



At a Glance

Why We Did This Project

The U.S. Environmental Protection Agency's (EPA's) Office of Inspector General (OIG) conducted this audit to address concerns about time and attendance irregularities within the Office of Air and Radiation. These concerns were identified in a prior OIG audit. Our objectives for this audit were to identify and analyze risks in the Office of Air and Radiation's timekeeping practices.

The U.S. Office of Personnel Management develops and maintains governmentwide regulations and policies on federal agencies' administration of leave for their employees. According to the U.S. Government Accountability Office, the primary objectives of internal controls in a time and attendance system are to obtain compliance with applicable legal requirements, support the reporting of reliable financial information, and operate effectively and efficiently.

This report addresses the following:

- *Operating efficiently and effectively.*

Address inquiries to our public affairs office at (202) 566-2391 or OIG_WEBCOMMENTS@epa.gov.

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Outdated EPA Leave Manual and Control Weaknesses Caused Irregularities in the Office of Air and Radiation's Timekeeping Practices

What We Found

Entitlements under the Family and Medical Leave Act of 1993 are not formalized in the EPA's *Leave Manual*. Without a policy that is updated to reflect current law, staff and supervisors may not be aware of or fully understand leave entitlements under the act, which may result in decisions about leave that are contrary to public law. Furthermore, our analysis of time and attendance records identified untimely prior pay period adjustments, which resulted in salary overpayments. We also identified the improper approval of Travel Compensatory Time Off—time off earned for time spent in a travel status away from the employee's official duty station that is not otherwise compensable.

These conditions occurred due to a lack of three things:

- An up-to-date policy and understanding of leave entitlements under the Family and Medical Leave Act of 1993.
- Controls over pay period adjustments.
- Supervisory enforcement of established time frames for submittal of Travel Compensatory Time Off.

Without additional internal controls, employees can make after-the-fact timekeeping adjustments to create salary overpayments and/or improperly restore leave balances. Employees may also receive Travel Compensatory Time Off that is not in compliance with the EPA's *Pay Administration Manual*.

The Office of Air and Radiation needs policies to increase awareness of and controls to strengthen timekeeping practices.

Recommendations and Planned Agency Corrective Actions

We made various recommendations to the agency for improving its timekeeping practices, including updating the leave policy to reflect current law and regulations pertaining to the Family and Medical Leave Act of 1993, establishing time frames and controls for prior pay period adjustments, and enforcing compliance with the required time frames for the submittal and approval of Travel Compensatory Time Off. The EPA should also determine whether employees should forfeit improperly credited Travel Compensatory Time Off hours, as required by the EPA's *Pay Administration Manual*, and whether the agency should recover the value of awarded and used time off as needed. Of the report's five recommendations, we consider Recommendations 1, 2 and 3 to be unresolved; Recommendation 4 to be completed; and Recommendation 5 to be resolved with corrective action pending.