Audit of Employee Time Coding Process

Project #13-13

Prepared by
Office of the Inspector General

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SOUTH FLORIDA WATER MANAGEMENT DISTRICT

November 14, 2013

Audit and Finance Committee Members:
  Mr. Jim Moran, Chair
  Mr. Tim Sargent, Vice Chair
  Mr. Glenn Waldman, Member
  Mr. Juan Portuondo, Member

Re: Audit of Employee Time
Coding Process - *Project No. 13-13*

This audit was performed pursuant to the Inspector General's authority set forth in Chapter 20.055, F.S. Our objectives primarily focused on determining whether there is an adequate process in place to ensure that employees' time charges reflect the activities they performed. Jankie Bhagudas and I prepared this report.

Sincerely,

J. Timothy Beirnes, CPA
Inspector General

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BACKGROUND

In accordance with the Office of Inspector General's Fiscal Year 2013 Audit Plan, we conducted an Audit of Employee Time Coding Process.

On a bi-weekly basis, District employees' timesheets are required to be completed using SAP's Employee Self Service (ESS) or the Cross-Application Time Sheet (CAT2). ESS is a web based tool that employees can access from the District's portal page to complete their timesheets. CAT2 is utilized by employees and certain administrative employees who are designated as time administrators to complete timesheets for employees in their area. In these instances, employees are required to provide time administrators with their necessary work and/or leave activities. After timesheets are completed, they are released in SAP for supervisory approval. Then time is transferred to update other SAP integrated components; for example, Project System, Plant Maintenance, and Financial.

Timesheets contain fields for information such as cost center, work order number, project network and activity codes (the codes represent specific project related tasks and in some cases the planned staff), functional area, grant number, work center, plant number, and attendance and absence types. In the SAP Human Resources module, each employee is assigned certain default information; for example, organization unit, fund, cost center, and functional area[1]. This information is referred to as their master data. If employees performed work relating to their cost center and functional area, they simply have to record their attendances and absences for the bi-weekly time period. The system does not require employees to enter other data; such as, cost center and resource functional area. Time will be charged to their default master data and SAP is programmed to populate the timesheet with the required data (e.g., cost center, fund, and functional area). Most employees assigned to the Administrative Services Division complete their timesheet in this manner. It should be noted that SAP contains several timesheet validations; for example, checks to ensure that absences are charged to an employee's default master data.

When employees work on projects and internal/work orders[2] they are required to input additional information. For project related activities, employees are required to enter the respective network and activity codes; they are not required to input other information such as cost center and functional area. The network and activity codes are linked to all other data. Project managers are required to provide codes to other District staff assisting on their projects so that time is charged to the correct activities. Projects are tracked in the District's SAP Project System module. Project System is used to plan and manage all types of District's projects across their entire life cycle (initiation, planning, execution, closeout, and monitoring and control) and is integrated with other SAP modules. It also facilitates tracking of internal labor and project reporting. As of February 2013, there were about 180 active projects being tracked in Project System. Further, the internal labor costs for these projects are estimated to be $56 million (about 3% of the total estimated project costs). The Metrics Section provides support to project managers to ensure project information in Project System is updated and accurate. In addition, the Metrics Section provides training in Project System and project controls.

The Operations, Maintenance and Construction Division's plant employees (i.e., employees assigned to field stations) who perform plant maintenance activities, such as equipment preventive maintenance, structure, canal and levee maintenance activities, are required to charge their maintenance activities to work orders. Employees working on plant maintenance activities are required to input work order numbers and the operation numbers. They are not required to input other information; such as plant and cost center. When work orders are created there are certain validations in place to ensure that only employees can charge time to the work order. In 2012, there were about 43,000 work orders. It should be noted that the District's field station employees will be performing more project related activities and the work orders related to these activities are linked to project network and activity codes when the respective work orders are created.

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[1] Functional area is the program an employee is assigned to; for example, Budget Development / Report, Structure Inspections, and Engineering Support.

[2] Work orders contain details on resources and component costs. They are used in planning, scheduling, and executing tasks in SAP Plant Maintenance module. Internal orders are used only in specific instances; for example, to track costs associated with a land purchase and storm/hurricane costs.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objectives primarily focused on determining whether there is an adequate process in place to ensure that employees' time charges reflect the activities they performed.

To accomplish our objective, we obtained an understanding of the process in place for charging time worked by interviewing staff in SAP Solutions Center, Metrics Section, Finance Bureau, and Budget Bureau. We also interviewed project managers, section leaders, section administrators, and other relevant District staff.[3] We selected a sample of section leaders, project managers, and other employees assigned to various areas throughout the District and analyzed their time charges for the period January 1, 2012 to February 28, 2013. We met with relevant staff to determine whether the time charges to project activities and cost centers appeared reasonable based on the work performed by employees. In addition, we selected a sample of projects and met with the project managers to determine whether employees who assisted on their projects charged time to the project network and activity codes. We also determined whether there were adequate controls in place to monitor changes to project data maintained in the District's SAP Project System module.

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.

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[3] It should be noted that our tests excluded employees assigned to the Administrative Services Division since most of these employees charge their time to default cost centers and functional areas.

AUDIT RESULTS

Executive Summary

Overall, employees working on project related activities are charging their time to network and activity codes when completing their bi-weekly timesheets. For example, we analyzed time charges by 92 employees assigned to the various sections of the West Palm Beach and Fort Lauderdale Field Stations and concluded that employees' charges to work orders and cost centers appeared reasonable.

However, we found that further efforts are required to ensure that employees in other areas of the District accurately charge their time to reflect the activities they work on. We found that some employees who primarily work on project related activities did not always charge their time to project network and activity codes as required. Specifically, a section administrator, section leaders, and most employees (e.g., project managers) assigned to the Construction Bureau's Engineering Design and Project Management Sections did not always charge time to project related activities, as required. For example, section leaders should charge about 80% of time worked to project activities and 20% to cost centers. However, we found that one section leader who charged 75% of his time to cost centers and only 25% to project activities.

In addition, employees throughout different areas of the District who assist on projects did not always charge their time to project activities. Specifically, we reviewed the projects managed by seven project managers and all seven project managers identified employees throughout different areas of the District (for example, Infrastructure Management Bureau, Applied Sciences Bureau, and Modeling Sections) who worked on their projects, but did not always charge their time to the project activities.

We also analyzed time charges of employees assigned to four sections across the District that assist with project activities to determine whether employees were charging time to projects when they worked on such activities and whether charges to cost centers were justifiable. Overall, the section leaders concluded that their staff's time charges

were reasonable based on their overall job responsibilities. However, during our discussions with project managers we concluded that there were a few instances where employees of these sections worked on their projects and did not charge their time to project related activities as required. Thus, this appears to be an issue that requires section leaders to review timesheets more closely to ensure that time charges reflects the activities worked. There are several effects if employees' time charges do not reflect the activities they actually worked on. For example, for cost share projects with the Army Corps of Engineers, the District may be eligible to receive in-kind credit for internal labor hours incurred for certain CERP related activities (for example, design and engineering costs) and credit can only be requested if the internal labor is charged to activities/orders. In addition, accurate time charges are essential for proper resource planning, budgeting, and performance evaluation. Correct time charges also indicate adequate controls over time and that supervisors responsible for approving time are aware of their staff's activities.

Further, the District does not currently have any formal change control process to document and justify changes to project data in Project System. Specifically, there is no structured process to ensure that changes to project information such as changes to a project's performance measurement baseline scope, schedule, resources, and costs are justified and authorized by designated staff. As a result, certain project data contained in project performance reports presented to management may not be representative of a project's true performance.

Engineering and Construction Bureau's Staff need to Improve Time Charges to Project Activities

Since employees assigned to the Engineering and Construction Bureau primarily work on projects that require them to charge most of their time worked to project network and activity codes, we reviewed their time charges to determine whether time was being charged to projects. We concluded that employees assigned to the Bureau's Engineering Design and Project Management Sections[4] should be charging more of their time to project activities and less time to cost centers to ensure that their time charges accurately reflect the activities they worked on. The results of our analysis are detailed in the following sections.

Section Leaders' Time Charges

Engineering and Construction Bureau's section leaders should charge about 80% of their time worked to project activities and the remaining 20% to cost centers; however, our analysis of the five section leaders' time charges, from January 1, 2012 to February 28, 2013, disclosed that none of the five section leaders assigned to the Bureau's Engineering Design and Project Management Sections charged 80% of their time worked to project activities. We found that charges to cost centers ranged from 22% to 75% of time worked and charges to project activities ranged from 25% to 78% of time worked. The results of our analysis are summarized in the following table:

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[4] We did not analyze time charges by the Bureau's Project Development Section because employees time is charged primarily to cost centers.

Engineering & Construction Bureau's Engineering Design and Project Management Sections' *SECTION LEADERS*						
Total Hours Worked (*Excludes Absences*) January 2012 to February 2013						
Section Leader	**Charged to Cost Centers**		**Charged to Projects**		**Total**	
#1	1,363	75%	450	25%	1,814	100%
#2	1,368	67%	660	33%	2,028	100%
#3	1,237	58%	900	42%	2,138	100%
#4	542	25%	1,624	75%	2,166	100%
#5	440	22%	1,606	78%	2,050	100%

Further, our analyses disclosed that Project Management Section's section leaders did not charge time to all projects that they are assigned. For example, we found the following:

➢ Section Leader #2 was responsible for 28 projects, based on an April 2013 Project System report; however, he charged time to only five projects for a total of 660 hours.

➢ Section Leader #3 was responsible for 24 projects, based on an April 2013 Project System report; however, he charged time to only three of the 24 projects for a total of 136 hours. It should be noted that Section Leader #3 charged time to four additional projects listed on the Project System report for a total of 764 hours and 675 hours of these hours were made to one project. In sum, 75% of this section leader's time charged to project activities was charged to a single project.

In addition, according to the Bureau Chief, section administrators should charge approximately 60% of their time worked to project activities and the remaining 40% to cost centers; however, we found that the Section Administrator for the Engineering Design Section charged 93% of his time worked to cost centers and only 7% to project related activities.

__Other Engineering Design and Project Management Staff's Time Charges__

Construction and Engineering Bureau employees reporting to section leaders should be charging 100% of their time worked (excludes leave time) to project activities since they manage projects. However, our analysis of the 40 employees' time charges, from January 1, 2012 to February 28, 2013, disclosed that only 6 of the 40 (15%) employees charged 100% of their time worked to project activities. In addition, we noted that 12 of the 40 (30%) employees charges less than 79% of their time work to project activities. The results of our analysis are summarized in the following table:

Engineering Design and Project Management Sections' Employees' Time Charges to Project Activities and Orders (*Excludes Section Leaders*)	Number of Employees	
100%	6	15%
99% - 90%	13	32%
89% - 80%	9	23%
79% - 70%	6	15%
69% - 60%	4	10%
Less than 60%	2	5%
Total	**40**	100%

Improved Controls Needed to Ensure Employees Assisting on Projects Charge Time to Projects

Based on our discussions with project managers assigned to various resource areas throughout the District, Metrics Section, and Budget Bureau staff, we concluded that employees who assist with project related activities do not always charge time worked on project activities to the project network and activities codes as required when they complete timesheets. Incorrect timesheet charges have several effects; for example, actual costs of projects may be understated and resource budgeting may be impacted. It should be noted that according to staff, over the past years charges to projects activities have improved. According to the Metrics Section's staff who assist project managers with updating their projects in Project System, it is a known fact that some employees who assist on projects do not always charge time worked on projects to network and

activity codes. Further, in some instances after an activity is completed and no time was charged to the activity, some project managers choose to delete the activity in Project System, while others choose to leave the activity to show that the activity was completed but employees did not charge any time.

As part of our audit tests, we obtained internal labor data maintained in Project System for projects managed by seven project managers and reviewed the internal labor charges with the project managers to determine the reasonableness of the charges. Based on the labor charges in Project System, all seven project managers identified employees throughout different areas of the District who worked on their projects, but did not charge all time worked on the network and activity codes; for example, we noted the following during our discussions with the project managers:

> *Project #100686 – CERP Monitoring and Assessment Plan*: The Project Manager had to speak with supervisors of two employees of the Applied Sciences Bureau who were working on this project, but not charging time to the project activities.

> *Project #100521 – S150 Replacement and Automation*: An employee from the Infrastructure Management Section typically performs technical reviews of project designs and provides comments, but not does charge time to the projects.

> *Project #100522 – G151 Structure Replacement*: An employee from the Real Estate Management Section worked on the project, but have not charged and time to the project.

> *Project #100678 – LOW Pre-Drainage Characterization*: Two modeling staff from the Hydrologic and Environmental Systems Modeling Section performed modeling work, but have not charged time to the project.

> *Project #100813 – Restoration Strategies L-8*: Several employees from the Engineering and Construction Bureau have not charged all time worked to this project.

➤ *Project #100170 – S21 Cathodic Protection & Assoc. Repairs*: During December 20, 2012 to December 31, 2013, an estimated 678 hours were allocated for an engineer during construction. However, as of April 11, 2013, the assigned engineer charged only eight hours to the project's engineering activity. The eight hours were all charged on December 20, 2012. According to the Project Manager, he frequently communicates with engineer about the project regarding submittal reviews and other project related activities.

➤ *Project #100594 – S-13 Repowering and Automation*: Survey and Mapping Section staff performed work; however, time charges were not made to the survey related activities.

According to the project managers, they provide employees working on their projects with the project related network and activity codes that they should charge time to; however, they have no authority to ensure that employees will accurately charge time to the project network and activity codes. Specifically, the project managers explained that they do not review or approve employees' timesheets because most employees working on project related activities are assigned to different areas throughout the District and employees' supervisors responsible for approving timesheets should ensure that time charges accurately reflect the activities employees performed. As a result, the project managers rely on the employees and their supervisors to ensure that time charges are accurate.

It should be noted that after timesheets are approved, time charged to specific network and activity codes in Project System are updated to reflect the hours charged. According to the project managers, if they become aware that employees working on their projects do not charge time to project activities, they remind them and in some cases inform the employees' supervisors that time should be charged to the projects worked on.

In order to improve employees' charges to projects, the Metrics Section has developed a tool, *Project System Time Sheet Charge Tracking Spreadsheet*, which is included in the District's Friday Morning Reports, to assist project managers, section

leaders, section administrators, and other staff to determine whether employees are charging time to project activities. Specifically, the spreadsheet is user friendly and includes the following information: project manager, project description, network and activities codes, description of activity and planned employee, planned dates, and planned and actual hours. By using the spreadsheets, managers and project manager can easily determine which employees were planned for project activities and whether the employees are charging time to the activities.

Other Analyses of Time Charges

Time Charges by Field Station Employees

As part of our audit, we analyzed time charges, during the period January 1, 2012 to February 28, 2013, for 55 employees assigned to the various sections of the West Palm Beach Field Station and 37 employees assigned to various sections of the Fort Lauderdale Field Station. Our analysis disclosed that employees' charges to work orders and cost centers appeared reasonable. It should be noted that as part of our tests, we provided the preliminary results of our analyses to field stations' superintendents and requested that they confirm whether the percentage of the each sampled employee's charges to work orders and cost centers appeared reasonable. In instances, where a large percentage of time was charged to cost centers we requested explanations.

Overall, based on our analysis and the field stations' staff input, we concluded that charges to work orders and cost centers were reasonable. Specifically, based on the nature of certain employees' responsibilities, most time is charged either to work order or cost centers. For example, professional supervisors charge their time to cost centers because their responsibilities include operational and human resource management of assigned staff, SAP activities, budget processing, supporting management directed analysis, reports and presentations, emergency preparedness, timekeeping, training and attending meetings. We noted that several plant maintenance employees charged as much as 98% of their time to work orders.

Time Charges by Employees in Various Sections

We also analyzed time charges, during the period January 1, 2012 to February 28, 2013, of employees assigned to four sections across the District that assist in project activities to determine whether employees charged time to projects when they worked on projects and whether time charged to cost centers were justifiable. The sections and the number of employees are as follows:

➢ Water Resources Modeling – 11 employees

➢ Regional Modeling – 9 employees

➢ Survey and Mapping – 12 employees

➢ Infrastructure Management – 20 employees

As part of the tests, we discussed each employee's time charges with their section leaders. It should be noted that the Infrastructure Management Section has taken steps within the last year to ensure that all employees understand how to charge time to projects activities.

Overall, the section leaders concluded that each employee's charges were reasonable based on the employee's overall responsibilities. Section leaders were also aware of what tasks and projects their staff were working on. However, during our discussions with project managers we concluded that there were a few instances where employees of these sections worked on their projects and did not charge their time to project activities as required. Thus, this appears to be an issue that requires section leaders to review timesheets more closely to ensure that time charges reflects the activities worked.

Time Charges by Project Managers

Overall, our analysis of seven project managers' time charges, assigned to the Water Resources Division, and the Office of Everglades Policy and Coordination, disclosed that most charged their time worked to project related activities. Specifically, for the period covering January 1, 2012 to February 28, 2013, we found the following:

➢ Six of the seven project managers charged anywhere from 0% to 6% of time worked to cost centers and charged anywhere from 94% to 100% of time worked to project activities and work orders. It should be noted that minimal time was charged to work orders.

➢ One project manager charged 29% of time worked to cost centers and 71% of time worked to project activities and work orders. This project manager supervises six employees, thus, the cost center charges appear reasonable.

Time Charges to Grants

The District receives reimbursement for staff time spent on grant related activities for four grant agreements. District employees working on these grants are required to charge time spent on the grants to order numbers or network and activity codes. A review disclosed that there were internal labor charges to these grants.

Importance of Correct Time Charges

There are several effects if employees' time charges do not reflect the activities they actually worked on. For cost share projects with the Army Corps of Engineers (Corps), the District may be eligible to receive in-kind credit for internal labor hours incurred for certain CERP related activities (for example, design and engineering costs). Internal labor costs are detailed in monthly *Validation Reports*, which are required to be approved by the respective project manager, for each project submitted to the Corps. The internal labor costs are included in the *Validation Reports* only if employees working on CERP related projects charge their time to the correct network and activities codes and orders. Charges to cost centers and functional areas are not eligible for in-kind credit. Thus, if staff working on CERP projects do not charge their time to the correct network codes and orders, the District may lose potential credits.

When time worked on projects is not charged to project network and activity codes, time is charged to cost centers and functional areas. Inaccurate time charges to network and activity codes can understate actual project hours and costs, and impact

resources needed for future projects. Further, charges to cost centers cannot be used to determine project cost and resource requirements. In addition, incorrect charges time to projects can distort actual internal labor costs of projects, which in turn can impact the budgeted costs of future projects. It should be noted that actual project costs are used to measure a project's Cost Performance Index (CPI), i.e., whether a project is on budget, under budget, or over budget. The CPI is the earned value divided by the actual cost; thus, lower (inaccurate) actual cost would indicate result in a favorable CPI. True cost performance is driven by accurate costs.

Correct time charges also indicate adequate controls over time and that supervisors responsible for approving time are aware of their staff's activities. Accurate labor charges also allow management to accurately monitor where resources are allocated and staff's productivity; for example, how many engineers were allocated to a project or a specific phase of the project and the time spent.

Implement Project System's
Change Control Process

Currently, the District does not have any formal change control process to document and justify changes to project data in Project System. Specifically, there is no structured process in Project System to ensure that changes to project information; such as changes to a project's performance measurement baseline scope, schedule, resources, and costs, are justified and authorized by designated staff. There is no historical baseline data for projects in Project System because performance measurement baseline data is not maintained and changes made to certain project data becomes the new baseline.

In sum, a project's performance is not measured against any historical/baseline data. Instead, performance is determined based on updated/revised data in Project System. As a result, certain project data contained in project performance reports presented to management may not be representative of a project's true performance. For example, a project's Schedule Performance Index (SPI) and Cost Performance Index

(CPI)[5], which measures whether the project is on schedule and on budget, respectively, may not be a fully accurate representation of the project's performance. Specifically, these indices are determined using a project's earned, planned, and actual values. Currently, since baseline data is not maintained and changes can be made in Project System without authorization, the indices and grades assigned to a project may not be reflective of a project's true performance.

In regards to internal labor charges, upon completion of an activity some project manager may change the number of estimated hours in Project System to reflect actual number hours charged. Further, if there are not labor charges to an activity that has been completed the activity may be deleted. These changes can impact the estimated and actual costs. Although internal labor charges to a project usually represent a small percentage of a project's total cost, accurate baseline data is beneficial to estimate internal labor for future projects.

According to the Metrics Section's staff, a draft change control process is being developed; which includes conditions that may and may not warrant changes to a project. The process is anticipated to be finalized and tested before the beginning of Fiscal Year 2014. Beginning in Fiscal Year 2014, all projects will be subjected to change control and evaluated on performance measurement baselines.

It is important to ensure that Project System reflects accurate project performance data since the data can be used to manage resource allocations and measure staff efficiency. Further, true project performance cannot be measured without a baseline; for example, no comparing estimated and actual hours, staff performance cannot be accurately measured, and the internal labor data cannot use historical source for planning and lesson learned. In addition, since District staff will be performing project activities previously contracted out, it is important that internal labor costs are accurately measured.

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[5] Schedule Performance Index (SPI) = Earned Value / Planned Value. Cost Performance Index (CPI) = Earned Value / Actual Cost. Earned Value = Planned Value at Completion * Percentage Completed.

Recommendations

1. **Ensure that all District employees understand the importance of charging time worked to the correct cost centers, work/internal orders, and network/activity codes.**

    Management Response: An "All Groups" email will be created and distributed District-wide, explaining the need to charge correctly and the negative consequences that can occur as a result of not properly capturing time spent on projects. Once the All Groups email goes out, all Section Leaders (or Section Administrators where no Section Leader is present) will review the email and how it relates to their group specifically, with each of their employees. We will also use other internal communication mechanisms to reinforce the message about why coding time correctly is so important.

    Responsible Division: The "All Groups" email will be generated by the Administrative Services Division and all Divisions will be responsible for the Section Leader or Administrator follow-up.

    Estimated Completion: The "All Groups" email will be generated by October 31, 2013, and division managers ensure that follow up occurs in each section by November 21, 2013.

2. **Require managers (time approvers) to closely review their staff's timesheets to ensure that time charges reflect the correct cost centers, work/internal orders, and network/activity codes.**

    Management Response: Metrics Section will work on incorporating either a project description field or a comment field that can be utilized by time approvers to discern what hours are being charged to what projects, as the timesheets are being reviewed. Given that information, each time approver will be instructed to review the data, identify instances of incorrect time coding, and address the issue with their

employee(s) as needed, for each pay period. During the time period when this additional field is being worked on, or if it cannot be completed due to software limitations, approvers will need to review the next available issue of Metrics Section's *Project System Time Sheet Charge Tracking Spreadsheet*, address any issues with their employees, and make adjustments to timesheets retroactively.

Responsible Division: Administrative Services will investigate options for creation of the new timesheet field; all Division management must reinforce the need to review and validate time coding each pay period.

Estimated Completion: Investigation of new timesheet field to display project name will be complete by November 30, 2013; timesheet reviews using existing reporting mechanisms should continue and be reinforced by division management

3. **Require project managers to review bi-weekly internal labor charges in Project System to determine whether employees working on their projects are charging time to the projects.**

Management Response: Project managers will be instructed by their Section Leaders or Administrators to conduct reviews, at the beginning of each month, of the latest version of Metrics Section's *Project System Time Sheet Charge Tracking Spreadsheet.* Each Project Manager will provide a list of employees not charging to their projects to their Section Leader or Administrator. The Section Leader or Administrator will then provide that information to his/her direct counterpart supervising the employee(s) in question for follow-up.

Responsible Division: All Divisions

Estimated Completion: The first Project Manager review will be conducted and submitted to their Section Leader or Administrator by November 8, 2013, and will be continued on a monthly basis.

4. **Implement a process to ensure that managers are notified when their staff do not charge time to project related activities and that managers take appropriate corrective action.**

   Management Response: The District will develop an automated information tool driven by resource demand and schedules within SAP Project Systems. Two weeks prior to time sheet approval week an email will be sent from Project System to each Project Manager and each Organizational Manager listing those activities that should be receiving work effort. This will inform managers and project managers who has been assigned to accomplish work items by that time in the project schedule. The District will adopt and enforce a one employee/one PS network activity template and naming convention that includes the First Initial and Last Name of the employee charging to the activity. This will help quantify and allow low level resource management.

   Responsible Division: Administrative Services (Metrics Section and SAP Solutions Center)

   Estimated Completion: July 30, 2014

5. **Encourage relevant staff to utilize the Metrics Section's *Project System Time Sheet Charge Tracking Spreadsheet* to determine which employees are assigned to project activities and as a reference for project network and activity codes for timesheet completion purposes.**

   Management Response: *Project System Time Sheet Charge Tracking Spreadsheet* will continue to be updated and delivered every week in the Friday Morning Report in the Volume III, Capital Projects Project Management. All division managers should ensure that their staff knows how to use the tools available. If not, they should sign up for the "How to Read the Friday Morning Report" class that is given everyone month to learn how to utilize the metrics, control charts and management tools that are delivered each week.

Responsible Division: Administrative Services (Metrics Section) for Time Sheet Charge tracking spreadsheet production and all District Division Management for implementation.

Estimated Completion: December 31, 2013

6. **Ensure that the change control process for Project System is implemented by the beginning of Fiscal Year 2014.**

Management Response: The earned value Baseline Pilot Test has been underway during the fourth quarter of Fiscal Year 13 in order to test all the new SAP PS tools that were developed to handle the technical end of project schedule baseline creation and storage, earned value comparison calculations and report development. Project 100706, A-1 FEB is the pilot project and it has all the components integrated into it for system testing. Pilot project is scheduled to be concluded September 30, 2013. District will implement project level change control to supplement the existing Annual Work Plan change control by the end of the first quarter of Fiscal Year 14. Project Level Change Control Protocol discussion paper has been produced and is being finalized with OMC for the specific execution components of the preliminary proposed methodology. Technical components have been developed in SAP this past summer and testing has been successful in showing that we now have the capability to track both an Operative and Target (baseline + Change Control approved schedule adjustments).

Responsible Division: Administrative Services (Metrics Section) for SAP PS technical component of change control representation in SAP PS schedules and all other Divisions for managerial implementation.

Estimated Completion: December 31, 2013