



Administration and Finance Committee Agenda

April 6, 2017
3:00 PM

SeaTac City Hall – Riverton Room 128

Councilmembers:
Erin Sitterley, Chair
Peter Kwon
Pam Fernald

Note: A quorum of the Council may be present.

Staff Coordinator: Gwen Pilo, Finance Director

ITEM	TOPIC	PROCESS	WHO	TIME
1	Call to Order		Chair	
2	Public Comment	Please raise your hand if you'd like to speak so the Chair can call on you. Public comments are limited to 10 minutes total and three minutes per individual speaker. Time may be reduced for each speaker to stay within the 10-minute time limit.	Chair	10
3	Review of 3/23/17 Special Meeting Minutes	Recommendation	Gwen	5
4	Comcast & SCL Update	Update	Gwen	5
5	Chromecast	Discussion	Bart	10
6	Employment Standards Ordinance	Discussion & Feedback	Gwen & Mary	60
7	Process & review State Legislation Items not on City Agenda	Discussion & Recommendation	Jeff	20
8	Future Meeting Schedule /Topics April Special Meeting – Council Administrative Procedures May Regular Meeting – Ethics for Boards & Commissions Council Retreat – Timing & Topics Department Position Realignment Future Meetings – Additional Police Officer Funding Options Lobby Coffee Cart & Soda Machine	Discussion	All	5
9	Adjourn			



Administration and Finance Committee Minutes

March 23, 2017
3:00 PM
Council Chambers

Members:	Present:	Absent:	Commence:	3:03 P.M.
			Adjourn:	4:59 P.M.
Erin Sitterley, Chair	X			
Peter Kwon	X			
Pam Fernald	X			

Other Council Members Present: Tony Anderson

Staff Coordinator: Gwen Pilo, Finance Director

1. Public Comment	<i>None</i>
2. Review of March 2, 2017 Minutes	<p><u>X</u> Informational Update</p> <p><i>Finance Director, Gwen Pilo, distributed to the committee a copy of the minutes from the March 2nd A&F Meeting. She asked the committee for their final approval before the minutes will be proposed to the full council at the next City Council meeting.</i></p>
3. Audit Exit Conference	<p><u>X</u> Informational Update</p> <p><i>Brandon Tecca and Sandra Groshong from the State Auditor's Office presented the committee with copies of draft reports following the City's audit for 2015. In this exit conference, they provided the committee with a draft Financial Statements Audit Report and an Accountability Audit Report. In relation to the reports, there were no findings and the office commended Gwen Pilo and other City staff for being highly available and responsive to requests and inquiries. The next audit is scheduled to be conducted in July of this year and will cover 2016 Accountability for Public Resources, Financial Statements, and Federal Programs.</i></p>
4. Vacant Positions Update	<p><u>X</u> Recommended for Approval</p> <p><i>City Manager, Joe Scorcio, provided the committee with an update regarding vacant positions within the City. He informed the committee that the City is operating at almost full staff with just a few vacant</i></p>

	<p><i>positions, including temporary and seasonal positions. The Planning Department is currently working to fill the vacant Assistant Planner position. It is open for internal applicants now.</i></p> <p><i>Mr. Scorcio also proposed to the committee a possible position realignment and job reclassification in the CED Department. The recent hiring of Jeff Robinson as the Community and Economic Development Director has left the position of Economic Development Manager vacant. Mr. Scorcio wishes to reclassify this job to an “Economic Development Coordinator” which will assume all day-to-day operational functions of the current position. He also hopes to hire an additional position in the next two years with the title of “Real Property Coordinator” which will oversee the City’s current and future real property holdings as well as the operational aspects of property management. This change, however, will need to be approved separately through a Council amendment to the budget. The memo presented to the committee further details of the proposed changes in this Department. The A&F committee recommended approval on the proposed job reclassification of the Economic Development Manger position.</i></p>
<p>5. Advisory Committee Review</p>	<p><u>X</u> Recommended for Approval</p> <p><i>City Clerk, Kristina Gregg, presented the committee with information regarding each advisory committee currently established in the City. She provided input to the council from the committees regarding any particular issues they are aware of, what would be lost if the committee was removed, whether or not the committee has the capacity to take on additional responsibilities, and if they had any suggestions for changes. After the A&F committee reviewed the information discussion began on which committees should be retained, merged/changed, or removed. Other administrative issues regarding members, terms, and process were also discussed. The results are as follows:</i></p> <ol style="list-style-type: none"> <i>1. Hotel/Motel Tax Advisory Committee: No proposed changes.</i> <i>2. LEOFF 1 Disability Board: No proposed changes.</i> <i>3. Planning Commission: Increase the committee to 7 total members.</i> <i>4. Tree Board: No proposed changes.</i> <i>5. Community Building Committee: Remove.</i> <i>6. Human Services Advisory Committee: The committee name will be changed to “Community Services Advisory Committee” to better align with department programs and direction. This advisory committee will have 7 members and 3 year terms. Mission and scope may be redefined as needed.</i> <i>7. Library Advisory Committee: This committee will be redeveloped into a new “Arts, Culture & Library Advisory Committee”. Staff will define a mission and scope for this new group. There will be 7</i>

	<p>members and 3 year terms.</p> <ol style="list-style-type: none"> 8. <i>Neighborhood Sidewalk Advisory Committee: Name change to "Sidewalk Advisory Committee" and increase term to 3 years.</i> 9. <i>SeaTac Airport Committee: Name change to "Airport Advisory Committee" and increase term to 3 years.</i> 10. <i>Senior Citizen Advisory Committee: The number of members will change to 7 total and terms will change to 3 years.</i> <p><i>The A&F committee was in favor of the proposed changes. They wished to create more consistency throughout the committees in regards to membership and terms. They eliminated all alternates and instead increased the size to include more members in hopes of increased participation and reach a quorum at each meeting. They also discussed reserving one position in each advisory committee for a youth position (under 18 years old) depending on interest from the community. The A&F committee discussed the appointment and reappointment process of advisory committee members. The committee members requested advertising openings in more places, including the SeaTac Blog, Community Center, and SeaTac schools. The selection process was amended to include other council members the Mayor wishes to include in the interview process (as long as no quorum exists). The committee approved a new proposal allowing an appointed member to fill the next full term, as long as they were appointed with 6 months or less of an unexpired term. Committee members seeking reappointment will also not need to re-interview so long as there has not been a change in Mayors. They will however, still need to update their application and go through a background check.</i></p> <p><i>Staff will bring forward an ordinance to the City Council which will encompass all the changes proposed by the A&F committee regarding advisory committees.</i></p>
<p>6. Standing Committee Alternates</p>	<p><i>Discussed as part of the Advisory Committee review above.</i></p>
<p>7. Future Meeting Schedule/Topics</p>	<p><i>The next A&F Meeting will occur on April 6th at 3:00PM in Riverton Room 128. Topics will include Chromecast, Employment Standards Ordinance, and the Process for State Legislative Items not on City Agendas.</i></p>

Chapter 7.45
MINIMUM EMPLOYMENT STANDARDS FOR HOSPITALITY AND
TRANSPORTATION INDUSTRY EMPLOYERS*

Sections:

- 7.45.010 Definitions.
- 7.45.020 Paid leave for sick and safe time.
- 7.45.030 Promoting full-time employment.
- 7.45.040 Require that service charges and tips go to those performing the service.
- 7.45.050 Establishing a living wage for hospitality workers and transportation workers.
- 7.45.060 Setting additional labor standards for City hospitality workers and transportation workers.
- 7.45.070 Employee work environment reporting requirement.
- 7.45.080 Waivers.
- 7.45.090 Prohibiting retaliation against covered workers for exercising their lawful rights.
- 7.45.100 Enforcement of chapter.
- 7.45.110 Exceptions.

* Code reviser's note: Ord. 13-1020 was passed by voter initiative and cannot be amended or repealed without a vote of the people (see RCW 35.17.340).

7.45.010 Definitions.

As used in this chapter, the following terms shall have the following meanings:

- A. "City" means the City of SeaTac.
- B. "Compensation" includes any wages, tips, bonuses, and other payments reported as taxable income from the employment by or for a covered worker.
- C. "Covered worker" means any individual who is either a hospitality worker or a transportation worker.
- D. "Hospitality employer" means a person who operates within the City any hotel that has one hundred (100) or more guest rooms and thirty (30) or more workers or who operates any institutional foodservice or retail operation employing ten (10) or more nonmanagerial, nonsupervisory employees. This shall include any person who employs others providing services for customers on the aforementioned premises, such as a temporary agency or subcontractor.
- E. "Hospitality worker" means any nonmanagerial, nonsupervisory individual employed by a hospitality employer.
- F. "Hotel" means a building that is used for temporary lodging and other related services for the public, and also includes any contracted, leased, or sublet premises connected to or operated in conjunction with such building's purpose (such as a restaurant, bar or spa) or providing services at such building.

G. "Institutional foodservice or retail" is defined as foodservice or retail provided in public facilities, corporate cafeterias, conference centers and meeting facilities, but does not include preparation of food or beverage to be served in-flight by an airline. Restaurants or retail operations that are not located within a hotel, public facility, corporate cafeteria, conference facility or meeting facility are not considered a hospitality employer for the purpose of this chapter.

H. "Person" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, business trust, estate, trust, association, joint venture, or any other legal or commercial entity, whether domestic or foreign, other than a government agency.

I. "Predecessor employer" means the hospitality or transportation employer that provided substantially similar services within the City prior to the successor employer.

J. "Retention employee" means any covered worker who:

1. Was employed by a predecessor employer for at least thirty (30) workdays; and
2. Was either:
 - a. Laid off or discharged for lack of work due to the closure or reduction of a hospitality or transportation employer's operation during the preceding two years; or
 - b. Is reasonably identifiable as a worker who is going to lose his/her job due to the closure or reduction of the hospitality or transportation employer's operation within the next six (6) months.

K. "Service charge" is defined as set forth in RCW 49.46.160(2)(c).

L. "Successor employer" means the new hospitality or transportation employer that succeeds the predecessor employer in the provision of substantially similar services within the City.

M. "Transportation employer" means:

1. A person, excluding a certificated air carrier performing services for itself, who:
 - a. Operates or provides within the City any of the following: any curbside passenger check-in services; baggage check services; wheelchair escort services; baggage handling; cargo handling; rental luggage cart services; aircraft interior cleaning; aircraft carpet cleaning; aircraft washing and cleaning; aviation ground support equipment washing and cleaning; aircraft water or lavatory services; aircraft fueling; ground transportation management; or any janitorial and custodial services, facility maintenance services, security services, or customer service performed in any facility where any of the services listed in this subsection are also performed; and
 - b. Employs twenty-five (25) or more nonmanagerial, nonsupervisory employees in the performance of that service.
2. A transportation employer also includes any person who:

- a. Operates or provides rental car services utilizing or operating a fleet of more than one hundred (100) cars; shuttle transportation utilizing or operating a fleet of more than ten (10) vans or buses; or parking lot management controlling more than one hundred (100) parking spaces; and
- b. Employs twenty-five (25) or more nonmanagerial, nonsupervisory employees in the performance of that operation.

N. "Transportation worker" means any nonmanagerial, nonsupervisory individual employed by a transportation employer.

O. "Tips" mean any tip, gratuity, money, or part of any tip, gratuity, or money that has been paid or given to or left for a covered worker by customers over and above the actual amount due for services rendered or for goods, food, drink, or articles sold or served to the customer. (Ord. 13-1020 § 2 (part))

7.45.020 Paid leave for sick and safe time.

Each hospitality or transportation employer shall pay every covered worker paid leave for sick and safe time out of the employer's general assets as follows:

- A. A covered worker shall accrue at least one (1) hour of paid sick and safe time for every forty (40) hours worked as an employee of a hospitality employer or transportation employer. The covered worker is entitled to use any accrued hours of compensated time as soon as those hours have accrued.
- B. The covered worker need not present certification of illness to claim compensated sick and safe time; provided, that such covered worker has accrued the requested hours of compensated time at the time of the request. A covered worker shall be paid his or her normal hourly compensation for each compensated hour off.
- C. The covered worker shall not be disciplined or retaliated against for use of accrued paid sick and safe time. This includes a prohibition on any absence control policy that counts earned sick and safe time as an absence that may lead to or result in discipline against the covered worker.
- D. If any covered worker has not utilized all of his or her accrued compensated time by the end of any calendar year, the hospitality employer or transportation employer shall pay this worker a lump sum payment at the end of the calendar year equivalent to the compensation due for any unused compensated time.
- E. Accrued paid sick time shall be provided to a covered worker by a hospitality employer or transportation employer for the following reasons:
 - 1. An absence resulting from a covered worker's mental or physical illness, injury or health condition; to accommodate the covered worker's need for medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; or a covered worker's need for preventive medical care;
 - 2. To allow the covered worker to provide care of a family member with a mental or physical illness, injury or health condition; care of a family member who needs medical diagnosis, care,

or treatment of a mental or physical illness, injury or health condition; or care of a family member who needs preventive medical care.

F. Accrued paid safe time shall be provided to a covered worker by a hospitality employer or transportation employer for the following reasons:

1. When the covered worker's place of business has been closed by order of a public official to limit exposure to an infectious agent, biological toxin or hazardous material;
2. To accommodate the covered worker's need to care for a child whose school or place of care has been closed by order of a public official for such a reason;
3. For any of the following reasons related to domestic violence, sexual assault, or stalking, as set forth in RCW 49.76.030:
 - a. To enable the covered worker to seek legal or law enforcement assistance or remedies to ensure the health and safety of the covered worker or the covered worker's family members including, but not limited to, preparing for, or participating in, any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault, or stalking;
 - b. To enable the covered worker to seek treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault, or stalking, or to attend to health care treatment for a victim who is the covered worker's family member;
 - c. To enable the covered worker to obtain, or assist a family member in obtaining, services from a domestic violence shelter, rape crisis center, or other social services program for relief from domestic violence, sexual assault, or stalking;
 - d. To enable the covered worker to obtain, or assist a family member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault, or stalking, in which the covered worker or the covered worker's family member was a victim of domestic violence, sexual assault, or stalking; or
 - e. To enable the covered worker to participate in safety planning, temporarily or permanently relocate, or take other actions to increase the safety of the covered worker or covered worker's family members from future domestic violence, sexual assault, or stalking. (Ord. 13-1020 § 2 (part))

7.45.030 Promoting full-time employment.

If a hospitality or transportation employer has additional hours of work to provide in job positions held by covered workers, then it shall offer those hours of work first to existing qualified part-time employees before hiring additional part-time employees or subcontractors. (Ord. 13-1020 § 2 (part))

7.45.040 Require that service charges and tips go to those performing the service.

A. Any service charge imposed on customers of, or tips received by employees of, a hospitality employer shall be retained by or paid to the nonmanagerial, nonsupervisory hospitality or

have been placed on a qualified displaced worker list and that the successor employer may be required to offer him/her continued employment. The notice shall include, if known, the name, address, and contact information of the successor employer. A copy of this notice, along with a copy of the qualified displaced worker list, shall also be sent to the City Manager.

B. Retention Offer. Except as otherwise provided herein, the successor employer shall offer employment to all qualified retention employees. A successor employer who is a hospitality employer shall, before hiring off the street or transferring workers from elsewhere, offer employment to all qualified retention employees of any predecessor employer that has provided similar services at the same facility. If the successor employer does not have enough positions available for all qualified retention employees, the successor employer shall hire the retention employees by seniority within each job classification. For any additional positions which become available during the initial ninety (90) day period of the new contract, the successor employer will hire qualified retention employees by seniority within each job classification.

C. Retention Period. A successor employer shall not discharge a retention employee without just cause during the initial ninety (90) day period of his/her employment.

D. An employee is "qualified" within the meaning of this section if he/she has performed similar work in the past (and was not discharged for incompetence) or can reasonably be trained for the duties of a position through an amount of training not in excess of the training that has been provided by the employer to workers hired off the street.

E. The requirements of this chapter shall not be construed to require any hospitality employer or transportation employer to offer overtime work paid at a premium rate nor to constrain any hospitality employer or transportation employer from offering such work. (Ord. 13-1020 § 2 (part))

7.45.070 Employee work environment reporting requirement.

A. Hospitality employers and transportation employers shall retain records documenting hours worked, paid sick and safe time taken by covered workers, and wages and benefits provided to each such employee, for a period of two (2) years, and shall allow the City Manager or designee access to such records, with appropriate notice and at a mutually agreeable time, to investigate potential violations and to monitor compliance with the requirements of this chapter.

B. Hospitality employers and transportation employers shall not be required to modify their recordkeeping policies to comply with this chapter, as long as records reasonably indicate the hours worked by covered workers, accrued paid sick and safe time, paid sick and safe time taken, and the wages and benefits provided to each such covered worker. When an issue arises as to the amount of accrued paid sick time and/or paid safe time available to a covered worker under this chapter, if the hospitality employers and transportation employers do not maintain or retain adequate records documenting hours worked by the covered worker and paid sick and safe time taken by the covered worker, it shall be presumed that the hospitality employers and transportation employers have violated this chapter.

C. Records and documents relating to medical certifications, re-certifications or medical histories of covered worker or covered workers' family members, created for purposes of this chapter, are

transportation workers who perform services for the customers from whom the tips are received or the service charges are collected.

B. The amounts received from tips or service charges shall be allocated among the workers who performed these services equitably; and specifically:

1. Amounts collected for banquets or catered meetings shall be paid to the worker(s) who actually work with the guests at the banquet or catered meeting; and
2. Amounts collected for room service shall be paid to the worker(s) who actually deliver food and beverage associated with the charge; and
3. Amounts collected for portage service shall be paid to the worker(s) who actually carry the baggage associated with the charge. (Ord. 13-1020 § 2 (part))

7.45.050 Establishing a living wage for hospitality workers and transportation workers.

A. Each hospitality employer and transportation employer shall pay covered workers a living wage of not less than the hourly rates set forth in this section. The rate upon enactment shall be fifteen dollars (\$15.00) per hour worked.

B. On January 1, 2015, and on each following January 1st, this living wage shall be adjusted to maintain employee purchasing power by increasing the current year's wage rate by the rate of inflation. The increase in the living wage rate shall be calculated to the nearest cent using the consumer price index for urban wage earners and clerical workers, CPI-W, or a successor index, for the twelve (12) months prior to each September 1st as calculated by the United States Department of Labor. The declaration of the Washington State Department of Labor and Industries each September 30th regarding the rate by which Washington State's minimum wage rate is to be increased effective the following January 1st, pursuant to RCW [49.46.020\(4\)\(b\)](#), shall be the authoritative determination of the rate of increase to be applied for purposes of this provision.

C. The City Manager shall publish a bulletin by October 15th of each year announcing the adjusted rates. Such bulletin will be made available to all hospitality employers and transportation employers and to any other person who has filed with the City Manager a request to receive such notice but lack of notice shall not excuse noncompliance with this section.

D. Each hospitality employer and transportation employer shall provide written notification of the rate adjustments to each of its workers and make the necessary payroll adjustments by January 1st following the publication of the bulletin. Tips, gratuities, service charges and commissions shall not be credited as being any part of or be offset against the wage rates required by this chapter. (Ord. 13-1020 § 2 (part))

7.45.060 Setting additional labor standards for City hospitality workers and transportation workers.

A. Notice to Employees. No less than sixty (60) days prior to the termination of a predecessor employer's contract, the predecessor employer shall notify all retention employees in writing that they

required to be maintained as confidential medical records in separate files/records from the usual personnel files. If the Americans with Disabilities Act (ADA) and/or the Washington Law Against Discrimination (WLAD) apply, then these records must comply with the ADA and WLAD confidentiality requirements. (Ord. 13-1020 § 2 (part))

7.45.080 Waivers.

The provisions of this chapter may not be waived by agreement between an individual covered worker and a hospitality or transportation employer. All of the provisions of this chapter, or any part hereof, including the employee work environment reporting requirement set forth herein, may be waived in a bona fide collective bargaining agreement, but only if the waiver is explicitly set forth in such agreement in clear and unambiguous terms. Unilateral implementation of terms and conditions of employment by either party to a collective bargaining relationship shall not constitute, or be permitted, as a waiver of all or any part of the provisions of this chapter. (Ord. 13-1020 § 2 (part))

7.45.090 Prohibiting retaliation against covered workers for exercising their lawful rights.

A. It shall be a violation for a hospitality employer or transportation employer or any other person to interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right protected under this chapter.

B. It shall be a violation for a hospitality employer or transportation employer to take adverse action or to discriminate against a covered worker because the covered worker has exercised in good faith the rights protected under this chapter. Such rights include but are not limited to the right to file a complaint with any entity or agency about any hospitality employer's or transportation employer's alleged violation of this chapter; the right to inform his or her employer, union or other organization and/or legal counsel about a hospitality employer's or transportation employer's alleged violation of this section; the right to cooperate in any investigation of alleged violations of this chapter; the right to oppose any policy, practice, or act that is unlawful under this section; and the right to inform other covered workers of their rights under this section. No covered worker's compensation or benefits may be reduced in response to this chapter or the pendency thereof.

C. The protections afforded under subsection B of this section shall apply to any person who mistakenly but in good faith alleges violations of this chapter. (Ord. 13-1020 § 2 (part))

7.45.100 Enforcement of chapter.

A. Any person claiming violation of this chapter may bring an action against the employer in King County Superior Court to enforce the provisions of this chapter and shall be entitled to all remedies available at law or in equity appropriate to remedy any violation of this chapter, including but not limited to lost compensation for all covered workers impacted by the violation(s), damages, reinstatement and injunctive relief. A plaintiff who prevails in any action to enforce this chapter shall be awarded his or her reasonable attorney's fees and expenses.

B. The City shall adopt auditing procedures sufficient to monitor and ensure compliance by hospitality employers and transportation employers with the requirements of this chapter. Complaints that any provision of this chapter has been violated may also be presented to the City Attorney, who is hereby

authorized to investigate and, if it deems appropriate, initiate legal or other action to remedy any violation of this chapter; however, the City Attorney is not obligated to expend any funds or resources in the pursuit of such a remedy.

C. Nothing herein shall be construed to preclude existing remedies for enforcement of municipal code chapters. (Ord. 13-1020 § 2 (part))

7.45.110 Exceptions.

The requirements of this chapter shall not apply where and to the extent that State or Federal law or regulations preclude their applicability. To the extent that State or Federal law or regulations require the consent of another legal entity, such as a municipality, port district, or county, prior to becoming effective, the City Manager is directed to formally and publicly request that such consent be given. (Ord. 13-1020 § 2 (part))

The SeaTac Municipal Code is current through Ordinance 17-1007, passed February 28, 2017.

Disclaimer: The City Clerk's Office has the official version of the SeaTac Municipal Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

City Website: <http://www.ci.seatac.wa.us/> (<http://www.ci.seatac.wa.us/>)

City Telephone: (206) 973-4800

Code Publishing Company (<http://www.codepublishing.com/>)

Employment Standards Ordinance - Claim Form



Date Filed (1/1/14) (First, Last)

Claimant
First, Last Name

Contact Information
(phone, mailing address)

Period of Employment
(enter month, day, year)

Last 4 Digits of Social Security Number

Name & Contact of Direct Supervisor
(First, Last & Phone number)

Name and Address of Employer
(Must be located in SeaTac, WA)

Identify category of Employer
List NAICS code if known
(Hospitality or Transportation)

NOTE: Claimant agrees that Employer may be contacted to verify claim information being submitted

Statement of claim:

I hereby certify under penalty of perjury under the laws of the State of Washington that the information submitted on this form is true and correct to the best of my knowledge and belief.

(Signature of claimant)

For proper claims processing please attach a copy of your most recent paystub from the employer who is the subject of your claim. The claim must relate to the employer, as defined by the Ordinance. The claimant must be an employee of named employer.

Disclosure: This claim form constitutes a public record. The information submitted to the City on this form may be subject to the public disclosure laws of the State of Washington.

Note: Pursuant to the Ordinance, receipt of this form does not mandate City action to enforce it. The City is obligated to review the submitted claim and may consider further action.

Completed forms along with any additional documentation can be submitted to the City Clerk's Office located on the first floor of City Hall (4800 South 188th Street)



Record Keeping and Reporting Guides

Audit FAQ's

Why do we do audits?

As required by the voter approved employment standards initiative that voters approved as law at the beginning of 2014, the city is required to “adopt auditing procedures sufficient to monitor and ensure compliance by Hospitality Employers and Transportation Employers.”

What is an audit?

An audit is a review of your books and records to verify the requirements of this ordinance have been met. Audits determine if your firm has workers covered by Washington workers' compensation laws (industrial insurance laws). Audits may also include a visual inspection of a job site or work location.

What triggers an audit?

The City may conduct an audit at any time to ensure compliance with the Employment Standards Ordinance.

What records will we look at?

We may review any and all records that will assist us in validating the worker hours reported to comply with SeaTac Municipal Code (SMC) 7.45.

All of the records we request are records required to be kept by federal and state laws. The following are examples of records we may request:

- Daily time cards or time records
- Individual earning records
- Check registers
- Bank statements and cancelled checks
- Cash payment records and petty cash accounts
- Purchase and sales records
- Accounts receivable and accounts payable records

- General ledgers
- Financial reports
- Other income and expense records
- Contracts and service agreements
- Tax returns and all schedules
- Ownership records
- Meeting records
- Articles of incorporation or formation
- Accounting work papers

Will the auditor need records other than those listed above?

Yes, our representative may request additional information, not limited to but including interviews with the firm's owner, accountant, workers, suppliers, customers, and subcontractors to validate information.

How will you know if your firm is being audited?

Our representative will contact you to set up an appointment. At that time we will provide you with a list of requested records to be reviewed.

What should you expect when meeting with the auditor?

Our representative will introduce him/herself to you, give you a brief overview of the audit process, and explain the period and scope to be covered by the audit. During this time our representative will ask questions about your business. We refer to this as an entrance interview.

Will we be notified of what is found?

Yes, following the review of an onsite-audit, notification of results will be given to the firm that was audited.



Claims Handling

Claims Handling Process:

City Clerk's Office Administrative Assistant 3 (Admin 3) position is listed on the web as the first contact.

The Admin3 will answer questions within their knowledge base and forward any other questions to Legal.

The City Clerk's Office accepts claims related to the employment standards.

- Admin 3 stamps claims in as received
- Admin 3 logs claims
- City Clerk prepares letters to the complainant, the company, and L&I regarding the claim:
 - Fraud Prevention and Labor Standards
 - Washington State Department of Labor and Industries
 - P.O. Box 44510
 - Olympia, WA 98504-4510
- City Clerk prints the letters on 2nd page letterhead paper on color printer
- City Clerk places the letters in the City Manager's signature file
- City Clerk scans the claims and letters
- City Clerk mails the letters

- Admin 3 inserts claims and letters into OnBase
- Admin 3 places claims in Employee Standards envelope in OnBase by right clicking on item, selecting "send to", selecting envelope, then selecting Employee Standards envelope
- Admin 3 emails Paralegal 2 and Executive Assistant to let them know there are new documents in the Employee Standards envelope
- Admin 3 cleans out the envelope on a regular basis. Since the Claims are always available in OnBase until destroyed, the envelope will be cleaned out on a regular basis (no less than every 2 weeks)



Employee Standards Ordinance, SMC 7.45

Internal Audit Procedure Overview

Monitoring for Compliance

Monitoring Procedure: (PROPOSED)

Step 1:

A list of Hospitality and Transportation Employers shall be generated from the City's current Business License database.

Step 2:

Pending funding, an outside audit firm will be retained. The outside firm will select from the list of Hospitality and Transportation Employers to test for compliance.

Step 3:

Outside audit firm will test the status of selected businesses to determine applicability of ordinance definitions of a Transportation Employer or Hospitality Employer.

Step 4:

Outside audit firm will notify the employers involved of the determination from Step 3. Notification will include the purpose and scope of the audit.

Step 5:

After completion of the audit, outside audit firm will provide a written report to the City and the Employer.

Step 6:

City Manager, City Attorney and Finance Director make a determination of the next course of action.

Step 7:

Notify Employer of the determination from Step 6.