



UNITED STATES GENERAL ACCOUNTING OFFICE
 REGIONAL OFFICE
 143 FEDERAL OFFICE BUILDING, 50 FULTON STREET
 SAN FRANCISCO, CALIFORNIA 94102

092909

IN REPLY REFER TO:
 84821



JUL 10 1970

Commanding Officer
 Hunters Point Naval Shipyard,
 San Francisco, California 94100

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Dear Sir:

We have completed our [review of civilian compensation at Hunters Point]. Our review, completed in May 1970, was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act, 1950 (31 U.S.C. 67).

We reviewed the propriety of salary rates of selected employees and the time and attendance procedures. We found no errors in the salary rates of the employees reviewed but we did find significant weaknesses in the time and attendance procedures. We have discussed our findings with Shipyard officials and are summarizing them below for your information.

Time and Attendance

The Timekeeping Unit maintains files of authorizations to certify timecards. The files were not updated in accordance with installation regulations. NAVSHIPYD SFRANBAY INST 7410.1B requires Department Heads to notify Timekeeping of any authorization cancellations due to the separation, change in duty, transfer, etc., of the employee.

We were told that the authorizations were updated by circulating them twice a year to the various shops. The shop superintendents added or cancelled authorizations. Because the installation relied on this procedure the files were not maintained on a current basis. We brought this matter to the attention of officials who told us that the files would be maintained in accordance with the Shipyard instructions.

We observed the clocking in and out procedures at seven clocking stations and performed floor checks during normal working hours. Our review at these stations during the day shift disclosed the following:

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Supervisors certified timecards without having actual knowledge of an employee's presence or absence. At two locations the supervisors worked a different shift than the employees for whom they were responsible. At a third location, substitute supervisors did not know the names of the absent supervisors' employees. Employees did not comply with established clocking procedures. At two locations, employees were loitering at the time clock prior to the end of the shift. At one location an employee clocked out two timecards. At the Islais Creek Annex, employees left prior to the end of the shift.

We also observed one swing shift clocking station on five days and noted the following:

On each of the five days, at least one employee clocked more than one timecard.

A supervisor wrote in an employee's starting time as 4:00 PM. The employee's card was in the rack, unpunched at 4:05 PM.

On two days we saw an employee at the clocking station even though his card was racked at another station. One day he took two time cards, punched one and left with both. We did not see whether or not he punched a card on the other day.

Our examination of the employees' timecards for these five days disclosed an unusual number of cards which were clocked out at 12:32 AM. We therefore decided to observe the clocking out procedure followed by the swing shift employees and noted the following:

One employee left the area in his car at 12:20 AM. His card was clocked out at 12:30 AM at another clocking station.

One employee clocked out about 10 timecards.

One employee clocked out two timecards.

Overpayment of Night Shift Differential

In our letter of May 13, 1970, we called to your attention apparent overpayments due to application of incorrect night shift differential

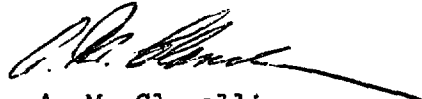
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to employees working from 7:00 PM to 7:30 AM. In your reply of May 27, 1970, you outlined for us the pertinent facts and your position as to why the higher night shift differential was paid. You stated that your interpretation of the regulation had been submitted to the Office of Civilian Manpower Management for confirmation. We would appreciate receiving a copy of their decision. Pending receipt of the decision, we are withholding further comment on this matter.

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We would appreciate your comments on the above matters and information as to the action you plan to take. A copy of this letter is being sent to the Director, Naval Area Audit Service, San Francisco, California, and the Commander, Navy Accounting and Finance Center, Washington, D.C.

Very truly yours,



A. M. Clavelli
Regional Manager