



CITY AUDITOR'S OFFICE

# Review of Super Bowl/Open Overtime

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June 19, 2015

AUDIT REPORT NO. 1515

**CITY COUNCIL**

Mayor W.J. "Jim" Lane  
Suzanne Klapp  
Virginia Korte  
Kathy Littlefield  
Vice Mayor Linda Milhaven  
Guy Phillips  
David N. Smith





June 19, 2015

Honorable Mayor and Members of the City Council:

Enclosed is the audit report for *Review of Super Bowl/Open Overtime*, which was added to the Council-approved FY 2014/15 Audit Plan at the City Manager's request.

Due to Super Bowl, Waste Management Phoenix Open and Pro Bowl events coinciding in January 2015, an unprecedented amount of public safety overtime occurred. This review compared the Police and Fire departments' reported actual overtime to estimates made prior to these events, evaluated reliability of reported amounts and causes for the increases.

This audit found that timesheet and payroll data support the reported overtime costs. The Police Department has identified several costs that were not included in its estimates. As well, records show that several individual officers worked a significant amount of overtime or off-duty hours during this period. The department allowing some officers to use leave hours to work off-duty positions would have caused the City to pay overtime to provide coverage. Also, the City paid overtime for some on-duty officers to work off-duty positions that had not been filled. Billing rates did not fully recover the City's cost. The Fire Department overbilled some event hours due to a calculation error, and the department's billing rates do not fully recover the City's payroll cost.

If you need additional information or have any questions, please contact me at (480) 312-7867.

Sincerely,

A handwritten signature in blue ink that reads "Sharron Walker".

Sharron E. Walker, CPA, CFE, CLEA  
City Auditor



## TABLE OF CONTENTS

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EXECUTIVE SUMMARY .....	1
BACKGROUND .....	3
Figure 1. Police and Fire Department Hours Worked During the Week Prior, Of and After the Super Bowl and Open. ....	4
Figure 2. Police Department Waste Management Phoenix Open Hours, 7 Fiscal Years .....	5
Table 1. Summary of Special Event/Off Duty .....	6
Figure 3. Fire Department Waste Management Phoenix Open Hours, 7 Fiscal Years.....	7
Table 2. Super Bowl XLIX Cost Center .....	8
Figure 4. Super Bowl XLIX Cost Center Hours.....	8
OBJECTIVES, SCOPE, AND METHODOLOGY .....	9
FINDINGS AND ANALYSIS .....	11
1. The Police Department can better estimate and control special event overtime.....	11
Table 3. Police Department Identified Causes of Increased Super Bowl Overtime* .....	11
Table 4. Ten Highest On-Duty Overtime and Off-Duty Hours Reported .....	12
Table 5. Leave Hours Taken by Police Officers and Sergeants, January 25 to February 1, 2015....	13
2. The Police Department required some officers to fill off-duty positions, but event billings did not cover the City’s costs for them. ....	14
Table 6. Summary of Police Department Event Billings and City Paid Overtime .....	15
3. The Fire Department did not accurately summarize its Super Bowl and Open overtime costs. ....	16
Table 7. Summary of Fire Department Super Bowl/Open Overtime <sup>1</sup> .....	16
MANAGEMENT ACTION PLAN.....	17



## EXECUTIVE SUMMARY

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This audit, *Review of Super Bowl/Open Overtime*, was added to the Council-approved FY 2014/15 Audit Plan at the City Manager's request. Due to the Super Bowl, Waste Management Phoenix Open and Pro Bowl events coinciding in January 2015, an unprecedented amount of public safety overtime occurred. The audit objective was to compare the Police and Fire departments' reported actual overtime to estimates made prior to these events, evaluate reliability of reported amounts and causes for the increases.

The Police Department, which had the largest portion of the reported Super Bowl-related overtime costs, analyzed its costs incurred but not previously included when estimating the event costs. Summarized in Table 3 on page 11, the causes included providing additional coverage due to the Pro Bowl, Super Bowl-related events at Fashion Square Mall, and other smaller events around the City. As well, the department included staffing the Emergency Operations Center, planning hours related to scheduling and preparation for the events, and installing technology for communications and monitoring.

Several officers reported working more than 80 hours of on-duty overtime or off-duty hours during these events. For example, during the period of January 25, 2015, through February 1, 2015, one officer reported working 141 hours of on-duty overtime, while another officer reported 137 hours of off-duty work. These levels of individual overtime may represent an increased risk to the officers and the public.

During this peak staffing period, several officers were allowed to use more than 1,500 leave hours to work in off-duty positions. Due to the peak staffing situation, this may have cost the City an estimated \$96,000 in overtime pay for other officers to provide coverage.

The department's timesheet data and payroll costs supported the reported Super Bowl and Waste Management Phoenix Open related overtime. However, matching reported actual hours to planned duty rosters and off-duty records was not always possible due to shifted assignments or actual hours differing from those planned.

The Police Department incurred additional overtime costs due to officers not volunteering for some of the off-duty positions. Because of an insufficient number of volunteers, the department assigned officers to work these off-duty positions, and the City paid them at overtime rates. After the events, the department billed for the allotted hours at off-duty billing rates, but these rates do not recover the City's costs. Also, in several instances, additional staff was assigned to events for traffic management or other coverage, but these hours were not billed.

The Fire Department attributed its staffing increases to growing attendance at the Waste Management Phoenix Open during recent years, as well as at Super Bowl-related events. With minor discrepancies, the department's timesheet data and payroll costs supported the reported Super Bowl and Waste Management Phoenix Open related overtime. However, due to a spreadsheet formula error, the department overbilled an event by 367 hours, or about \$14,600. The department is in the process of correcting this billing. Amounts billed for several events were slightly less than the City's associated payroll costs for most events, so the department should review its billing rates.



## BACKGROUND

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Super Bowl XLIX, held in Arizona for the first time since 2008, coincided with the Waste Management Phoenix Open golf tournament and the Pro Bowl in January 2015. After the City's Police Department reported about three times more overtime than projected for the related events, the City Manager requested an audit.

The Public Safety departments, Police and Fire, incur the majority of the City's overtime cost for special events. Particularly for this "Super Season" of events, other departments such as Traffic Engineering, Solid Waste Management and Street Operations were also involved. This audit focuses on Police and Fire overtime costs, the highest portion of costs incurred.

While the NFL's Super Bowl took place in Glendale, several special events occurred in Scottsdale, including the ESPN Broadcast and Fan Zone, Taste of the NFL, the NFL Wives Fashion Show, and other events and large parties. Because of increased activity at events and throughout Scottsdale's entertainment areas, the City provided more police and fire coverage, and event producers paid for additional Fire and off-duty Police positions.

As well, although the Super Bowl is occasionally held in Arizona, the Waste Management Phoenix Open golf tournament takes place annually at the TPC Scottsdale. This PGA event draws approximately 500,000 fans on-site, so the City provides additional public safety resources in addition to some event-paid Fire and off-duty Police positions.

Figure 1 on page 4 summarizes total hours reported by the Police and Fire departments during the week prior to the Super Bowl and Open, the week of these events and the week after. For purposes of this graphic, each week reflects Monday through Sunday hours so that Super Bowl Sunday is included in the "week of" hours. During the week prior to these two major events, the Martin Luther King holiday resulted in some hours worked being reported as "holiday-worked" and "excess regular." During the week of the two events, the added staffing is particularly evident in the increased Regular and Overtime hours.

### 2015 Event Dates

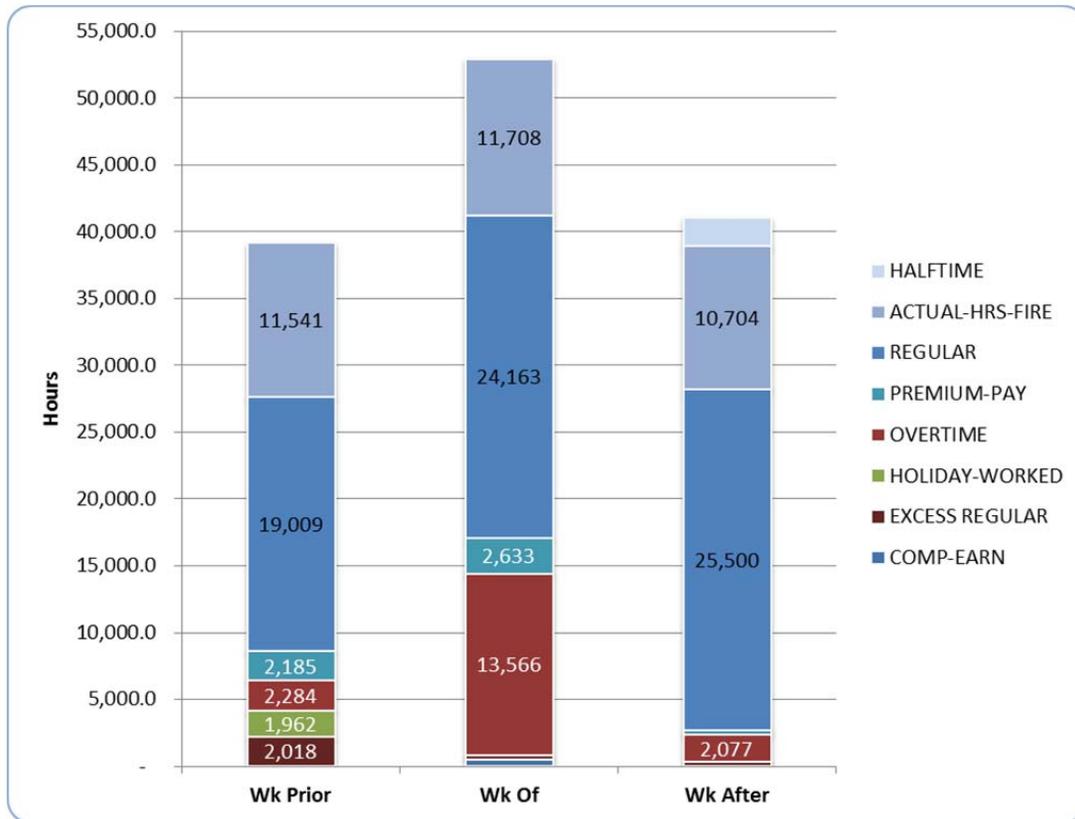
Pro Bowl - January 25

Waste Management  
Phoenix Open - January  
26 to February 1

Super Bowl - February 1

(Continued on next page.)

Figure 1. Police and Fire Department Hours Worked During the Week Prior, Of and After the Super Bowl and Open.



SOURCE: Auditor analysis of timesheet data for all Police and Fire department centers.

Police and Fire department management allocates staffing resources to be provided by the City. Within the Police department, a Special Events/Off-Duty section staffed by a sergeant and an administrative secretary manage the department's additional off-duty staffing for event producers. The Fire department is not authorized to operate a similar off-duty program.

Some on-duty personnel and related costs were originally recorded in the individual department cost centers, but by late May, most of these costs had been transferred to a newly created Super Bowl cost center.

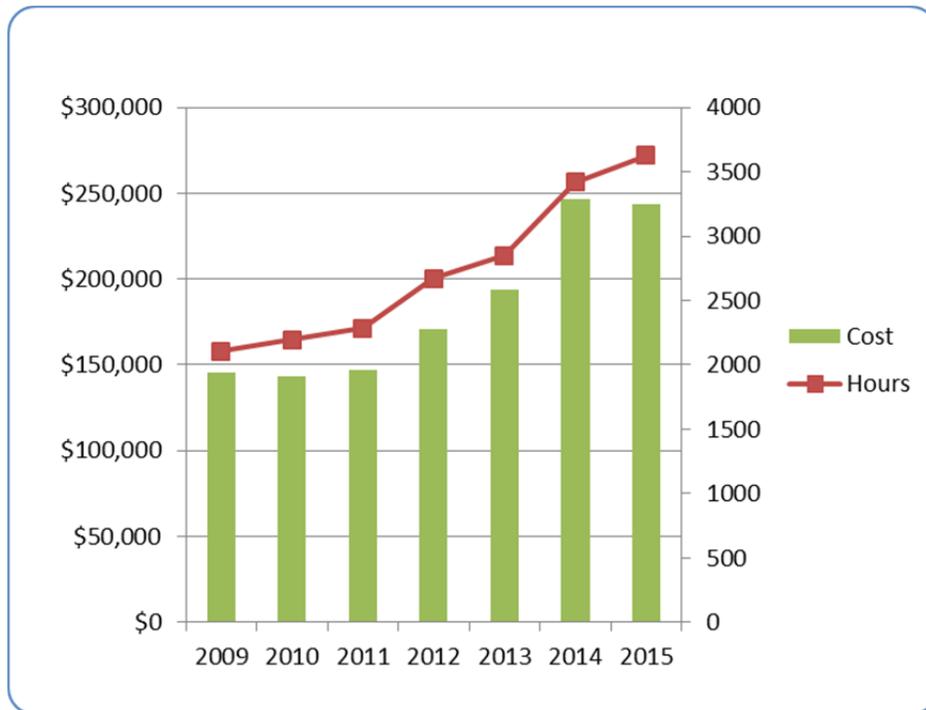
### Police Department

Shortly after the Super Bowl and Open events concluded, the Police department estimated its actual Super Bowl-related overtime would total \$773,000 - approximately 63% higher than the department had estimated on January 7, 2015.

In addition, the Police Department estimated incurring 3,600 overtime hours for the Waste Management Phoenix Open golf tournament, costing \$243,900.

As Figure 2 shows, the Department's hours for the Open tournament have increased steadily since 2009, though costs reported for 2015 are slightly lower than the prior year.

Figure 2. Police Department Waste Management Phoenix Open Hours, 7 Fiscal Years



SOURCE: Police Department provided history of Waste Management Phoenix Open hours and costs.

With the Super Bowl, Open and related events together, Police actual overtime costs were initially reported to total more than \$ 1.0 million.

These amounts exclude the additional hours that Police officers were paid by event producers for working off-duty assignments. As shown in Table 1, based on records from the Special Events/Off-Duty unit, Scottsdale Police officers worked an additional 4,326 hours. These assignments, paid at City-established rates directly to the officers, totaled approximately another \$202,000. As well, Police officers from other Valley cities worked almost 800 hours at Scottsdale off-duty events, earning approximately \$40,000.

Table 1. Summary of Special Event/Off Duty

Event	City Paid	Off-Duty	Other Cities *	Total Hours	Invoiced Amount
<b>Super Bowl related</b>					
Neiman Marcus	16	0	0	16	\$ 834
Valley Ho	39	0	0	39	2,126
Maxim	8.5	0	32.5	41	2,259
Fan Zone	336.5	293.5	141.7	771.7	38,797
Mall Interior	61.5	295.5	232	589	27,917
ESPN Broadcast	114	129	0	243	11,378
WestWorld Party	49.5	0	0	49.5	2,709
First Take	15.5	0	12	27.5	1,434
ESPN Hilton Hotel Detail	5	52.5	0	57.5	2,472
Super Bowl Host Committee	0	39.3	0	39.3	1,732
Other related events	0	0	269.5	269.5	14,593
City insurance fee					8,098
	<b>645.5</b>	<b>809.8</b>	<b>687.7</b>	<b>2,143.0</b>	<b>\$114,349</b>
<b>WM Phoenix Open related</b>					
Open	492.5	2,859.8	96.5	3,448.8	\$152,876
Birds Nest	14.8	656.8	0	671.6	29,722
	<b>507.3</b>	<b>3,516.5</b>	<b>96.5</b>	<b>4,120.4</b>	<b>\$182,598</b>
<b>Grand Total</b>	<b>1,152.8</b>	<b>4,326.3</b>	<b>784.2</b>	<b>6,263.3</b>	<b>\$296,947</b>

\* - Amounts for other cities' officers are billed using Scottsdale billing rates.

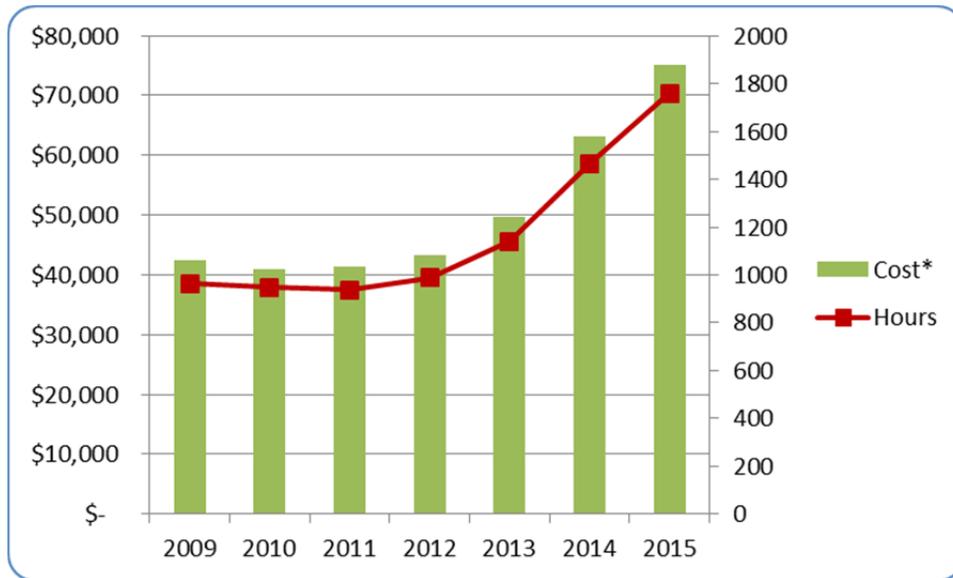
SOURCE: Auditor analysis of Special Event/Off Duty invoices and rates.

### Fire Department

Although the Fire department does not have an off-duty assignment program, it does bill event producers to recover the City's cost for additional staffing at events. The department estimated its Super Bowl and Open related events at approximately \$176,000.

Figure 3 illustrates the department's information provided on historical Waste Management Phoenix Open hours. As shown, the hours had been relatively steady, and then increased by 15% in 2013, by almost 29% in 2014 and by 20% this year. The department related these increases to increased attendance at the event and noted that Command and Control positions were added.

Figure 3. Fire Department Waste Management Phoenix Open Hours, 7 Fiscal Years



\* - The department provided its billed amounts, which approximate cost.

SOURCE: Fire department provided history of Waste Management Phoenix Open hours and billed amounts.

### Super Bowl Cost Center

A new unique Super Bowl cost center was established, and the departments recorded or transferred to that center the hours considered to be directly spent on the Super Bowl and related events. As of June 16, 2015, costs for Police, Fire and other departments total approximately \$892,000, as shown in Table 2 on page 8. Further, as shown in Figure 4 on the same page, the personnel costs are primarily overtime-related.

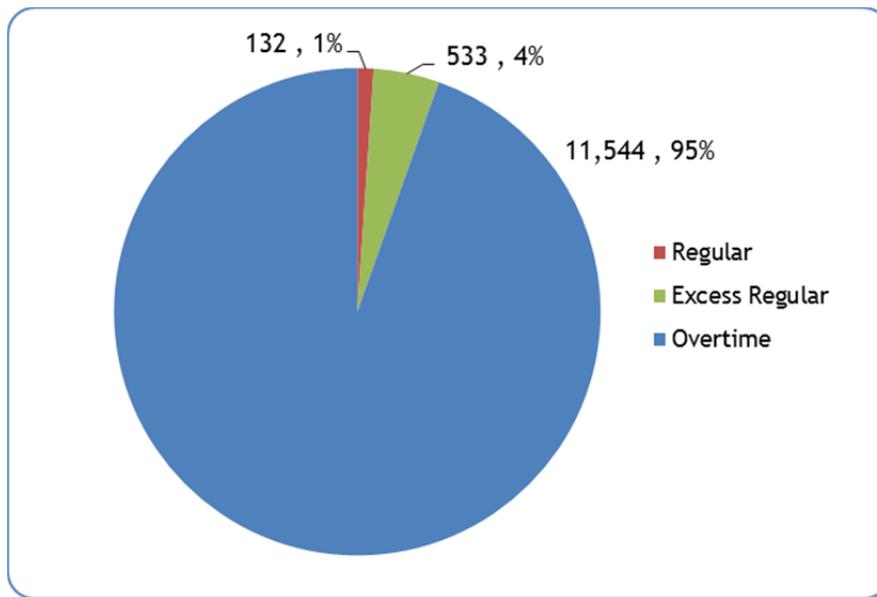
Table 2. Super Bowl XLIX Cost Center

	Police	Fire	Other Depts	Total
Personnel services	\$739,207	81,811	27,029	\$ 848,047
Contractual services	17,359*	2,824	16,119	36,302
Commodities	0	1,956	5,831	7,787
<b>Total</b>	<b>\$756,566</b>	<b>86,591</b>	<b>48,979</b>	<b>\$ 892,136</b>

\*\$13,133 of this amount was paid for other cities' officers and had corresponding revenue from the event producers.

SOURCE: Auditor analysis of Super Bowl XLIX cost center 21710 as of June 16, 2015.

Figure 4. Super Bowl XLIX Cost Center Hours



The Solid Waste department charged the 132 regular hours. The Police and Fire departments only charged overtime and excess regular (overtime at straight pay rates) hours to this cost center.

SOURCE: Auditor analysis of Super Bowl XLIX cost center hours as of June 5, 2015, pay period.

## OBJECTIVES, SCOPE, AND METHODOLOGY

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This audit, *Review of Super Bowl/Open Overtime*, was added to the City Council-approved fiscal year (FY) 2014/15 Audit Plan at the City Manager's request. The audit objective was to compare the Police and Fire departments' reported actual overtime to estimates made prior to these events, evaluate reliability of reported amounts and causes for the increases.

To gain an understanding of the departments' methods for staffing and monitoring overtime, we reviewed recent audits issued by this office. These audits included Audit No. 1503 - *Police Overtime*, Audit No. 1413 - *Fire Department Staffing*, Audit No. 1107 - *Overtime Controls and Practices*, and Audit No. 1011 - *Special Event/Off Duty Program*.

As well, we obtained department event staffing rosters and summaries of actual overtime along with supporting detailed reports. The Police department also provided records of special event off-duty assignments related to Super Bowl and Open events and copies of invoices that billed event producers for off-duty assignments. The Fire department provided a summary and detail of its billings to event producers for the department's staff time.

In addition to the department-provided records, we downloaded the City's payroll detailed expenditure and timesheet reports for January 18 through February 13, 2015, for the Police and Fire departments.

This audit found that the Police Department has identified several costs that were not included in its estimates. Timesheet and payroll data supported reported overtime amounts. As well, records show that several individual officers worked a significant amount of overtime or off-duty hours during this period. The department allowing some officers to use leave hours to work off-duty positions would have caused the City to pay overtime to provide coverage. Also, the City paid overtime for some on-duty officers to work off-duty positions that had not been filled. Billing rates did not fully recover the City's cost. The Fire Department overbilled some event hours due to a calculation error, and the department's billing rates do not fully recover the City's payroll cost.

We conducted this audit in accordance with generally accepted government auditing standards as required by Article III, Scottsdale Revised Code §2-117 et seq. 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. Audit work took place from March to June 2015.



## FINDINGS AND ANALYSIS

### 1. The Police Department can better estimate and control special event overtime.

A. The Police Department's own variance analysis has identified that it did not include certain related activities in estimating its likely overtime, even as recently as January 7, 2015. As shown in Table 3, in 2013 the Department based its initial \$200,000 estimate on the 2008 Super Bowl overtime hours. In January 2015, in response to a media inquiry, the Department updated this to \$475,000 to include planning and Pro Bowl-related overtime estimates. Although the department doubled the estimated hours to add the Pro Bowl efforts, the department's tracking codes only identify 67 hours as directly related.

In February, the department reported actual department costs that totaled at least \$252,400 more than the estimate made 3 weeks prior to the Super Bowl events.

**Table 3. Police Department Identified Causes of Increased Super Bowl Overtime\***

	Hours	Cost
Original Estimate for Super Bowl <sup>a</sup> (2013)	3,200	\$ 200,000
Addition of Pro Bowl event and regional meetings	3,500	250,000
Addition for planning		25,000
<b>January 7, 2015, Super Bowl-related Operations Estimate</b>	<b>6,700</b>	<b>\$ 475,000</b>
Overtime identified for Super Bowl-related Operations as of February 24, 2015	7,950	\$ 553,800
Other related overtime costs:		
Fashion Square Mall coverage (Fan Zone, Broadcast and SPD interior presence)	1,080	76,400
Scottsdale Emergency Operations Center staffed 24-hours/day	420	30,100
Scheduling rosters for multiple events	520	30,100
Technology (cameras/radios)	500	27,100
Private Party at WestWorld	80	5,100
Pro Bowl specific detail	80	4,800
<b>February 24, 2015, Department Reported Overtime</b>	<b>10,630</b>	<b>\$ 727,400</b>

<sup>a</sup> - Based on 2008 Super Bowl 5 day operational period.

\* - Amounts rounded.

SOURCE: Auditor summary of Police Department Super Bowl overtime analysis provided February 24, 2015.

These Police personnel costs exclude regular pay of associated direct staffing and indirect staff costs. They are not intended to reflect the full cost associated with supporting the special events.

- B. Nine individual officers reported working more than 80 hours of on-duty overtime during these events. In addition, twelve police officers reported working more than 80 off-duty hours for special events during this period, with one reporting 137 hours.

**Table 4. Ten Highest On-Duty Overtime and Off-Duty Hours Reported**

	Off Duty	On Duty Overtime	Total
1	0	141.0	141.0
2	137	2.5	139.5
3	0	125.0	125.0
4	0	103.5	103.5
5	102.5	0	102.5
6	0	102.5	102.5
7	102.0	0	102.0
8	97.8	0	97.8
9	96.5	0	96.5
10	96	0	96.0

SOURCE: Auditor analysis of overtime pay and event tracking codes.

Although the two officers with the largest amounts of on-duty overtime worked primarily in administrative roles, the others listed were working at event sites. These levels of individual overtime hours may represent an increased safety risk to the officers and the public. The department has policies limiting daily, weekly and annual hours worked, but these are not enforced during peak staffing.

- C. Officers were allowed to take more than 1,500 leave hours (including vacation, floating holiday and compensatory time used) to work in off-duty positions. This allows the officers to collect their regular pay while earning additional off-duty pay. As many as 45 officers and sergeants used leave hours on January 28 alone, while 41 took time off on January 29, 2015. During a high staffing period such as this, those leave hours would often result in other officers working at overtime rates to ensure the department’s required coverage.

As shown in Table 5 on page 13, if other officers worked overtime to cover all 1,500 hours, using the average \$64 per overtime hour during this period, this practice cost the City an additional \$96,000.

**Table 5. Leave Hours Taken by Police Officers and Sergeants, January 25 to February 1, 2015**

	Officer-Days (range)	Total Hours
Police Officer	139 (3 to 40 officers per day)	1,235.5
Police Aide	4 (1 aide per day)	39.5
Police Sergeant	23 (1 to 5 sergeants per day)	228.5
<b>Leave Hours Taken</b>		<b>1,503.5</b>
Average overtime rate (including benefits)		\$64.0
Estimated cost of overtime to cover leave taken		<b>\$96,224</b>

SOURCE: Auditor analysis of leave hours and overtime pay and hours.

- D. Matching the officers' reported actual hours to event rosters was not always possible. Some officers included on the rosters did not report hours for the particular event, or the reported actual hours varied from planned hours. As well, the on-duty and off-duty officers were difficult to distinguish on the special event rosters.

Based on the special event tracking codes for Super Bowl and Open related events, Police staff worked 15,609 on-duty hours at a cost of \$1.1 million. After the events concluded, the Special Event/Off-Duty unit and the Budget Manager adjusted reported event tracking codes to better match their understanding of assignments worked, resulting in the reported \$971,300 reported overtime total (\$727,400 for Super Bowl and \$243,900 for the Open). These corrections indicate better communication of the importance of event tracking codes may be needed for the officers and their supervisors to ensure timesheets are reliable. Further, due to the volume of hours recorded during this busy event season, it is more difficult for administrative staff to determine if the same hours worked were recorded for both on-duty and off-duty pay.

**Recommendations:**

The Police Department should:

- A. Use a more complete cost methodology for forecasting its costs associated with supporting special events.
- B. Ensure supervisory staff is managing the amount of individual hours being worked, including on-duty and off-duty assignments, to minimize the risk from officer fatigue.
- C. Carefully evaluate and manage the cost to the City of allowing officers to use leave hours during peak staffing events.
- D. Ensure time tracking codes are communicated to officers and supervisors so that hours worked are properly classified for management purposes.

2. The Police Department required some officers to fill off-duty positions, but event billings did not cover the City's costs for them.

The department stated that Scottsdale Police Department (SPD) officers did not volunteer for all the requested off-duty positions for special events. To fill the remaining slots, the department required officers to work. As a result, the City paid these officers on an overtime basis for the hours they were required to work in these positions.

The department billed event producers at Council-approved rates.<sup>1</sup> For the "forced" positions, the billings did not recover the City's incurred cost of salary, overtime when applicable, and benefits. As well, as shown in Table 6, more hours were recorded for these events than billed.

(Continued on next page.)

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<sup>1</sup> The Waste Management Phoenix Open event producer (the Thunderbirds) pays a lower rate that excludes the workers' compensation insurance fee due to providing its own coverage.

**Table 6. Summary of Police Department Event Billings and City Paid Overtime**

Event	Billed Hours	Billing at Off-Duty Rate	Corrected Billed Hours <sup>1</sup>	City Cost for Billed <sup>2</sup>	Payroll Hours <sup>3</sup>	City Cost for Payroll <sup>4</sup>
<b>Super Bowl related</b>						
Neiman Marcus	16.0	\$834	16.0	\$1,068	16.0	\$1,068
Valley Ho	39.0	\$2,126	40.5	\$2,621	40.5	\$2,621
Maxim	8.5	\$565	8.5	\$821	35.5	\$2,130
Fan Zone	336.5	\$17,542	336.5	\$24,168	510.0	\$36,629
Mall Interior	61.5	\$3,206	61.5	\$4,292	570.5	\$39,811
ESPN Broadcast	114.0	\$5,943	90.0	\$6,591	90.0	\$6,591
WestWorld Party	49.5	\$2,709	45.0	\$3,167	45.0	\$3,166
First Take	15.5	\$808	15.5	\$885	20.5	\$1,142
ESPN Hilton Hotel Detail	5.0	\$261	9.5	\$745	9.5	\$745
<b>Department Total Billed</b>	<b>645.5</b>	<b>\$33,994</b>	<b>623.0</b>	<b>\$44,357</b>	<b>1,337.5</b>	<b>\$93,903</b>
Taste of NFL - not billed		\$0	35.5	\$2,904	35.5	\$2,904
<b>Revised Total</b>	<b>645.5</b>	<b>\$33,994</b>	<b>658.5</b>	<b>\$47,261</b>	<b>1,373.0</b>	<b>\$96,807</b>
<b>WM Phoenix Open related</b>						
Open	492.5	\$20,749	492.5	\$33,184	3,362.4	\$236,470
Birds Nest	14.8	\$621	14.8	\$994	574.5	\$42,574
<b>Department Total Billed</b>	<b>507.3</b>	<b>\$21,370</b>	<b>507.3</b>	<b>\$34,178</b>	<b>3,936.9</b>	<b>\$279,044</b>
<b>Both Events</b>	<b>1,152.8</b>	<b>\$55,364</b>	<b>1,165.8</b>	<b>\$81,439</b>	<b>5,309.9</b>	<b>\$375,851</b>

1 - The billed hours are used for comparison purposes, except for minor error corrections.

2 - These are actual amounts except when significant additional staffing was provided. For those larger events, an average hourly cost was used.

3 - Approximate City-paid hours as event tracking codes were not used consistently. Hours are based on the department's analysis, event tracking codes and officer timesheet notes. These hours include traffic management, which the department does not bill.

4 - These are actual amounts, except the Open/Birds Nest payroll hours and amounts exclude regular hours, which are not billed.

SOURCE: Special Event/Off-Duty Invoices and supporting timesheet detail.

As an alternative, the Police department could have offered these additional positions to other cities' officers or staffed the positions with on-duty SPD officers. Of the 6,200 hours of special event off-duty positions to be filled, off-duty SPD officers worked 4,326 off-duty hours, on-duty SPD officers worked approximately 1,153 billed hours, and officers from other Valley cities worked almost 800 off-duty hours.

**Recommendation:**

The Police Department should develop a thorough, documented cost analysis for estimating City paid and off-duty overtime hours involved in supporting special events.

3. The Fire Department did not accurately summarize its Super Bowl and Open overtime costs.

The department estimated overtime costs for Super Bowl and Open events to total \$176,000. However, errors were made in summarizing Super Bowl and Open overtime for billing purposes and for management reporting purposes.

In summarizing the Waste Management Phoenix Open hours worked, a formula error resulted in counting 367 hours twice. This error resulted in overbilling the event sponsor about \$14,600. The department is in the process of correcting this event billing.

As well, minor errors occurred when the department management learned that certain employees were not deemed eligible for overtime pay after the hours had been worked. These 38.75 hours represented about \$2,700 in overtime costs at the \$70 billing rate.

Table 7. Summary of Fire Department Super Bowl/Open Overtime<sup>1</sup>

Event	Hours	Billing	Cost
<b>Super Bowl and related events</b>			
Downtown area	1,488	\$ 0	\$ 69,844
Fire & Life Safety <sup>2</sup>	231	16,170	14,422
Fan Zone	105	4,200	4,609
Media Party & HIT Team	34	1,340	1,515
Taste of the NFL	32	1,280	1,527
Private Party at WestWorld	13	520	544
Snooper Bowl	12	480	572
	<b>1,915</b>	<b>\$ 23,990</b>	
<b>Waste Management Phoenix Open</b>			
Operations <sup>3</sup>	1,605	64,200	78,794
Fire & Life Safety	154	10,800	11,160
	<b>1,759</b>	<b>\$ 75,000</b>	
	<b>3,674</b>	<b>\$ 98,990</b>	<b>\$182,987</b>

1 - All amounts rounded. Hours based on auditor analysis; billing based on department summary; cost based on City timesheet and payroll reports.

2 - These hours include 72 hours worked by Planning staff in conjunction with Fire & Life Safety staff.

3 - This amount has been corrected from the \$78,920 initially billed.

SOURCE: Auditor analysis of Fire Department-provided summary and detailed payroll costs.

The department's rates did not fully recover the City's costs for billed events.

**Recommendation:**

The Fire Department should include an independent review process prior to invoices being mailed. Also, the department should review its billing rates to ensure they more closely align with actual costs.

## MANAGEMENT ACTION PLAN

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### 1. The Police Department can better estimate and control special event overtime.

#### Recommendations:

The Police Department should:

- A. Use a more complete cost methodology for forecasting its costs associated with supporting special events.

MANAGEMENT RESPONSE: Agree

Initial estimates were based on the 2008 Super Bowl which included a 5 day operational period. Revised estimates did not account for increased mandates by the federal government, the regional cooperative and technology preparations that were not known at the time. These mandates were all due to a heightened increase in security concerns. Finally, the Department was unaware until the final hour that officers would be "forced into" off-duty position that were not filled voluntarily. Due to FSLA rules, these hours were charged to the City as opposed to billing the vendor. A small portion of the expense was reimbursed by the vendor.

RESPONSIBLE PARTY:

Department leadership  
Budget Manager  
Special Events Unit

- B. Ensure supervisory staff is managing the amount of individual hours being worked, including on-duty and off-duty assignments, to minimize the risk from officer fatigue.

MANAGEMENT RESPONSE: Agree

RESPONSIBLE PARTY:

Sergeants, Lieutenants, Commanders

- C. Carefully evaluate and manage the cost to the City of allowing officers to use leave hours during peak staffing events.

MANAGEMENT RESPONSE: Partially Agree

This year was unique in that there were over 54 events in a 10 day period. Historically the Department has allowed leave for signature events as a necessity to fill the off-duty positions at the Waste Management Phoenix Open. Sergeants ensure no squad is left below minimums when leave is taken. Allowing officers to use vacation and work off-duty at special events provides familiarity for vendor ultimately increasing the safety of the event. This does not provide any fiscal challenges during the course of a normal event season and only becomes an issue for discussion and review when the Super Bowl comes to the Valley.

RESPONSIBLE PARTY:  
Department leadership  
Sergeants

- D. Ensure time tracking codes are communicated to officers and supervisors so that hours worked are properly classified for management purposes.

MANAGEMENT RESPONSE: Agree

Initially the Department issued a tracking number specific to the Pro Bowl and another number specific to the Super Bowl. As the number of events increased, the Department agreed to use only the Super Bowl tracking number for event operations, and individual tracking numbers for vendor sponsored events.

RESPONSIBLE PARTY:  
Special Event Unit

- 2. The Police Department required some officers to fill off-duty positions, but event billings did not cover the City's cost for them.

**Recommendation:**

The Police Department should develop a thorough, documented cost analysis for estimating City paid and off-duty overtime hours involved in supporting special events.

MANAGEMENT RESPONSE: Partially Agree

The Department estimates costs related to Special Events that are paid by the City. These estimates are based on prior events and included in the Department's overall overtime budget. Costs paid by vendors are billed at the contract rate (current contract states 10% above the highest paid at each rank). The Special Event Unit works with vendor to determine the appropriate number of Department personnel and fills off-duty jobs based on agreed upon number of officers, hours and contract rate.

Due to the amount of events that were approved throughout the 10 days, some events were not staffed voluntarily. To ensure safety, officers were forced into positions to meet contract obligations. Due to FSLA rules, those officers entered time into Webtime and were paid by the City. The City was only able to invoice the vendor at the agreed upon off-duty rate.

Future large scale signature events will require officers to volunteer for off-duty positions by a certain cutoff date. Once the date has passed, available officers will be reassigned to fill the remaining event vacancies on normal duty time.

RESPONSIBLE PARTY:  
Department Leadership  
Budget Manager  
Special Event Unit

3. The Fire Department did not accurately summarize its Super Bowl and Open overtime costs.

Recommendation:

The Fire Department should include an independent review process prior to invoices being mailed. Also, the department should review its billing rates to ensure they more closely align with actual costs.

MANAGEMENT RESPONSE: Agree

PROPOSED RESOLUTION:

The billing process is currently reviewed by the Division Chief of Operations and the Administrative Secretary. Although both reviewed this billing numerous times an error occurred in the Excel formula resulting in the additional hours billed. Our new process will involve an audit by the Senior Management Analyst who will review the invoice and actual expenditure reports prior to billing. This process will provide the independent review as well as reviewing rates and actual cost.

The department did have 2 individuals who worked additional hours but those employees did not receive overtime pay. The fire department has positions that are normally exempt from overtime but based on operational need these positions are required to work an excessive amount of additional hours during special events. Human Resources has approved an exempt list that allows these individuals to receive straight pay for any additional hours worked. The 2 individuals were an oversight by fire management and have been placed on the exempt list by Human Resources.

Due to the reductions in administrative staff in the fire department over the last 6 years, the remaining staff has taken on additional responsibilities and strives to provide excellent service. Occasionally errors will occur as the workload increases, but ever effort will be made to mitigate those errors.

RESPONSIBLE PARTY:

Division Chief and Senior Management Analyst

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