



A Tradition of Stewardship  
A Commitment to Service

**Napa County**  
**Review of Overtime Compensation**  
Independent Audit Report

For the period of January 1, 2024  
to December 31, 2024

**AUDITOR-CONTROLLER**  
**Internal Audit Section**  
July 28, 2025

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A Commitment to Service

**Auditor-Controller**

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**Tracy A. Schulze**  
Auditor-Controller

## EXECUTIVE SUMMARY

July 28, 2025

Honorable Board of Supervisors  
County of Napa  
Napa, CA

The Internal Audit Section of the Auditor-Controller's Office (Internal Audit) conducted a review of Napa County's 2024 overtime compensation.

Napa County remains committed to transparency in public compensation. In alignment with Government Code Section 53891, the County submits comprehensive and timely salary and benefit information to the State Controller's Office each year. In March 2025, the Local Government Compensation Report for calendar year 2024 was prepared and distributed for internal review prior to submission to the State Controller. Following his review of the report, the County Executive Officer requested that Internal Audit conduct a more detailed review of overtime compensation.

### **Scope**

We have completed the procedures outlined in the engagement letter approved by the Napa County Executive Office. These procedures were conducted solely to assist the Executive Office in evaluating compliance with applicable regulations and County policies and assessing the effectiveness of internal controls over overtime compensation. Our review focused on relevant payroll data, policies, and documentation related to overtime compensation for the period January 1, 2024, through December 31, 2024 (Audit Period).

This engagement was conducted in accordance with *the Global Internal Audit Standards* established by the Institute of Internal Auditors, which require us to gather relevant, reliable, and sufficient information to support our findings and conclusions. The responsibility for determining the sufficiency of these procedures lies solely with the designated users of this report. Accordingly, we make no representations regarding the adequacy of the procedures described herein for the intended purpose or for any other purpose.

### **Objectives**

The objectives of our review were to assess the following:

1. The effectiveness of internal controls governing overtime compensation, with a specific focus on the pre-approval of overtime and the supervisor approval process related to timesheets.
2. The reasonableness of overtime compensation in relation to the nature and scope of work performed.

## **Procedures**

Our procedures included a review of a sample of Napa County employees who incurred overtime compensation and/or received compensatory time off (CTO) in lieu of overtime pay.

In addition, Internal Audit examined a range of relevant payroll data, including but not limited to department vacancies by job classification, consecutive days worked, overtime by quarter, project costing strings, and comparative payroll data reported by all California counties for calendar year 2023. This analysis was used to assess both the reasonableness and the operational effectiveness of overtime compensation practices.

Further details on our sample selection methodology are provided in **Appendix A**. Analysis of relevant payroll data related to overtime compensation is included in **Appendix B**.

## **Results**

Based on the procedures performed, we noted the following:

- Internal controls over overtime compensation were determined to be operating effectively.
- Overtime compensation was determined to be reasonable, given the nature and scope of work performed.

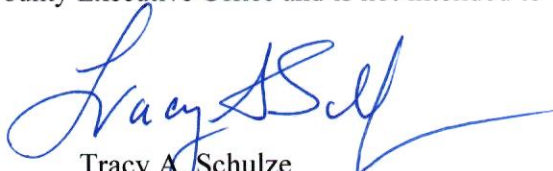
A more detailed discussion of the results is provided in **Appendices C and D**.

## **Conclusion**

Based on the procedures performed, we found that internal controls over overtime compensation are operating effectively. Overtime compensation during the Audit Period appears reasonable given the nature and scope of work performed. No significant control deficiencies or irregularities were identified.

We were not engaged to conduct an audit and, accordingly, do not express an opinion on any specific elements, accounts, or items. Had additional procedures been performed, other matters may have come to our attention that would have been reported.

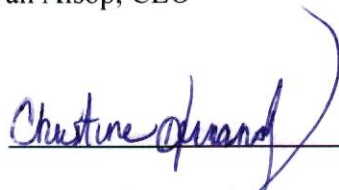
This report is intended solely for the information and use of the Napa County Board of Supervisors and the Napa County Executive Office and is not intended to be used by any other parties.



Tracy A. Schulze  
Auditor-Controller

CC: Ryan Alsop, CEO

By:



Christine Hernandez  
Deputy Auditor-Controller

## **APPENDICES**

**NAPA COUNTY  
REVIEW OF OVERTIME COMPENSATION**

**APPENDIX A  
SAMPLE SELECTION**

**Overtime Expense**

Internal Audit tested Napa County's overtime expense and the recorded liability for compensatory time off (CTO) by first identifying the total audit population, as summarized in the table below:

<b>Departments in Population</b>	<b>Employees in Population</b>	<b>Value of Overtime Expense</b>	<b>Value of CTO Liability</b>	<b>Value of Total Population</b>
27	921	\$8,038,337	\$1,707,284	\$9,745,621

**Sample Selection**

Internal Audit stratified the audit population by identifying the six departments with the highest overtime expenses, encompassing a total of 12 individual sub-divisions. A total of 40 employees were selected for testing across these departments using a risk-based methodology. Collectively, these employees accounted for approximately 22% of Napa County's total overtime expense during the Audit Period.

The following risk factors were considered in the selection process:

- Total overtime expense per employee
- Total overtime hours worked
- CTO hours banked
- Employees working significantly more hours than their peers within the same department
- Employees in classifications not typically associated with high volumes of overtime

<b>Department</b>	<b>Employees in Sample</b>	<b>Value of Overtime Expense Sample</b>	<b>Value of CTO Liability Sample</b>	<b>Value of Total Sample</b>
Sheriff	15	\$1,140,492	\$49,842	\$1,190,334
Corrections	6	\$358,897	\$32,986	\$391,883
Health and Human Services (HHSA)	9	\$163,496	\$64,493	\$227,989
Probation	5	\$179,224	\$17,723	\$196,947
District Attorney	3	\$37,580	\$49,820	\$87,400
Roads	2	\$43,843	\$8,373	\$52,216
<b>Total</b>	<b>40</b>	<b>\$1,923,532</b>	<b>\$223,237</b>	<b>\$2,146,769</b>

**NAPA COUNTY  
REVIEW OF OVERTIME COMPENSATION**

**APPENDIX B  
ANALYSIS OF RELEVANT PAYROLL DATA**

**Overtime Context and Comparative Analysis**

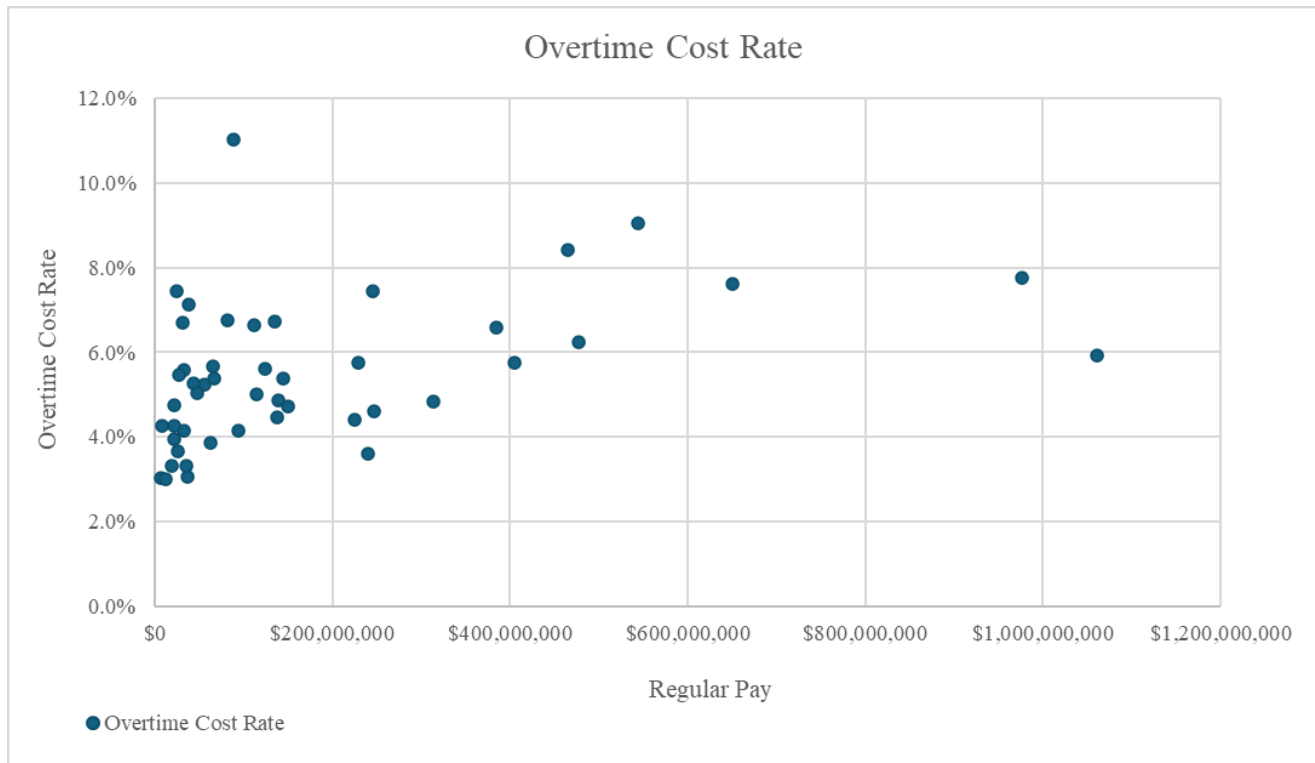
The following table summarizes 2024 overtime compensation by Department:

<b>Department</b>	<b>Overtime Expense</b>	<b>CTO Liability</b>	<b>Total</b>
Sheriff	\$ 4,529,862	\$ 271,282	\$ 4,801,145
Corrections	1,619,945	248,372	1,868,317
Health and Human Services	639,899	450,904	1,090,803
Probation	731,301	217,934	949,235
District Attorney	129,329	229,931	359,260
Roads	89,574	83,633	173,206
All Remaining Departments	298,428	205,228	503,656
<b>Total</b>	<b>\$ 8,038,337</b>	<b>\$ 1,707,284</b>	<b>\$ 9,745,622</b>

The six departments with the highest overtime usage accounted for \$9.2 million (95% of total) in combined overtime expense and compensatory time off (CTO) liability in 2024. Overtime in these departments is expected, as most provide essential services that operate 24 hours a day, seven days a week. The nature of their responsibilities often requires staff coverage beyond traditional business hours to maintain service continuity and public responsiveness.

As is the case in counties statewide and across the nation, a significant portion of overtime is concentrated in law enforcement. Napa County is no exception—49.2% of all overtime expense and CTO liability in 2024 was attributable to the Sheriff’s Office. While the department continues to take measures to manage and reduce overtime where feasible, ensuring public safety remains the top priority.

The table below presents 2023 data from the California State Controller’s Office, showing the overtime cost rates for 47 of the 58 California counties (including Napa County):



The overtime cost rates for these counties range between 3% and 11%; however, 36 of the 47 counties presented (or 77%) reported overtime cost rates between 4% and 7%. The average 2023 overtime cost rate for this population was 5.5%, with Napa reporting a 4.7% overtime cost rate for 2023.

The following California counties were excluded from this analysis due to anomalies in their 2023 overtime cost reporting:

1. **Alameda:** Severe understaffing in the Oakland Police Department led to an inordinate amount of overtime in 2023.
2. **Kern:** Overtime expenditures were significantly impacted by wildfire activity.
3. **Los Angeles:** Overtime expenditures were significantly impacted by wildfire activity.
4. **Orange:** Overtime expenditures were significantly impacted by wildfire activity.
5. **Riverside:** Overtime expenditures were significantly impacted by wildfire activity.
6. **Santa Barbara:** Overtime expenditures were significantly impacted by wildfire activity.
7. **San Bernardino:** Overtime expenditures were significantly impacted by wildfire activity.
8. **Santa Clara:** Excluded due to exceptionally high Regular Pay driven by Silicon Valley; the county’s overtime rate was within a normal range and does not materially affect the population average.
9. **San Diego:** Overtime expenditures were significantly impacted by wildfire activity.



10. **San Francisco:** Reported as a city rather than a county for purposes of government compensation reporting.

11. **Ventura:** Overtime expenditures were significantly impacted by wildfire activity.

In calendar year 2024, Napa County paid approximately \$160.3 million in salary expenses to 2,035 employees. The overtime expense represented 5% of total salary expense, meaning that for every \$1,000 in regular pay, the County incurred approximately \$50 in overtime costs.

Napa County's annual overtime cost rates are consistent with counties across California and reflect the nature and scope of Napa County's operations.

**Average Vacancy Rates by Subdivision**

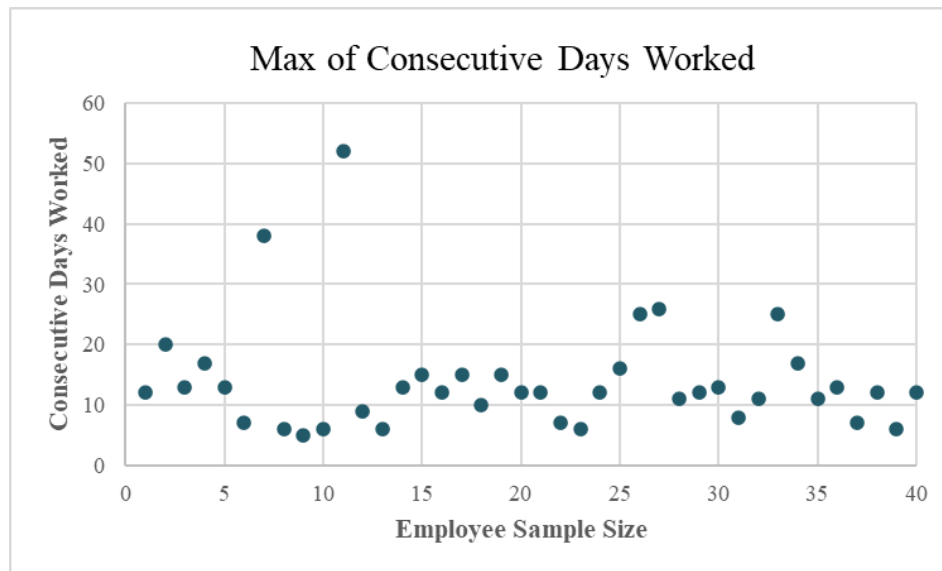
<b>Subdivision</b>	<b>Vacancies</b>	<b>Filled</b>	<b>Vacancy Rate</b>
Sheriff	15	121	11.09%
Sheriff - Coroner	1	3	16.67%
Sheriff - Animal Services	1	6	14.29%
Sheriff - Spcl Investigations	1	4	20.00%
Corrections	37	92	28.91%
HHSA - Public Health Admin	9	58	13.03%
HHSA - Child Welfare Services	7	57	11.15%
HHSA - Self Sufficiency	9	101	7.84%
Probation - Administration	11	71	13.46%
Probation - Juvenile Hall	9	26	26.38%
District Attorney	8	55	12.60%
Roads	4	28	11.01%
<b>Total</b>	<b>111</b>	<b>621</b>	<b>15.10%</b>

Many of the subdivisions listed above operate on a 24/7 basis, requiring continuous staffing 365 days a year. As a result, vacancies in budgeted positions often necessitate the use of overtime to maintain essential service levels. The highest vacancy rates were observed in the Sheriff's Office, Corrections, and Probation Departments—subdivisions that also accounted for the highest overtime expenditures.

Vacancy rates across California counties currently average between 11% and 15%. Napa County's vacancy levels fall toward the higher end of this range, which contributes to the increased reliance on overtime in these critical departments.

### **Consecutive Days Worked**

Among the 40 employees selected for testing, the number of consecutive days worked ranged from 5 to 52, with an average of 14 consecutive days worked:



A “working day” was defined as any day on which an employee logged hours under regular pay, overtime pay, or CTO banked, as reported on their timesheet.

At the lower end, a 5-day stretch typically reflected regular workweeks with occasional overtime following the end of a shift. At the higher end, extended streaks—such as 52 consecutive working days—were driven by overtime worked on regularly scheduled days off, particularly in departments with high operational demands.

Internal Audit observed that employees with the longest consecutive work periods often had multiple extended stretches throughout the year. For example, one Sheriff’s Department employee had only two non-consecutive days off over a 90-day period. While such dedication may reflect operational necessity, it also raises potential concerns regarding employee fatigue, wellbeing, and sustained job performance.

### **Employee-Specific Sampling & Analysis**

Internal Audit conducted individual interviews with the direct supervisor, manager, or department head of 10 employees across the 12 subdivisions that incurred the most overtime. The objective was to gain a deeper understanding of departmental overtime policies, tracking practices, core job duties, and the operational reasoning behind the overtime hours. These discussions provided valuable context and helped confirm that the overtime incurred was generally reasonable given the circumstances described. In each case, proper supervisory approvals were obtained in accordance with County policy, and internal controls over the authorization and use of overtime appeared to be functioning as intended.

Five employees were selected as representative case studies for this report. Additional interview details are provided in **Appendix D**.

# NAPA COUNTY REVIEW OF OVERTIME COMPENSATION

## APPENDIX C RESULTS OF REVIEW

Our review included both quantitative and qualitative analyses of Napa County's 2024 overtime compensation. Based on the procedures performed, we found that County policies appear to be followed and that internal controls governing the approval and reporting of overtime are generally effective.

Key takeaways from our review include the following:

- **Comparable Overtime Rates:** Napa County's overall overtime rate is consistent with those of other California counties with similar annual regular pay levels (\$100 million to \$200 million), suggesting that the County's overtime expenditures are reasonable relative to its peers.
- **Concentration in 24/7 Operations:** As expected, overtime is largely concentrated in departments that provide critical 24/7 services, including the Sheriff's Office, Corrections, Health and Human Services, and Fire. These departments are more susceptible to overtime due to emergency response needs, staff shortages, and the continuous nature of their operations.
- **Adherence to Policies and Approvals:** Documentation reviewed and interviews conducted with department managers indicate that overtime is being properly approved and monitored in accordance with County policies. Supervisory review and justification procedures are in place and consistently applied.
- **Stable Year-over-Year Trends:** Although some fluctuations in individual employee overtime were noted, the County's overall overtime trends remained relatively stable compared to prior years and reflect operational needs rather than systemic issues.
- **Transparency and Oversight:** Overtime data is reviewed annually as part of the County's compensation reporting to the State Controller's Office, ensuring public transparency and supporting accountability.

Overall, our analysis indicates that overtime is being used appropriately and that the County's controls and oversight mechanisms are functioning effectively.

**NAPA COUNTY  
REVIEW OF OVERTIME COMPENSATION**

**APPENDIX D  
EMPLOYEE-SPECIFIC SAMPLING & ANALYSIS**

<b>Department</b>	<b>Classification</b>	<b>Overtime Hours Worked</b>	<b>Expense</b>
Sheriff	Sergeant	1,684	\$ 203,189
Corrections	Correctional Officer II	1,080	84,290
Probation	Juvenile Hall Counselor II	650	41,788
Health and Human Services	Eligibility Specialist II	629	35,971
District Attorney	District Attorney Investigator	342	25,667

Sheriff's Department - Sergeant

The employee with the highest overtime earnings in 2024 - more than double the next highest - was a Sergeant with the Napa County Sheriff's Office.

The Sergeant is currently assigned to the Lake Unit at Lake Berryessa, which is operating below standard staffing levels. Of the three Sergeants authorized to operate the boats, only one is consistently available. Boat operations require specialized training and are labor-intensive, involving equipment maintenance, inspections, and fulfilling contractual obligations with the Bureau of Reclamation, including day-use area oversight and parking enforcement.

The Sergeant's Lieutenant conducts regular check-ins with staff and has noted employee fatigue. While operations remain stable, the sustainability of ongoing overtime is a concern. A \$30,000 signing bonus for lateral Deputy Sheriff hires has been introduced to help expedite the filling of vacancies. Although overtime is an inherent part of the job, the department is actively seeking to reduce reliance on it without compromising public safety.

Corrections Department – Correctional Officer II

The second highest overtime hours were logged by a seasoned Correctional Officer at the County Jail. This employee regularly volunteers for overtime shifts in response to an estimated 30 open Correctional Officer positions. Their supervisor, a Correctional Sergeant, praised the employee's performance and ensures they take regular time off to avoid burnout.

The Corrections Department continues to experience high turnover and vacancies. A \$15,000 hiring incentive and the opening of a new jail facility are anticipated to help attract more staff. Supervisors believe that fully staffing the facility would reduce the need for overtime.

Probation Department – Juvenile Hall Counselor II

The highest overtime earner in the Probation Department is an experienced Juvenile Hall Counselor. With approximately seven staff vacancies, this employee frequently volunteers to fill unstaffed shifts. Scheduling is managed equitably through a shift bid system under the Facility Manager's oversight, with limited guaranteed time off to ensure operational coverage.

During our interview, it was noted that the facility has not fully recovered from a 25% staff reduction implemented following a 2020 Grand Jury recommendation, which was accepted by the Board of Supervisors. Although three extra-help employees are active, only extra-help positions are currently open for recruitment. High vacancy rates in juvenile facilities are common across California, with some counties facing shortages of up to 40%. The supervisor noted that filling the vacant Counselor positions would significantly reduce the need for overtime.

#### Health and Human Services Agency – Eligibility Specialist II

This top-performing employee logged the highest amount of overtime within HHSA, nearly twice that of the next highest Eligibility Specialist, and worked 52 consecutive days - the longest consecutive stretch among the 40 employees tested.

Eligibility Specialists process approximately 1,200 applications per month across programs such as CalFresh, Medi-Cal, and CalWORKs. They must maintain a 90% or higher compliance rate for mandated processing timeframes, with noncompliance triggering corrective action plans. Overtime is not used for routine caseloads but is assigned to manage time-sensitive applications nearing regulatory deadlines. Participation is voluntary and often involves working on scheduled days off; overtime is verbally approved and may be performed remotely.

Of the 54 budgeted Eligibility Specialist positions, four were vacant. The employee's supervisor indicated that being fully staffed would help reduce overtime, but some level of overtime will likely remain necessary due to workload surges and regulatory deadlines.

#### District Attorney – District Attorney Investigator

The highest overtime earner in the District Attorney's Office is a recently hired investigator with prior experience at another agency. This employee replaced a retired investigator and is assigned full-time to the Napa Special Investigations Bureau (NSIB), which focuses on major crimes, narcotics operations, and human trafficking investigations.

This position demands flexibility, including frequent unscheduled deployments, extended hours, and periodic travel to support surveillance and investigative efforts. A spike in major cases - including several homicides in early 2024 - has significantly increased the workload. Due to the unpredictable nature of the work, flex time and compensatory time are used when possible, though overtime is unavoidable for critical casework and trial preparation. The administrative team actively monitors overtime to prevent overextension. Overtime is not used for general shift coverage but is strategically allocated to support public safety operations.