COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-3873
PHONE: (213) 974-8301 FAX: (213) 626-5427

WENDY L. WATANABE
AUDITOR-CONTROLLER

MARIA M. OMS
CHIEF DEPUTY

ASST. AUDITOR-CONTROLLERS

ROBERT A. DAVIS
JOHN NAIMO
JUDI E. THOMAS

January 28, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **CHILD SUPPORT SERVICES DEPARTMENT - PAYROLL/PERSONNEL REVIEW**

In 2007, your Board instructed the Auditor-Controller (A-C) to develop a risk-based plan to audit payroll/personnel operations in all County departments. In accordance with the developed plan, we completed a review of the Child Support Services Department's (CSSD or Department) compliance with County payroll and personnel policies and use of the Countywide Timekeeping and Payroll/Personnel System (CWTAPPS) and eCAPS Time Collection System (Time Collection). Our review covered areas such as overtime usage, recording time and attendance, industrial accident payments, leave accounting, monitoring bonus eligibility, processing employee terminations and data security.

Summary of Findings

We noted that CSSD staff and management administer personnel bonuses, complete County employee background checks, maintain file security and enter data into CWTAPPS timely. However, CSSD needs to strengthen its controls over other areas of their payroll/personnel operations, and use of CWTAPPS and the Time Collection System. The following are examples of areas for improvement.

- CSSD needs to ensure that employees on extended sick leave are paid accurately. Three (20%) of the 15 employees we reviewed were paid incorrectly, resulting in potential overpayments totaling approximately $1,750 and incorrect leave balances.

CSSD's attached response indicates that Division Chiefs in CSSD are now designated to monitor and approve the use of full-pay leave when employees are on part pay status. In addition, timekeepers recently attended a refresher training by CSSD's Human Resources Division on this policy.

- CSSD needs to ensure Payroll staff apply donated leave to the employees' timecards. We noted that for two (25%) of the eight leave donations made in one year, Payroll staff did not apply the donated leave to the receiving employees' timecards, resulting in underpayments totaling $2,600.

  CSSD's attached response indicates that they issued supplemental warrants for the exceptions noted. In addition, CSSD Payroll staff will closely monitor future leave donations.

- CSSD needs to develop written guidelines for bilingual bonus eligibility and better document their annual reviews of bonus eligibility. While CSSD management indicated that their policy is that employees should use a foreign language daily to receive a bilingual bonus, the Department does not have a written bilingual bonus eligibility policy. We reviewed ten employees receiving bilingual bonuses and noted three (30%) instances where employees were receiving the bonuses even though they did not meet CSSD's bonus eligibility requirements at the time of our review. We also noted that managers do not sign and date the review documents to indicate their annual review of bonus eligibility.

  In addition, we noted that three (50%) of the six employees reviewed continued to receive bilingual bonuses after they were absent for more than 60 consecutive days, when the bonuses should have been suspended, resulting in overpayments totaling $250.

  CSSD's attached response indicates that they have developed and implemented procedures to determine eligibility and obtain approval for bilingual bonuses. CSSD also conducts annual bilingual bonus verifications to ensure the appropriateness of the bonuses and division management signs and dates their annual reviews of bilingual bonus eligibility.

- CSSD needs to ensure that staff process exceptions noted in CWTAPPS reports, and that supervisors review, annotate and maintain the reports. Payroll staff did not correct four (14%) of 28 exceptions reviewed, resulting in underpayments of $2,600, and the Department could not provide or did not annotate 92% of the reports we requested.

  CSSD's attached response indicates that payroll supervisors and staff now review, process adjustments and sign the required CWTAPPS reports. In addition, CSSD will maintain the reports for at least five years.

- CSSD needs to improve security over CWTAPPS. We reviewed all 67 CWTAPPS users and noted 28 (42%) users can change their own payroll/personnel information.

  CSSD's attached response indicates that CSSD Payroll and Employee Processing Unit staff are now assigned to a separate processing center, which the CWTAPPS coordinator will monitor.

We also noted that CSSD can improve internal controls over overtime, employee terminations and time keeping.

As indicated, our review disclosed several possible overpayments, underpayments and incorrect leave balances. County policies do not specify when employees are required to repay overpayments because each overpayment is unique. CSSD management should research the individual cases in this report and work with the Department of Human Resources, A-C Countywide Payroll Division and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.

Although this report is a review of CSSD's Payroll/Personnel operations, we recommend that other County departments review the findings in this report and ensure the necessary controls are in place.

Details of these and other findings and recommendations are included in Attachment I.

Review of Report

We discussed the results of our report with CSSD management. The Department's response (Attachment II) indicates agreement with our findings and recommendations. The response also indicates that CSSD management is dedicated to improving their payroll and personnel practices, and describes the actions they have taken to address and implement the recommendations in our report.

We thank CSSD management and staff for their cooperation and assistance during our review. Please call me if you have any questions, or your staff may contact Jim Schneiderman at (213) 253-0101.

WLW:MMO:JLS:MP

Attachments
c: William T Fujioka, Chief Executive Officer
Steven J. Golightly, Ph.D., Director, Child Support Services Department
Lisa M. Garrett, Director of Personnel, Department of Human Resources
Andrea Sheridan Ordin, County Counsel
Department Heads
Public Information Office
Audit Committee

CHILD SUPPORT SERVICES DEPARTMENT
PAYROLL/PERSONNEL REVIEW

Background

The Child Support Services Department (CSSD or Department) has approximately 1,700 employees. CSSD employees enter their time information directly into the County's electronic eCAPS Time Collection System (Time Collection System). The Department's Human Resources Division (HR) Payroll and Employee Processing units also use the Countywide Timekeeping and Payroll/Personnel System (CWTAPPS) to maintain employee leave balances and Industrial Accident (IA) information; to process personnel actions, such as hires/terminations; and to maintain personnel data, including hire dates, social security numbers and County job history.

Scope

We reviewed CSSD's compliance with County payroll and personnel policies, including compliance with the County Fiscal Manual (CFM). Our review included interviews with staff and tests of overtime usage and controls, employee time records, IA and termination payments, warrant distribution and data security.

COMMENTS AND RECOMMENDATIONS

Payroll Exceptions

Our review disclosed a number of errors, such as incorrect timecards, CWTAPPS input errors and misapplication of County payroll rules and regulations. These errors have resulted in possible overpayments, underpayments and incorrect leave balances. Some of the errors may have only been documentation or procedural errors, and not overpayments that would require employees to repay the amounts.

County policies do not specify when employees are required to repay overpayments because each overpayment is unique. CSSD HR management should research the individual cases noted in this report and work with the Department of Human Resources (DHR), Auditor-Controller (A-C) Countywide Payroll and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.

Recommendation

1. **CSSD HR management research the exceptions identified throughout this report and work with DHR, A-C Countywide Payroll and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.**

Leave Accounting

Part-Pay Sick Leave

Employees who are eligible for sick leave and are out sick can use full-pay or part-pay sick leave to be paid for their absence. However, these employees cannot use part-pay sick leave until they have used all of their full-pay sick leave available at the time of the injury or illness. Once an employee begins using part-pay sick leave, County Code Section 6.20.050 prohibits the employee from using any type of full-pay leave (e.g., vacation, full-pay sick leave, etc.) they may have earned while on leave, unless specifically authorized by the Department Head.

We reviewed CWTAPPS data for 15 employees on extended sick leave and noted three (20%) employees were paid incorrectly. Specifically, two employees went from using part-pay sick leave to using full-pay sick leave or other full-pay leave, totaling $1,700, without the required Department Head approval, and one employee's part-pay sick leave hours were coded incorrectly in CWTAPPS. These errors resulted in potential overpayments totaling approximately $1,750 and incorrect leave benefit balances.

Recommendation

2. **CSSD Payroll management obtain Department Head approval before employees use full-pay leave when employees are on part-pay status and monitor to ensure leave time is coded properly.**

Leave Donations

Under the County's Leave Donation Program, employees may donate some of their accrued benefits to another employee who has exhausted his/her accrued leave and continues to be absent because of a prolonged illness. We reviewed CWTAPPS records for all eight leave donations made in one year and noted two (25%) instances, totaling 170 hours, where Payroll staff did not include donated leave on the receiving employees' timecard, resulting in underpayments totaling $2,600.

Recommendation

3. **CSSD Payroll management issue supplemental warrants for the exceptions identified and ensure Payroll staff process future leave donations correctly.**

Industrial Accident Benefits

County employees who are unable to work because of work-related (i.e., Industrial Accidents) may receive temporary disability (TD) benefits. If an employee's disability continues after one-year, employees can use accumulated benefits (e.g., sick leave, vacation, etc.) to supplement the TD benefits and receive up to 100% of their regular

pay. Departments are supposed to notify employees that they can use their accumulated benefits to supplement their TD benefits one month before employees become eligible.

We noted that CSSD does not notify employees that they can use accumulated benefits to supplement their TD benefits at least one month before the employees become eligible. The Department does notify employees when the employees file their IA claim, but that is nearly a year before they can use their benefits. As a result, after one year of disability, none of the employees we sampled used their accumulated benefits to supplement their TD even though they had leave hours available.

Recommendation

4. **CSSD HR management develop and implement written procedures to notify employees one month before they are eligible to supplement their TD that they can use accumulated benefits to supplement their TD benefits.**

Bilingual Bonuses

County Code Section 6.10.140 states that employees must use both English and a foreign language on a "continuing and frequent basis" to receive a bilingual bonus. In addition, CFM Section 3.1.8 requires personnel management to review work assignments, personnel files and eligibility documents annually to ensure employees still qualify for their bonuses. The bonus review reports should be signed and dated by the person performing the review.

We noted that, while HR management defines continuing and frequent for the Department as employees using their foreign language skills daily, they have not developed written bonus eligibility guidelines/requirements. As a result, managers were unaware of the daily use requirement when assigning and annually reviewing bilingual bonus eligibility.

We reviewed ten employees receiving bilingual bonuses and noted three (30%) instances where employees continued to receive bilingual bonuses even though at the time of our review they did not meet the Department's undocumented policy requiring daily use of a foreign language. We also noted that while HR indicated that they ensure managers review their staff's bilingual bonus eligibility annually, managers do not sign and date the bonus review documents.

In addition, County Code Section 6.10.140 requires departments to suspend bilingual bonuses when employees are absent for more than 60 consecutive days. We reviewed a sample of six employees on extended leave who received bilingual bonuses, and noted three (50%) instances where employees continued to receive a bilingual bonus after they had been absent for more than 60 consecutive days, resulting in overpayments totaling $250.

Recommendations

CSSD management:

5. **Develop and implement written guidelines for determining bilingual bonus eligibility and ensure that managers sign and date bilingual bonus review documents annually to indicate their reviews.**

6. **Develop procedures to suspend bilingual bonuses when an employee is absent for more than 60 consecutive calendar days.**

Overtime Authorizations

Since CSSD staff generally do not work overtime on an emergency basis, CSSD policy requires all overtime to be approved before it is worked. CFM Section 3.1.3 requires departments to maintain payroll supporting documents for at least five years.

We reviewed 73 overtime shifts worked by 15 high overtime earners and noted that CSSD could not provide appropriate overtime approval for 44 (60%) of the shifts. Specifically:

- Eighteen (25%) overtime slips were approved after the overtime was worked.
- Twelve (16%) overtime slips did not indicate the approval date.
- Seven (10%) overtime slips did not have all the required approval signatures.
- Seven (10%) overtime slips were missing.

Recommendations

CSSD management:

7. **Ensure that all overtime is pre-approved and appropriately documented.**

8. **Maintain all overtime approval slips for at least five years.**

Employee Terminations

CFM Section 3.1.8 requires personnel management (or someone independent of entering job, timecard and/or termination transactions on CWTAPPS) to keep a list of terminated employees, and trace terminated employees' names to the Payroll Sequence Register for at least three consecutive months to ensure that terminated employees are not being paid. CSSD does not perform this function.

Recommendation

9. **CSSD management ensure personnel management (or someone independent of entering job, timecard and/or termination transactions on CWTAPPS) trace terminated employees' names to the Payroll Sequence Register for at least three consecutive months after the employees are terminated.**

Time and Attendance

The Time Collection System utilizes web-based timesheets for employees to account for their time. If an employee is unavailable, a designated proxy may enter the employee's timesheet information. CSSD began using the Time Collection System on March 1, 2009 and uses proxies to complete approximately 19% of their employees' timecards.

Timecard Certification and Controls

CFM Section 3.1.7 requires employees to certify the accuracy of their reported time with an electronic signature. In instances where proxies submit the sheets and/or timecard adjustment forms, the CFM requires employees to review the timesheet entries made on their behalf by the proxies. In addition, Payroll staff are required to generate and review exceptions on the Time Collection System Single Approver, Audit Trail, and Missing Timesheet reports. Payroll staff must annotate the reports to document the disposition of each entry and sign and date the reports.

CSSD does not have procedures to ensure employees review timesheets submitted by proxies or timesheet adjustment forms for accuracy. For all three proxied timecards we reviewed, there was no documentation that the employees reviewed the time reported by the proxies. In addition, Payroll staff did not generate and review exceptions for all three Single Approver, Audit Trail, and Missing Timesheet reports sampled.

Recommendations

CSSD management:

10. **Develop procedures to ensure employees review and certify timesheets submitted by proxies and timesheet adjustment forms.**

11. **Ensure Payroll staff generate and review exceptions on the Single Approver, Audit Trail, and Missing Timesheet reports and sign and date the reports.**

Payroll Distribution and Payoffs

CSSD's payroll distribution controls do not comply with CFM Section 3.1.12:

- Timekeepers and/or Payroll staff receive, sort and distribute payroll warrants and notices of direct deposit. Staff with payroll responsibilities should not be directly involved in handling warrants/notices of direct deposit.

- Timekeepers and/or Payroll staff conduct the payoffs. Payoffs should be conducted by someone without payroll/personnel responsibilities.

- Some pay locations released warrants/notices of direct deposit during a payoff without verifying the employee's identity. During payoffs, payoff staff should require employees to show proper identification and sign for warrants/notices before releasing them.

- Some pay locations mailed unclaimed warrants/notices of direct deposit from payoffs to employees. This practice defeats the purpose of the payoffs.

Recommendations

CSSD management:

12. **Ensure staff with no payroll/personnel responsibilities distribute payroll warrants and notices of direct deposit.**

13. **Ensure payoffs are conducted by staff with no payroll/personnel responsibilities.**

14. **Ensure that payoff staff verify each employee's identity, ensure employees sign for their warrants and notices of direct deposit, and that unclaimed warrants and notices of direct deposit are not mailed to employees.**

Supplemental Warrants

Supplemental payroll warrants are issued to correct underpayment errors. CFM Section 3.2.3 requires the Payroll Supervisor to approve requests for supplemental warrants in writing before entering the request in CWTAPPS. In addition, an employee independent of the payroll/personnel function should subsequently verify that there is written approval for each supplemental warrant on the CWPAY Report of Supplemental Warrants Issued.

We noted that none of the ten supplemental warrants reviewed, totaling approximately $106,000, had written approval from the Payroll Supervisor. In addition, the Department does not ensure someone independent of the payroll/personnel function subsequently

verifies that there is written approval for each supplemental warrant issued. While the payments were approved in the Personnel Section, the Department should ensure that Payroll approves and documents all supplemental warrants.

Recommendations

CSSD management:

15. **Ensure the Payroll Supervisor approves and documents all requests for supplemental warrants.**

16. **Ensure staff independent of the payroll/personnel functions verifies written approval for each supplemental warrant on the CWPAY Report of Supplemental Warrants Issued.**

CWTAPPS

CWTAPPS Reports

CWTAPPS automatically generates reports to assist managers in monitoring payroll/personnel operations. CFM Section 3.1.0 requires Payroll staff to investigate exceptions on the following eight reports and immediately process any necessary adjustments.

- Time Card Error Report
- Overtime Activity Report
- Leave Final Pay Exception Report
- Time Card Leave Defaulting Report
- Leave Benefit Negative Balance Report
- Change in Overtime History Exception Report
- Premium Overtime Transaction Exception Report
- Excessive Comp Earned/Regular Hours Exception Report

Payroll staff should annotate the reports to document the disposition of each entry and sign and date the report. The Payroll Supervisor should also review the reports each pay period to ensure that adjustments are made promptly and correctly. For audit purposes, CSSD Payroll Section should keep the eight CWTAPPS reports for at least five years.

CSSD Payroll could not provide 26 (31%) of 84 reports we requested. Of the 58 reports Payroll did provide, 51 (88%) were either partially or not annotated by staff and a supervisor to indicate that they were reviewed and/or the exceptions were corrected. In addition, we reviewed 28 of the exceptions reported and noted that staff did not process adjustments for four (14%) of the exceptions, resulting in one underpayment of approximately $2,600.

Recommendations

17. **CSSD management ensure the Payroll Supervisors and staff review, process adjustments, and annotate the reports as required by the CFM.**

18. **CSSD Payroll Section keep the required CWTAPPS reports for at least five years.**

CWTAPPS Security

CFM Section 3.1.5 states that CWTAPPS processing centers should be used so that payroll and personnel staff do not have access to their own payroll/personnel information and restrict CWTAPPS profiles (e.g., inquire, add, update, delete, etc.) to the scope of the employee's job responsibilities. In addition, CFM Section 8.6.3 requires employees with access to County computer data to sign an acknowledgement that they have read and understand the Department's security policy.

We reviewed the Department's 67 CWTAPPS users and noted:

- Twenty-eight (42%) employees have access to their own processing centers and can change their own payroll/personnel information.

- Seventeen (25%) employees have access to view and perform payroll or personnel functions that are outside the scope of their responsibilities.

- Fifteen (22%) employees have either never logged onto the system, or have not logged on for over five months.

In addition, CSSD did not have signed acknowledgments for six (30%) of the 20 employees we reviewed.

Recommendations

CSSD management:

19. **Use processing centers so staff do not have access to their own payroll/personnel information on CWTAPPS.**

20. **Periodically review employees' CWTAPPS access, restrict access based on the employee job duties, and remove employees who no longer require access.**

21. **Ensure that all employees with access to County computer data sign the data security policy.**

Attachment II

COUNTY OF LOS ANGELES
Child Support Services Department

STEVEN J. GOLIGHTLY, Ph.D.
Director

FESIA A. DAVENPORT
Chief Deputy Director

November 8, 2010

To: Wendy L. Watanabe
Auditor-Controller

From: Steven J. Golightly, Ph.D.
Director

Subject: **CHILD SUPPORT SERVICES DEPARTMENT–PAYROLL/PERSONNEL REVIEW**

Attached is the Child Support Services Department's response to the recommendations contained in the Auditor-Controller Payroll/Personnel Review draft report. We agree with your recommendations and have taken corrective actions as outlined in Attachment I.

We appreciate the opportunity to include our response with your report, and the professionalism of your staff in conducting their review of our operations. If you have any questions or require additional information, please let me know or your staff may contact Rita Figueroa, Deputy Director, at (323) 889-2981.

SJG:RF:TM:as

Attachment

c: Fesia A. Davenport, Chief Deputy Director
Tatiana Moskova, DHRM

ATTACHMENT I

COUNTY OF LOS ANGELES - CHILD SUPPORT SERVICES DEPARTMENT

RESPONSE TO PAYROLL/PERSONNEL AUDIT REVIEW
HUMAN RESOURCES

AUDITOR-CONTROLLER RECOMMENDATION #1

CSSD HRD management research the exceptions identified throughout this report and work with DHR, A-C Countywide Payroll and County Counsel to recover overpayments, issue supplemental warrants to correct underpayments and/or adjust employee leave benefit balances.

CSSD response:
CSSD agrees and has corrected the exceptions identified in this report. By working with DHR and A-C Countywide Payroll as necessary, we have recovered overpayments, issued supplemental warrants and adjusted employee leave balances.

AUDITOR-CONTROLLER RECOMMENDATION #2

CSSD Payroll management obtain Department Head approval before employees use full-pay leave when employees are on part pay status and monitor to ensure leave time is coded properly.

CSSD response:
CSSD agrees and has fully implemented corrective action. CSSD Division Chiefs were designated to be responsible for approval and monitoring the use of full-pay leave when employees are on part pay status. Employees are not allowed to use full-pay leave without appropriate approval. Timekeepers have attended refresher training presented by Human Resources regarding this policy.

AUDITOR-CONTROLLER RECOMMENDATION #3

CSSD Payroll management issue supplemental warrants for the exceptions identified and ensure Payroll staff process future leave donations correctly.

CSSD response:
CSSD agrees and has taken corrective action. Supplemental warrants for the exceptions have been ordered and issued. Payroll staff will monitor any future leave donations closely.

AUDITOR-CONTROLLER RECOMMENDATION #4

CSSD HRD management develop and implement written procedures to notify employees one month before they are eligible to supplement their TD that they can use accumulated benefits to supplement TD their benefits.

CSSD response:
CSSD agrees and has fully implemented corrective action. Risk Management Section developed and implemented a Benefit Election Letter and Statement which is sent to employees 30 days prior to the ending of temporary disability. The letter notifies employees of their eligibility to supplement their temporary disability by utilizing their accumulated benefits.

AUDITOR-CONTROLLER RECOMMENDATION #5

CSSD management develop and implement written guidelines for determining bilingual bonus eligibility and ensure that managers' sign and date bilingual bonus review documents to indicate their reviews.

CSSD response:
CSSD agrees and has fully implemented corrective action. Procedures to determine eligibility and obtain approval for bilingual bonuses have been implemented. To request a bilingual bonus, division management must complete and sign the Request for Bilingual Bonus Authorization Form indicating that all required specifications have been met. Forms are then forwarded to HR for review and approval. Annual Bilingual Bonus verifications are conducted to ensure the accuracy of bilingual bonus program. All Bilingual Bonus verifications are signed and dated by the division management.

AUDITOR-CONTROLLER RECOMMENDATION #6

CSSD management develop procedures to suspend bilingual bonuses when an employee is absent for more than 60 consecutive calendar days.

CSSD response:
CSSD agrees and has fully implemented corrective action. A monthly log of all employees on leave is prepared by the Payroll/FMLA Coordinator and provided to the HR, Employee Processing Unit. Employee Processing staff removes employees that are absent for 60 consecutive days or more from the bilingual bonus program.

AUDITOR-CONTROLLER RECOMMENDATION #7

CSSD management ensure that all overtime is pre-approved and appropriately documented.

CSSD response:
CSSD agrees and has fully implemented corrective action. Overtime is pre-approved before being worked and appropriately documented.

AUDITOR-CONTROLLER RECOMMENDATION #8

CSSD management maintain all overtime approval slips for at least five years.

CSSD response:
CSSD agrees and has fully implemented corrective action. Overtime approval requests are stored in the Fiscal Division for at least five years.

AUDITOR-CONTROLLER RECOMMENDATION #9

CSSD management ensure personnel management (or someone independent of entering job, time card and/or termination transactions on CWTAPPS) traces terminated employees' names to the Payroll Sequence Register for at least three consecutive months after the employees terminate.

CSSD response:
CSSD agrees and has fully implemented corrective action. A monthly log of all terminations is prepared by Employee Processing Unit and sent to the Payroll Section. Payroll Section staff checks all names on the log against the Payroll Sequence Register for 3 consecutive months after the employees' termination date.

AUDITOR-CONTROLLER RECOMMENDATION #10

CSSD management develop procedures to ensure employees review and certify timesheets submitted by proxies and timesheet adjustment forms.

CSSD response:
CSSD agrees and has fully implemented corrective action. Procedures have been developed to ensure employees review and certify timesheets/and or adjustments submitted by proxies.

AUDITOR-CONTROLLER RECOMMENDATION #11

CSSD management ensure Payroll staff generate and review exceptions on the Single Approver, Audit Trail, and Missing Timesheet reports and sign and date the reports.

CSSD response:
CSSD agrees and has fully implemented corrective action. Payroll staff generate, review, sign and date exceptions on Single Approver, Audit Trail and Missing Timesheet reports.

AUDITOR-CONTROLLER RECOMMENDATION #12

CSSD management ensure staff with no payroll/personnel responsibilities distributes payroll warrants and notices of direct deposit.

CSSD response:
CSSD agrees and has fully implemented corrective action. Payroll warrants and notices of direct deposit are received by Area Administrators in each Division. In the future, with eHR, we will be paperless and employees will be able to view their own pay information on the Employee Self Service application.

AUDITOR-CONTROLLER RECOMMENDATION #13

CSSD management ensure payoffs are conducted by staff with no payroll/personnel responsibilities.

CSSD response:
CSSD agrees and has fully implemented corrective action. Procedures for employee payoffs have been developed in compliance with CFM Section 3.1.12. Payoffs are conducted by staff with no payroll/personnel responsibilities, specifically, Area Administrator, or Secretaries or other designated staff.

AUDITOR-CONTROLLER RECOMMENDATION #14

CSSD management ensure that payoff staff verify each employee's identity and ensure employees sign for their warrants and notices of direct deposit and that unclaimed warrants and notices of direct deposit are not mailed to employees.

CSSD response:
CSSD agrees and has fully implemented corrective action. All unclaimed warrants and notices of direct deposits are collected and handled by the Fiscal Division and are not mailed to employees. Every employee's identity is verified by the respective Area Administrator and every employee signs for their warrants and notices of direct deposit. This function is being handled by Fiscal Division.

AUDITOR-CONTROLLER RECOMMENDATION #15

CSSD management ensure the Payroll Supervisor approves and documents all requests for supplemental warrants.

CSSD response:
CSSD agrees and has fully implemented corrective action. Payroll Supervisor or Payroll Manager is required to approve all documents and requests for supplemental warrants.

AUDITOR-CONTROLLER RECOMMENDATION #16

CSSD management ensure staff independent of the payroll/personnel functions verifies written approval for each Supplemental warrant on the CWPAY Report of Supplemental Warrants Issued.

CSSD response:
CSSD agrees and has fully implemented corrective action. Fiscal Division verifies written approval for each supplemental warrant on the CWPAY Report of Supplemental Warrants Issued.

AUDITOR-CONTROLLER RECOMMENDATION #17

CSSD management ensure the Payroll Supervisors and staff review, process adjustments, and annotates the reports as required by the CFM.

CSSD response:
CSSD agrees and has fully implemented corrective action. Payroll Supervisor and staff review, process adjustments, and sign reports as required by the CFM.

AUDITOR-CONTROLLER RECOMMENDATION #18

CSSD management ensure Payroll keeps the required CWTAPPS reports for at least five years.

CSSD response:
CSSD agrees and has fully implemented corrective action. The required CWTAPPS reports are signed, dated and will be kept for at least five years.

AUDITOR-CONTROLLER RECOMMENDATION #19

CSSD management use processing centers so staff does not have access to their own payroll/personnel information on CWTAPPS.

CSSD response:
CSSD agrees and has fully implemented corrective action. Human Resources staff is assigned to one processing center, which is monitored by the CWTAPPS coordinator only.

AUDITOR-CONTROLLER RECOMMENDATION #20

CSSD management periodically review employees' CWTAPPS access, restrict access based on the employee job duties and employees who no longer require access are removed.

CSSD response:
CSSD agrees and has fully implemented corrective action. Quarterly review of employees with CWTAPPS access is implemented. Access is restricted based on the employee job duties and employees are removed when they no longer require access.

AUDITOR-CONTROLLER RECOMMENDATION #21

CSSD management ensure that all employees with access to County computer data sign the data security policy.

CSSD response:
CSSD agrees and has fully implemented corrective action. The acknowledgements are signed as part of the registration for CWTAPPS access. Also, the data security policy is signed by employees annually at the time the Performance Evaluations are completed.