



Monterey County Board of Supervisors

Response to the

**2012 Monterey County Civil Grand Jury
Interim Final Report No. 4**

February 12, 2013

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REPORT TITLE: Monterey County Overtime Expenditure
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Findings F-3

Finding F-3: Because the County does not request clearly defined budgeting for overtime nor provide clear reports by departments showing overtime costs, we believe the issue does not receive the regular financial scrutiny it deserves.

Response F-3: The Board disagrees partially with the finding. Department budget requests include a line item for projected overtime costs, however, prior recommended budgets did not have focused reports on overtime usage and costs by department. The County Budget Office and Budget Committee regularly reviews overtime usage within departments and agrees that providing a higher level of transparency regarding actual use of overtime will enhance the recommended budget document. The County will provide a greater level of overtime cost detail in future recommended budgets.

REPORT TITLE: Monterey County Overtime Expenditure
RESPONSE BY: Monterey County Board of Supervisors
RESPONSE TO: Recommendations R-2, R-3, and R-6

Recommendation R-2: All Monterey County departments should be required to highlight their overtime in their annual budget requests.

Response R-2: The recommendation has not yet been implemented, but will be implemented in the future. While the Department budget requests already include projected costs for overtime, the County will include additional detail in the recommended budget regarding overtime budget requests.

Recommendation R-3: The County budget should show the percentage (%) of overtime versus payroll and publish this figure in the Final Budget.

Response R-3: The recommendation will not be implemented. Department budget requests include overtime costs in requested budgets, and the County will include that information in future recommended budget documents. The Final Budget is a separate document from the Recommended Budget. The Final Budget is issued in a specific format by the Auditor-Controller for reporting to the state and the format is regulated by State Controller requirements.

Recommendation R-6: The County payroll system should be modified to provide timely reporting of overtime expenditures by department, and require department heads to explain all overtime exceeding 8% of payroll on a quarterly basis to the Board of Supervisors.

Response R-6: The recommendation requires further analysis. County departments can currently retrieve reports (including overtime usage) from the payroll system including overtime after each payroll cycle. The County closely monitors department expenditures, once the budget is adopted, to be within approved revenue and expenditures appropriations. The County believes that managing critical public safety operations requires operational flexibility to meet public safety needs without undue administrative burdens. When specific overtime expenditures are anticipated to exceed budgeted appropriations, the County Budget Office has procedures in place to begin monthly or quarterly reports to the Board of Supervisors' Budget Committee toward management of the issue.