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## **Corrective Action Plan For the 2017-18 Internal Audit of Payroll**

### ***Health insurance changes***

#### **Recommendation #1:**

“Ensure a reply email is sent to all involved as to when insurance change will take effect so the payroll register and system can be reviewed for accuracy. Each payroll specialist should review the others insurance change.”

#### **Corrective Action Plan for Recommendation #1:**

The personnel clerks will ensure a reply email is sent to the appropriate payroll specialist when insurance changes will take effect.

Between the time the internal audit was conducted and this corrective action plan, one of BOCES’ two payroll specialists resigned. The new payroll specialist began working in Human Resources on August 15, 2018. To ensure that the payroll register and system is reviewed for accuracy, each payroll specialist will review the others’ insurance changes as soon as is practicable (based on training implementation of the new payroll specialist).

### ***Payroll activity/verification report***

#### **Recommendation #2:**

“Have [the payroll activity/verification report, showing exception pay by person, hours, rate and total amount paid] printed and reviewed by the opposite payroll specialist while being signed and dated prior to running the payroll.”

#### **Corrective Action Plan for Recommendation #2:**

Each specialist will (as soon as practicable) print and review the payroll activity/verification report for the opposite payroll specialist’s employees. The reports will be signed and dated prior to running the payroll.

### ***Salaried employee payroll change report***

#### **Recommendation #3:**

“After reviewing the other payroll specialists [salaried employee payroll change report, which shows any employee - with the exception of substitutes and temporary employees - with a pay difference of more than or less than \$50 from the previous payroll] then sign and date approval that it is ok to now run the payroll.”

### **Corrective Action Plan for Recommendation #3:**

Each payroll specialist will (as soon as practicable) review the other payroll specialists' salaried employee payroll change report. Once all potential exceptions are investigated, and corrected if necessary, the specialist will sign and date her approval to signify that payroll for those employees' payroll may then be implemented.

### ***Payroll error report***

#### **Recommendation #4:**

"Have each person that checks the [payroll error report, which shows warning messages with many different reasons and explanations for a possible error] sign and date the report prior to running payroll."

### **Corrective Action Plan for Recommendation #4:**

Each payroll specialist (as soon as practicable), along with a business office accountant and the treasurer, will review the biweekly payroll error report. Once the report runs to the satisfaction of such employees, they will sign and date the report prior to running payroll.

### ***Time sheet distribution list***

#### **Recommendation #5:**

"Make [a list of departments that send in time sheets] and check off when payroll gets the sheets to help ensure all sheets are received prior to running payroll. Doug Johnson will be looking into an automated time and attendance system to help eliminate the paper time sheets that are difficult to ensure all are received."

### **Corrective Action Plan for Recommendation #5:**

Payroll will make a checklist of departments that regularly send in time sheets by the end of October 2018. Each payroll specialist who inputs timesheets will check off on the list when payroll receives the timesheets prior to running payroll.

The Director of Human Resources will complete an investigation into an automated time and attendance system by December 31, 2018.

### ***New hire/termination report***

#### **Recommendation #6:**

"Develop a new hire/termination report – This report would allow for a quick review to determine if all new hires and terminations have been handled properly. It is also recommended that the people checking this report also sign and date it prior to running payroll."

### **Corrective Action Plan for Recommendation #6:**

Human Resources will develop a new hire/termination report by October 31, 2018. The payroll specialists and personnel clerks will review this report prior to running payroll. Once the report has been reviewed and any potential issues investigated and/or corrected, the reviewing employee will sign and date the report before payroll is implemented.

### ***Missing/unknown or duplicate name report***

#### **Recommendation #7:**

“Develop a missing/unknown or duplicate name report – This report would allow payroll to quickly understand if a name is missing, unknown or a duplicate name quickly without reviewing through the entire payroll register. This would then allow for investigation as to why this has happened prior to running the payroll to ensure it is correct.”

#### **Corrective Action Plan for Recommendation #7:**

Human Resources will develop a missing/unknown or duplicate name report by October 31, 2018. The payroll specialists and personnel clerks will review this report prior to running payroll. Once the report has been reviewed and any potential issues investigated and/or corrected, the reviewing employee will sign and date the report before payroll is implemented.