Avenue  
St. Louis, MO 63139-2988

RE: Payroll Distribution of Traffic & Lighting Division – Department of Streets, for the  
Payroll Period Ending October 16, 2004 (Project # 2005-12)

Dear Mr. Runde:

Enclosed is a report of our payroll distribution of Traffic & Lighting Division for the pay  
period ending October 16, 2004. The objective of this review was to determine whether:

- Eligible employees receive wages.
- Wages are adequately safeguarded.
- Employees are only paid for actual hours worked.
- The accrual and use of paid leave is accurate.

Our fieldwork was substantially completed on October 28, 2004. The Division's  
management declined an exit conference to discuss the observation and recommendation  
noted in the report.

Management's response to the observation and recommendation noted in the report was  
received on January 24, 2005 and has been attached to the report.

We have made the following observation and recommendation:

• **Negative Compensatory Time Balance Included in Vacation and Sick Leave  
Report**

Proper management of the employee compensatory time ensures that no negative  
balance is included in the vacation and sick leave report.

One employee had a negative compensatory time balance of three (3) hours included  
in the Vacation and Sick Leave Report. However, the Payroll Clerk has made the  
necessary adjustment to correct the negative balance of the compensatory time. This  
adjustment will be reflected in the next pay period's Vacation and Sick Leave  
Report.

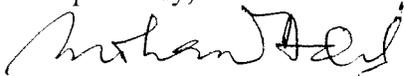
**Recommendation**

We recommend that the Traffic & Lighting Division verify that an employee has sufficient compensatory time balance prior to granting compensatory time off.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact me at (314) 613-7410.

Respectfully,



Mohammad H. Adil, CPA  
Internal Audit Supervisor

Attachment

CC: Honorable Darlene Green, Comptroller  
Rita Kirkland, Director of Operations, Office of the Mayor  
Kathryn Lawson, Payroll Manager, Comptroller's Office



FRANCIS G. SLAY  
MAYOR

JAMES W. SUELMANN  
DIRECTOR

City of St. Louis  
DEPARTMENT OF STREETS  
-TRAFFIC DIVISION-

1900 HAMPTON  
ST. LOUIS, MISSOURI 63139-2988  
PHONE: (314) 647-3111



STEPHEN J. RUNDE, P.E.  
COMMISSIONER OF TRAFFIC

January 24, 2005

Mr. Mohammad H. Adil, CPA  
Internal Audit Supervisor  
Office of the Comptroller  
1114 Market St., Room 608  
St. Louis, MO 63101

Re: **Payroll Distribution of Traffic and Lighting Division**

Dear Mr. Adil:

This letter is in response to the Auditor's recommendation of the payroll distribution of the Traffic and Lighting Division. It is my opinion that each employee should be responsible for knowing how much vacation time, sick leave time and compensatory time he or she has available. It would be too cumbersome for a supervisor to call the payroll clerk each time an employee requests time off. Employees can contact a payroll clerk occasionally to confirm how much time they have available.

I have instructed our payroll clerk that, in the future, if an employee takes vacation, sick leave or compensatory time off that they do not have, they will be docked.

If you have any questions regarding this, please contact me.

Sincerely yours,

Stephen J. Runde, P.E.  
Commissioner of Traffic

SJR:md