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September 14, 1999

Ms. Mary Lynn Horst
Director, Marketing and Regulatory Programs
Human Resources
Department of Agriculture
4700 River Road
Riverdale, MD 20737

Subject: USDA T&A System Controls: Recording Deviations From
Preapproved Work Schedules

Dear Ms. Horst:

This letter responds to your May 17, 1999, request for a clarification on the internal control requirements in Title 6, "Pay, Leave, and Allowances," of GAO's Policy and Procedures Manual for Guidance of Federal Agencies, as they relate to the Department of Agriculture's (USDA) Marketing and Regulatory Programs' staff time and attendance (T&A) records. Specifically, you asked (1) if employees are required to sign for their arrival/departure time (in/out times) when recording deviations from their preapproved declared schedule and (2) in lieu of signing in/out times for deviations to the preapproved work schedule, whether employees could use e-mail or phone in their actual pay period schedule.

Your request was initiated because your office would like to establish a departmentwide policy on recording deviations from preapproved flexible work schedules of employees to ensure that adequate records of work and absent times are made and maintained. To supplement the information contained in your letter, we contacted your staff to discuss the questions in more detail. Our responses to your questions are provided in detail in the following sections.

Recording Deviations to Preapproved Schedules

Your first question asks whether employees are required to sign for deviations to their preapproved work schedules. Section 3.8 of Title 6 states that when employees' arrival and departure times for a pay period are established, these schedules become the basis for recording T&A data unless material variance or deviations occur. Material deviations must be approved by the supervisor and are required to be recorded. Title 6 provides for flexibility in establishing what are material deviations.

It states that unless otherwise designated by management, a material deviation from an established schedule is one that differs by one hour or more during a workday.

However, management can establish the amount of time at which a material deviation from a preapproved work schedule occurs—15 minutes, 30 minutes, or any time different from the preapproved schedule. The deviation established by management should be based on an assessment of the risks involved and the needs of the agency; the work environment, including the type of work performed and the internal control existing to assess productivity and record work times and absences; and the work habits of the employees. Immaterial deviations need not be recorded. However, the supervisor should be aware of such deviations and should verify that the employee has adequately compensated the agency for the deviation. It should be noted that although immaterial deviations need not be recorded in most instances, supervisors may find it necessary from time-to-time for all deviations to be recorded for certain employees or under certain situations and should be permitted to require such recordings.

Nevertheless, all material deviations must be recorded in some manner to become part of an employee's T&A record. The deviations can be recorded in any one of several different ways. For example, recording arrival and departure times directly on an employee's time sheet, recording arrival and departure times on a centrally maintained time-in/time-out log used by many employees, or noting the number of hours and minutes of the deviation in a ledger that the supervisor maintains. The method selected by management to record the deviations should be the most efficient and effective one under the circumstances.

Regardless of which method is used to record deviations from preapproved schedules, supervisors, before submitting T&A data for pay purposes, are required to approve the data, containing a record of material deviations, for each pay period. Approval could be evidenced by the supervisor's hand written signature or initials, or other means such as an automated signature. Title 6 does not require the employee to attest to his or her T&A data unless management has established such a policy. Section 3.5 of Title 6 does require, however, that the T&A system be able to identify the individual responsible for recording the T&A data.

T&A Data E-mailed and Phoned In

Your second question asked whether employees can e-mail or phone in deviations from preapproved work schedules in lieu of signing for arrival or departure times. Regarding immaterial deviations, as explained in the prior section, normally no record need be made of such deviations. For the purposes of simply notifying a supervisor of a material deviation, Title 6 would allow an employee to communicate the change in any manner that management approved, including by e-mail or phone. However, if the e-mail or phone communication is to become an actual T&A record to serve as documentation for the employees' pay, then the e-mail should be archived or the phone conversation documented.

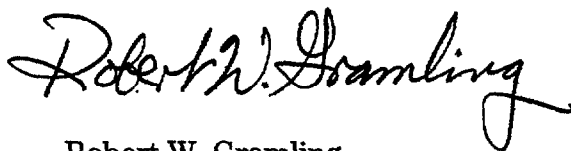
The e-mails should contain adequate details of the material deviation and be retained for the proper period and stored under adequate procedures as required in Title 8, "Records Management," of the GAO Policy and Procedures Manual. The details to be included in the e-mails should account for the employee's work and absent times. The e-mails should therefore include (1) the times absent and at work either by noting arrival and departure times or total time (such as two hours and 30 minutes) and (2) the hours and type of leave to be charged, if applicable.

While the T&A information in the e-mails may need to be attested to by the employee if so required by management, it must be approved by the supervisor, whether the attestation and approval occur on some other record containing the e-mail information or on the e-mail itself. If the employee generated the e-mail, such generation would be considered an attestation. If the supervisor forwards the employee's e-mail to the timekeeper or unit where the data are sent to payroll processing with an indication of approval, that e-mail would suffice as a T&A record so long as it is retained under Title 8 procedures and retention period.

The phoned in material deviations can become an actual T&A record if (1) the timekeeper, supervisor, or other official records the details of the conversation, (2) the employee or other official subsequently attests to the recorded information by signature or initials, when management requires an attestation, (3) the supervisor approves such record, and (4) the record is retained under the procedures and for the period required by Title 8.

We have discussed the contents of this letter with Ms. Nella Kusmenko of your staff. We hope our views are helpful to you. If you or your staff have any questions, please contact Assistant Director, Bruce Michelson, of my staff at (202) 512-9406.

Sincerely yours,



Robert W. Gramling
Director, Corporate Audits
and Standards

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