

# OmniTrans

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## Performance Audit of Omnitrans Compensation & Benefits Program



**August 2024**



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## Introduction and Background

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Established in 1976 through a joint powers agreement (JPA), Omnitrans has been a central provider of public transit services across a 480-square-mile area in the San Bernardino Valley, encompassing 15 cities and portions of unincorporated San Bernardino County, with extensions to neighboring Los Angeles and Riverside counties. Supported by a blend of federal, state, and local resources, including state and local fuel and transportation taxes as well as fare revenues, Omnitrans' Fiscal Year 2023-24 budget was approximately \$102 million.

As of June 2024, Omnitrans employed 551 persons with a broad range of responsibilities and functions, including bus operations, coach and facility maintenance, strategic development, safety and security, marketing and communications, finance, procurement, information technology, and human resources. Overseen by the Human Resources Director, who reports directly to the Chief Executive Officer/General Manager, the purpose of the Human Resources Department (Human Resources) is to recruit, motivate, and retain a highly qualified and talented workforce. This includes ensuring compliance with a variety of laws and regulations; maximizing employee potential through proactive, quality employee relations, training programs, and professional development; and maintaining and administering a competitive compensation system.

In carrying out its mission, Human Resources employs a team of 10 professionals that are collectively responsible for a variety of administrative functions in support of Omnitrans and its workforce. Human Resources is responsible for planning, coordinating and administering a comprehensive human resources management program, particularly with respect to the following areas:

- Developing and Administering Omnitrans' Personnel System
- Classification and Compensation
- Benefits Administration & Leave Accounting
- Wellness Initiatives and Disability Programs
- Risk Management & Workers Compensation
- Employee Training & Development
- Records Management
- Workplace Discrimination Complaints & Investigations
- Recruiting, Hiring, and Staffing
- Candidate Application and Screening
- New Employee Orientation
- Performance Evaluations
- Employee & Labor Relations

The Human Resources Department is divided into two primary divisions: Employee Relations and Risk Management, as illustrated below. Employee Relations administers traditional human resources management functions, including recruiting and hiring, employee background checks, employee development and training, personnel management, classification and compensation, benefits administration, etc. Risk Management, oversees insurance policies and programs, administers the Agency's self-insured workers' compensation program, and ensures compliance with federal requirements related to employee ADA accommodations, drug-free workplace act, and drug and alcohol programs. The

Human Resources Director manages all matters related to equal employment opportunity (EEO) compliance.

## **Omnitrans' Compensation Program**

According to Human Resources, the purpose of Omnitrans' compensation program is to attract, motivate, engage, and retain a workforce dedicated to excellence and ensuring Omnitrans' ability to meet business objectives. Human Resources' Employee Relations Division administers Omnitrans' compensation program, which includes competitive cash compensation (e.g., base pay, shift and assignment differential pay, merit pay increases, overtime, etc.) and a variety of employee benefits, including group benefit plans (e.g., medical, dental, vision), paid vacations and holidays, CalPERS pension program, and paid training and tuition reimbursement programs.

### **Cash Compensation**

Omnitrans provides cash compensation in the form of a base hourly wage or salary, depending on whether the employee is subject to overtime requirements set forth in the Fair Labor Standards Act (FLSA) or are exempt from such requirements, and in the form of variable pay, which may include assignment-based incentives (e.g., Class B drivers license bonus, sbX Green Line route assignments, permit reimbursements, and out-of-class pay), shift differential pay (such as swing and graveyard shift assignments), and other cash incentives (e.g., merit, referral, and new-hire bonuses). It is the intent of Human Resources to provide competitive base cash compensation to all employees in an effort to, according to its Compensation and Performance Management Plan, "attract, motivate, engage, and retain a workforce dedicated to excellence and ensuring Omnitrans' ability to meet business objectives."

All cash compensation is paid through Omnitrans' enterprise financial system, SAP, and involves multiple departments. Human Resources is responsible for ensuring compensation rates are appropriately updated in SAP, including approved wage and salary schedules, as well as variable pay rates. Human Resources also reviews, approves, and applies all one-time cash incentives into SAP, including reimbursements, out-of-class pay, and bonuses. Department staff and management utilize one of two time-keeping systems (UKG Pro, which is used by all departments except for Operations, and Trapeze, which is a scheduling system used by Operations to schedule routes and assign bus operators to different shifts and routes); these systems are used to control staff assignments and eligibility for related differential pay, and require supervisory and administrative review of assignments involving differential pay. And the Payroll Unit within Finance applies timekeeping records into the payroll system, including assignment-based differential pay, and reviews and reconciles payroll records.

To evaluate the market competitiveness of Omnitrans' cash compensation, Human Resources conducts both in-house and third-party compensation studies. For represented positions, including non-management maintenance personnel and bus operators, market studies correspond with labor negotiations. For management and confidential employees, positions which are not subject to a collective bargaining agreement, Human resources monitors market compensation annually. Specifically, Human Resources conducts an in-house review of certain benchmark classifications on an annual basis and, based on the results of this analysis, may present recommended adjustments to pay ranges to the Omnitrans Board of Directors every two years. Every six years, Human Resources' procedures require it to hire an independent

consultant to perform a comprehensive compensation survey, evaluate the compensation plan, and make recommendations regarding updates to the compensation plan, salary schedule, or the placement of positions within the salary schedule. Once recommendations have been formed by the consultant, they will be presented to the Board of Directors for consideration. The most recent independent compensation survey was completed in May 2023.

## **Employee Benefits**

As noted above, Omnitrans provides a variety of employee benefits, including group benefit plans (e.g., medical, dental, vision), paid vacations and holidays, CalPERS pension program, and paid training and tuition reimbursement programs. The Employee Relations Division administers accrued leave through SAP's payroll module; manually processes payments related to training and tuition reimbursements; and relies on third-party administrators for the more consequential group benefit and pension programs. Specifically, Omnitrans is enrolled in the California Public Employees Retirement System pension plan (CalPERS), which administers the plan on behalf of all public employer participants.

Omnitrans also contracts with the Teamsters Benefit Trust, which is a trust fund that sponsors health and welfare plans for Teamsters and their employers. The Teamsters Benefit Trust contracts with medical, dental, and vision care insurers, and offers group benefit plans to employees and eligible dependents. Upon hire, qualifying event, or annual open enrollment period, Omnitrans employees may complete enrollment forms to elect or change medical, dental, or vision plans; Human Resources receives the enrollment forms, enters the employees' elections into SAP to ensure proper payroll deductions for the employee portions of premium costs, files a copy of the enrollment forms in the employee's personnel file, and remits a copy of the enrollment form to Northwest Administrators, the third-party benefits administrator used by Teamsters Benefit Trust. Omnitrans has three primary responsibilities with respect to its contract with Teamsters Benefit Trust: (a) to ensure compliance with its contract; (b) to ensure it enrolls only those individuals that meet specific eligibility criteria, such as employees working a minimum number of hours per week and their eligible dependents; and (c) to ensure that Omnitrans pays premium costs to Teamsters Benefit Trust on a timely basis.

## Scope and Methodology

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Omnitrans hired Sjoberg Evashenk Consulting to conduct a performance audit of compensation and benefits practices. The objective of the audit is to determine whether Omnitrans' policies, procedures, and practices related to compensation and benefits are consistent with industry standards and sufficient to ensure compensation and benefits provided are authorized and consistent with established policies and procedures. The scope of the audit will include compensation and benefits practices for the three Calendar Years 2021, 2022, and 2023. To meet the project objectives, we performed the following procedures:

- Interviewed key personnel within Human Resources and other operating departments that were involved in the administration of compensation within Omnitrans.
- Reviewed information systems (SAP and timekeeping systems), and related internal controls to determine whether they are sufficient to prevent or detect unauthorized compensation or benefit payments.
- Obtained and reviewed policies and procedures related to compensation and benefits.
- Developed an understanding of the roles of various departments involved, and the role of various information systems utilized, for different types of compensation.
- Reviewed and evaluated Human Resources approach to maintaining its classification and compensation plans.
- Evaluated Human Resources approach to ensuring benefit eligibility during the annual enrollment / reenrollment cycle.
- Selected a sample of 17 Omnitrans employees, representing FLSA exempt and non-exempt employees within each department, and reviewed payroll and personnel files to determine whether compensation and benefits provided to the employees were appropriately supported.

Audit fieldwork was performed between February 2024 and June 2024. On July 16, 2024, a draft of this report was provided to management for review and discussion, and an exit conference was held with Human Resources management on July 19, 2024. Omnitrans management generally agreed with the conclusions presented in this report, and responses and feedback provided by management were considered and incorporated where applicable in the final report. Management's response to the audit recommendations is presented in **Appendix A** of this report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Findings & Recommendations

In this chapter, we present our observations and conclusion relating to Omnitrans' compensation and benefits programs. This audit focused on those internal controls that are central to ensuring cash or benefit compensation is provided to only those persons who are eligible for such compensation/benefits. That is, this audit focused on whether variable pay was provided to employees that were eligible to receive such benefits and were authorized to receive compensation. It also focused on whether employee benefits were provided to employees and their dependents that were indeed eligible for the group benefit plans in which they were enrolled.

This audit revealed that Omnitrans generally maintained a strong system of internal controls to ensure compensation is appropriate, authorized, and consistent with established policies and procedures. This included establishing policies that require Board oversight of Omnitrans' compensation plan, ensuring effective segregation of duties between Human Resources and Payroll, maintaining employee records in a consistent and logical manner, and working collaboratively with labor representatives to ensure fair and competitive compensation practices. Exhibit 1 illustrates how Omnitrans compares with leading practices as it relates to certain compensation-related internal controls.

### EXHIBIT 1. COMPENSATION-RELATED INTERNAL CONTROLS & BEST PRACTICES

| Key Control                                       | Description of the Key Control  | Implemented? |
|---|---|--------------|
| Board-Adopted Compensation Philosophy             | Formal policy requiring Omnitrans to evaluate market compensation based on specific parameters and to report to the Board the results of the analysis.  | Partial      |
| Periodic Compensation Studies                     | Evaluate existing compensation within Omnitrans to pay provided by similarly-situated employers to their employees during the same period; where Omnitrans' compensation is greater +/- 5% of the median of the market  | Yes          |
| Segregation of Duties                             | Ensure that no single individual is responsible for establishing employee compensation in the human resources information system and processing payroll; responsibility for timekeeping and supervision functions is segregated from human resources and payroll processes; individuals responsible for hiring, terminating and approving promotions are not involved in preparing payroll transactions; individuals approving time sheets are not involved in preparing payroll. | Yes          |
| Establish a Change Authorization Process          | Use personal action forms to document and obtain authorization for changes in an employee's status (e.g., full-time or part-time status, FLSA status, position and classification, salary or wage, eligibility for variable pay, etc.   | Yes          |
| Eligibility Verification                          | Verifies employee and dependent eligibility for variable pay and benefits at enrollment, initial eligibility, and periodically.   | Partial      |
| Use Software for Timesheet & Payroll Verification | Employees record time worked into timekeeping system; time worked reviewed by supervisor; overtime pre-authorized, reviewed and approved;   | Yes          |
| FLSA Exemption                                    | Jobs classified as exempt in the payroll system meet the exemption requirement; exempt employees are paid on a salaried basis; non-exempt employees paid time and a half for hours worked over 40 hours in a workweek.  | Partial      |
| Variable & Pay, Bonuses, etc.                     | Variable pay is approved and authorized during the pay period for which it is received; variable pay is not authorized indefinitely.  | Yes          |

Below, we describe those areas where internal controls could be improved upon.

### **Omnitrans Lacks a Board-Approved Compensation Philosophy**

While Board policies have been established to govern key areas of Omnitrans' compensation plan, at the time of this audit Omnitrans did not have a formally established compensation philosophy. A compensation philosophy is a formal document adopted by an organization's governing body that sets forth the framework for the development of a compensation plan and ongoing compensation decisions. It lays out the guiding principles and serves as a mission statement for an organization's compensation policy, provides the employer's strategic approach to compensation and benefits, and gives both managers and employees—including labor representatives—a better understanding of the organization's position on compensation and benefits. Generally, a compensation philosophy guides all compensation-related matters and defines the employer's competitive market (i.e., what is the employer's market for talent and with whom does the employer compete for employees) and competitive position (i.e., compensation in relation to the market, such as setting base salaries to equal the median of the market). It also sets forth the employer's goals with respect to its compensation plan, as well as the balance of salary, benefits, and incentives in the compensation plan. For instance, it is not uncommon for public sector agencies, which have fiscal responsibilities to the public, to define its competitive market as other public sector employers and competitive position to equal the median of compensation provided by other public sector employers and have an increased focus on benefits and work-life balance. Regardless, establishing a compensation philosophy provides guidance in all compensation-related matters, including labor negotiations and compensation recommendations.

A philosophy statement is not intended to be so detailed as to cover all factors needed for the administration of a compensation program, such as a definition of the process used to determine internal equity (job evaluation), the different types or elements of compensation, clearly defined management responsibilities, or compensation program administration procedures. However, a complete philosophy statement generally includes a set of guiding principles on the following topics:

- Objectives and goals for the total compensation program define what the employer expects to accomplish with its compensation program.
- Competitive market, including the agencies or companies with which the employer competes for talent, and whether different competitive markets exist for different types of jobs.
- Competitive position, including where in the market—e.g., the percentile—that the employer wishes to compete.
- Market studies, including the type (comprehensive or benchmark), data source (custom survey or published datasets), and frequency of studies to be performed for the purpose of measuring competitiveness and market position.
- Internal comparisons, including how the employer intends to address the pay of jobs that are similar and those that are different.
- Benchmark positions, including how the employer will identify and select those positions that it will use to measure external market competitiveness.



- Benefits, including defining how competitive the employer *wants* to be or *can* be with respect to varying types of benefits.
- Employee pay, including the factors that will be used to determine an individual employee's starting compensation (e.g., education, related experience, certifications, etc.) and how will progression through the ranges be accomplished.
- Ability to pay, including a recognition that, as a public employer, the organization has a responsibility to the public in setting employee compensation, that compensation is dependent on the public sector employer's financial resources and health, and that increases in market compensation does not dictate increases in the employer's compensation plan.

There is no single correct approach to developing a compensation philosophy, and different public sector employers may reasonably make different decisions regarding any of these factors. Regardless of the approach adopted, a compensation philosophy serves three significant purposes. First, it provides the governing body a mechanism through which to set policy regarding how the organization will establish and evaluate compensation. Second, a compensation philosophy provides an increased level of transparency and accountability in how an organization sets its own compensation and how it compares to other employers. Third, it provides a consistent methodology for compensation analyses. While compensation surveys provide point-in-time results, it is useful for employers to assess trends over time; reliable trend analyses require the consistent treatment of data to ensure like comparisons over time.

Therefore, we recommend that Omnitrans develop a compensation philosophy that lays out key guiding principles and provides the Board's strategic approach to compensation and benefits.

### **Group Benefit Plan Eligibility Verification Was Not Always Completed**

As discussed in the background of this report, Omnitrans contracts with the Teamsters Benefit Trust to provide medical, dental, and vision benefits to Omnitrans employees and their eligible dependents. According to the Human Resources Director, it has been Omnitrans' practice to require employees to provide proof of eligibility for each dependent enrolled in a Teamsters Benefit Trust plan. Of the 17 employees sampled as part of this audit, nine (9) did not enroll any dependents in their health plans, while eight (8) did enroll dependents. Of the eight (8) employees with enrolled dependents, personnel files contained complete records providing evidence of dependent eligibility for only one (1) employee; personnel files contained proof of eligibility for some but not all of the dependents enrolled for two (2) employees; and personnel files contained no proof of eligibility for the remaining five (5) employees.

According to the Human Resources Director, employees must show proof of a dependent relationship before enrolling a dependent during the open or special enrollment period. Proof of relationship could include birth certificates for children, marriage certificates for spouses, domestic partnership declarations, etc. Human Resources employs a manual enrollment process during which employees submit paperwork, along with proof of relationship documentation, to Human Resources for processing. Proof of relationship requirements have been in place for approximately 10 years, and were the result of an audit conducted by the Teamsters Benefit Trust. Our analysis revealed that the missing proof of relationship documentation resulted from either Human Resources not requiring necessary documentation upon enrollment, not retaining the documentation in the personnel file, or not requiring proof of relationship documentation for

employees and their dependents that were already enrolled in a benefit plan prior to the implementation of the requirement 10 years ago. In any case, the result is that proof of eligibility has been inconsistently applied to Omnitrans workforce. The potential enrollment of ineligible dependents could impact plan fees and premiums paid by Omnitrans and by every enrolled employee, as plan costs can be impacted based on the utilization of plan benefits by all enrolled individuals, eligible or not.

Our review of Human Resources' practices suggests that the controls over dependent eligibility verifications are not adequate to ensure that only those individuals meeting eligibility criteria are enrolled in Omnitrans' benefit plans. An effective enrollment system should ensure only legitimately eligible dependents are enrolled. This requires that employees provide documentation supporting their dependents' eligibility to their employer for review and approval at the time of enrollment. Under this approach, dependents cannot be enrolled in an employer's benefit plan unless they have been approved by the employer. In cases where this has not occurred, or to test whether such efforts have sufficiently controlled against ineligible participation, an employer could conduct a dependent eligibility audit of all dependents enrolled in a benefit plan. During the audit, employees are required to provide documentation to support their dependents' eligibility. These two approaches can be used in conjunction with one another. Once an eligibility audit has been conducted and eligibility has been verified for all current enrollees, an employer may only need to continue with the first approach of verifying eligibility prior to enrollment. Conversely, an employer may opt to conduct periodic follow-up audits of dependents enrolled since the prior eligibility audit to ensure compliance with eligibility criteria.

## **Two (2) of 17 Employees Reviewed Were Incorrectly Classified as FLSA-Exempt in SAP**

A critical element in classifying jobs for any employer within the United States is the identification and determination of those positions that the employer considers and designates as exempt from overtime requirements of the FLSA. FLSA requires most employees in the United States to be paid at least the federal minimum wage for all hours worked, and overtime pay for all hours worked over 40 hours in a work week. However, the FLSA includes exemptions from the overtime pay requirement for employees who qualify under a specified set of guidelines. For one of the following exemptions to apply, an employee's specific job duties must meet all of the requirements of the U.S. Department of Labor's FLSA regulations:

- **Executive Exemption:** Primary duties must be managing the enterprise, or managing a customarily recognized department or subdivision; employee must regularly direct the work of two other full-time employees; and play a significant role in the hiring, firing, advancements, and promotions of other employees.
- **Administrative Exemption:** Primary duties must include the performance of office or non-manual work directly related to the management or general business operations of the employer or the employer's customers; and those duties include the exercise of discretion and independent judgment with respect to matters of significance.
- **Learned Professional Exemption:** Primary duties must be the performance of work requiring advanced knowledge and which include the consistent exercise of discretion and judgment; the advanced knowledge must be in a field of science or learning; and the advanced knowledge must be acquired by a prolonged course of specialized instruction.

- Creative Professional Exemption: Primary duties must be the performance of work requiring invention, imagination, originality, or talent in a recognized field or artistic or creative endeavor.
- Computer Employee Exemption: Must be employed as a computer systems analyst, computer programmer, software engineer, or other similarly skilled worker in the computer field performing duties in systems analysis, including analysis of software, hardware, or system functionality; design and development of computer systems or programs or programs related to machine operating systems; or a combination of the above duties.

All Omnitrans positions have been classified as either exempt or non-exempt under the above FLSA regulations, and Human Resources enters employees' status into SAP, designating employees as either salaried or hourly. SAP uses this designation to control which employees may be paid overtime.

To evaluate Omnitrans compliance with the FLSA overtime exemption rules, we evaluated the status designation in SAP for all 17 employees selected for review. We found that two (2) of the 17 employees were incorrectly designated in SAP. Specifically, one payroll technician and one human resources technician were designated as "salaried" in SAP, despite the fact that neither classification would qualify as salaried based on the exemptions defined in regulation. According to the Human Resources Director, both employees have been consistently treated as non-exempt, hourly employees, and the salaried designation in SAP was an error; both of the incorrect designations have been corrected in SAP and management has reviewed designations for all other salaried designations to ensure they are correct in SAP. System controls prevent employees designated as "salaried" from being paid overtime during the payroll process, regardless of the hours entered on their timesheet. Incorrect salaried designations could result in the withholding of overtime compensation rightfully owed to employees.

### **Segregation of Duties and Personnel File Recordkeeping Could Be Improved in the Administration of Bonuses, Special Merit Awards**

Of the 17 employee files reviewed, one employee received a merit bonus, but there was no record of the bonus in the employee's personnel file. Human Resources was able to locate documentation, which was in Finance's Payroll records, demonstrating that the bonus was authorized by the CEO. In order to ensure pay incentives and differential pay are only granted to employees that meet the requirements and that the differential or other incentive pay is indeed approved by management, it is common practice for Human Resources to receive authoritative documentation demonstrating that the pay is appropriate and approved by the CEO.

Omnitrans has developed a Special Merit Award Form that requires the requestor, or department head, to identify "special duties" required of the employee, the impact of the assignment on the organization, and the amount of the merit pay. The CEO must sign the form for the merit pay to be considered approved.

According to the Human Resources Director, Special Merit Award Forms are not submitted to Human Resources; rather, they are submitted to Payroll for processing, and Payroll issues handwritten checks to the employee. This is problematic because a special merit award is, in effect, an affirmation by the employer that the employee has performed above and beyond the normal expectations of performance. Providing such records to Human Resources, and maintaining a record of management's authorization of a

merit award in the personnel file, is necessary to ensure a complete personnel file for each employee. It is also a necessary step to ensuring Human Resources is aware of management's perspective on an employee's performance, particularly because Human Resources may receive differing input from a variety of sources regarding Omnitrans employees. It is considered best practice that formal documentation of an employee's performance be retained in the personnel file, at least for a specified period of time.

For this reason, we recommend that Human Resources receive the completed Special Merit Award Form prior to transmittal to Payroll and retain the form in personnel files.

## **Recommendations**

To ensure effective controls are in place over Omnitrans' compensation program, Human Resources should:

- 1 Develop and present to the Board of Directors a comprehensive compensation philosophy or policy that will serve as a basis for future compensation studies and recommendations.
- 2 Conduct a dependent eligibility audit to verify that all enrolled dependents are indeed eligible to receive benefits through the Teamsters Benefit Trust.
- 3 Implement a formal process to obtain proof of relationship documentation prior to the enrollment of all dependents on a go-forward basis.
- 4 Review FLSA designations for all job classifications to ensure compliance with federal law, and review those designations within SAP to ensure the system is properly coded.
- 5 Implement a process for bonuses, and other pay that is processed directly by Payroll, that ensures Human Resources receives documentation for inclusion in employees' personnel files prior to the submission of the authorization from to Payroll.

## Appendix A. Management's Response

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On July 16, 2024, a draft of this report was provided to management for review and discussion, and an exit conference was held with management on July 19, 2024. Omnitrans management generally agreed with the conclusions presented in this report, and responses and feedback provided by management were considered and incorporated where applicable in the final report. Management's formal response to the audit recommendations is included in this appendix.

**Management Responses to Performance Audit of  
Compensation & Benefits Program Recommendations**

- 1 Develop and present to the Board of Directors a comprehensive compensation philosophy or policy that will serve as a basis for future compensation studies and recommendations.

**Management Response**

*We agree with the auditor's recommendation, a comprehensive compensation philosophy will be developed and presented to the Board of Directors.*

- 2 Conduct a dependent eligibility audit to verify that all enrolled dependents are indeed eligible to receive benefits through the Teamsters Benefit Trust.

**Management Response**

*We agree with the auditor's recommendation, the Human Resources staff will coordinate and conduct a dependent eligibility audit.*

- 3 Implement a formal process to obtain proof of relationship documentation prior to the enrollment of all dependents on a go-forward basis.

**Management Response**

*We agree with the auditor's recommendation, the Human Resources staff have already begun a formal process to obtain proof of relationship documentation prior to plan enrollment.*

- 4 Review FLSA designations for all job classifications to ensure compliance with federal law and review those designations within SAP to ensure the system is properly coded.

**Management Response**

*We agree with the auditor's recommendation, the FLSA designation for all job classification has been reviewed and any necessary corrections were made. The Human Resources department will regularly review FLSA designations to ensure ongoing compliance.*

- 5 Implement a process for bonuses, and other pay that is processed directly by Payroll, that ensures Human Resources receives documentation for inclusion in employees' personnel files prior to the submission of the authorization from to Payroll.

**Management Response**

*We agree with the auditor's recommendation, the process of all bonuses and other pay are now consistent with Human Resources receiving documentation to be included in personnel files.*