



To: Mayor and Members of the City Council  
From: Sonal Patel, Interim Director of Audit Services  
Date: September 24, 2008  
**RE: Transmittal of Compensatory Time Audit (September, 2008)**

#### **EXECUTIVE SUMMARY**

Attached is a report titled Compensatory Time Audit dated September 2008. The purpose of the audit was to ensure the City of Durham is in compliance with the Overtime and Compensatory Leave policy as it related to compensatory time.

This report presents the results, observations and recommendations. Specific objectives of the audit and the results are detailed in the attached report.

#### **BACKGROUND**

The City of Durham has policies and procedures designed to standardize the awarding of compensatory leave time for hours worked by employees beyond their regularly scheduled hours. These policies and procedures ensure that the City is in compliance with the Fair Labor Standards Act (FLSA). City policy PER 403, R-5, "*Overtime and Compensatory Leave*" details this guidance.

In addition to policy PER 403, R-5, "*Overtime and Compensatory Leave*", policy PER 410, R-5, "*Standby and Recall Duty*" is in place to establish compensation for standby/recall duty for employees.

#### **ISSUES AND ANALYSIS**

The attached report details the results of the audit. The report also includes recommendations that management concurs with. The response of City Management is included in the report.

#### **RECOMMENDATION**

The Audit Services Department recommends the City Council receive and accept the Compensatory Time Audit dated September 2008 as presented and approved at the September 22, 2008 meeting of the Audit Services Oversight Committee.