COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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WENDY L. WATANABE
AUDITOR-CONTROLLER

July 1, 2013

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

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **TREASURER AND TAX COLLECTOR – 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 Treasurer and Tax Collector's (TTC or Department) compliance with County payroll and personnel policies, and their use of the Countywide Timekeeping and Payroll Personnel System (CWTAPPS). CWTAPPS was recently replaced by the County's electronic Human Resources (eHR) system. Our review covered the period from January 2009 through June 2011, and included areas such as monitoring bonus eligibility, overtime use, recording time and attendance, leave accounting, industrial accident (IA) payments, data security, and processing employee terminations.

Summary of Findings

Our review identified opportunities for TTC to strengthen its controls over payroll/personnel operations. The following are examples of areas for improvement:

- TTC needs to ensure bonuses are paid correctly. We reviewed bonuses for 12 employees, and noted that two (17%) employees were over/under paid because the Department entered the wrong bonus codes in CWTAPPS. In addition, for one of the two employees, TTC did not properly monitor the bonus for pay rate changes that affected the bonus amount.

TTC's attached response indicates that controls have been implemented for Personnel staff to ensure bonuses and changes that affect bonuses are properly monitored.

- TTC needs to ensure that non-emergency overtime is approved in advance, and appropriately documented. The Department did not have overtime approval documentation for overtime reported on five (56%) of nine timecards reviewed.

  TTC's response indicates that they have taken corrective action by requiring Payroll staff to conduct thorough reviews of overtime reports to ensure all overtime is appropriately authorized. In addition, TTC will maintain overtime approval documentation for a minimum of five years.

- TTC needs to ensure that employees on extended sick leave are paid accurately. Six (60%) of ten employees reviewed may have been overpaid by a total of $5,700.

  TTC's response indicates that they have provided additional training to Payroll staff, and have implemented mechanisms and controls to ensure timecards for employees on extended sick leave are accurate, and have the required Department Head approval when necessary.

- TTC needs to ensure employees on IA leave are properly paid. Two (40%) of five IA cases reviewed had multiple payment and time coding errors, resulting in over/under payments. The incorrect payments occurred because the employees' timecards were miscoded, IA benefits were not terminated timely, or because the Department did not properly compute the employees' leave benefits.

  TTC's response indicates that TTC Payroll staff will work closely with their Return-to-Work staff to ensure that all IA payments and timecards are accurate.

- TTC needs to ensure that incompatible functions are segregated, and that system access is appropriately restricted. Three (30%) of ten users reviewed could update and delete both payroll and personnel data in CWTAPPS, and two (20%) users had more access than needed for their jobs.

  TTC's response indicates that management will periodically review eHR reports to ensure access is appropriate.

Our review identified potential over/under payments and incorrect leave balances. County policies do not specify when employees are required to repay overpayments because each overpayment is unique. TTC management should research the individual cases in this report, and work with the Department of Human Resources, the A-C's Countywide Payroll Division, and County Counsel to recover overpayments, correct

underpayments, and/or adjust leave benefit balances. Details of these and other findings and recommendations are included in Attachment I.

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

Review of Report

We discussed the results of our review with TTC management. They generally agreed with our findings and recommendations, and indicated they will work to improve controls over their payroll/personnel operations. TTC's response (Attachment II) describes the corrective actions they have taken, or plan to take, to address the recommendations in our report.

TTC implemented eHR in April 2012. However, some of our findings are related to the prior CWTAPPS system. TTC will address our recommendations in eHR where applicable.

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

WLW:RS

Attachments

c: William T Fujioka, Chief Executive Officer
Mark J. Saladino, Treasurer and Tax Collector
Lisa M. Garrett, Director of Personnel, Department of Human Resources
John F. Krattli, County Counsel
Department Heads
Public Information Office
Audit Committee

TREASURER AND TAX COLLECTOR PAYROLL/PERSONNEL REVIEW

Background and Scope

The Treasurer and Tax Collector (TTC or Department) has approximately 500 employees. With the implementation of the County's electronic Human Resources (eHR) system, TTC employees enter their time worked directly into the County's eCAPS Time Collection System (Time Collection System) rather than using a traditional paper timecard. eHR is a personnel and timekeeping system used to track employee time and leave data, and industrial accident (IA) information; process personnel actions such as hires/terminations; and maintain personnel data, including hire dates, social security numbers, and County employment history.

We reviewed TTC's compliance with County payroll and personnel processing policies, and the County Fiscal Manual (CFM). Our review included interviews with staff, and tests of bonus eligibility, overtime use and controls, employee time records, leave accounting, IA payments, and data security. Our review covered the period from January 2009 through June 2011.

TTC implemented eHR in April 2012. However, some of our findings address the prior Countywide Timekeeping and Payroll Personnel System (CWTAPPS). TTC will address our recommendations in eHR where applicable.

Comments and Recommendations

Payroll Exceptions

We noted a number of issues, such as incorrect timecards, data entry errors, and misapplication of County payroll rules and regulations, which have resulted in possible overpayments, underpayments, and incorrect leave balances.

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

Recommendation

1. **TTC management research the exceptions identified throughout this report, and work with DHR, the A-C's Countywide Payroll Division, and County Counsel to recover any identified overpayments, correct underpayments, and/or adjust employee leave benefit balances.**

Bonuses

Employees can receive bonuses for special job skills, performing additional duties, or for working at a particular location (e.g., bilingual bonus, out-of-class assignments, Civic Center Traffic Mitigation Allowance, etc.). CFM Section 3.1.8 requires departments to verify employee eligibility for bonuses each year, and have documentation in the employees' personnel files to establish that the employees continue to qualify for their bonuses.

Our review of bonuses at TTC identified the following exceptions:

- Bonuses for two (17%) of 12 employees reviewed were miscalculated, resulting in immaterial over/under payments. The errors occurred because TTC entered the wrong bonus codes in CWTAPPS (now eHR). In addition, for one of the two employees, TTC did not properly monitor the bonus for pay rate changes that affected the bonus amount.

- TTC did not maintain adequate documentation for some bonuses, or review bonuses annually as required. For two (17%) of 12 employees reviewed, the Department could not document that the employees were eligible for the bonuses. In addition, for seven (58%) bonuses, the Department could not document that they had completed annual bonus reviews.

Recommendations

TTC management:

2. **Ensure bonuses are paid correctly, and monitor bonuses for changes that affect the bonus amount.**

3. **Keep supporting documentation for all bonuses, and conduct annual reviews to ensure employees still qualify for bonuses.**

Overtime

Overtime Controls

TTC policy requires all overtime to be approved in advance. In addition, CFM Section 3.1.3 requires departments to maintain payroll supporting documentation for at least five years. TTC did not have overtime approval documentation for overtime reported on five (56%) of nine timecards reviewed.

Recommendation

4. **TTC management ensure that overtime is properly approved, and that documentation of overtime approval is kept for at least five years.**

Overtime Status Code

The federal Fair Labor Standards Act (FLSA) governs how certain employees are compensated for overtime (e.g., time and a half, compensatory time off, etc.). The Chief Executive Office (CEO) determines which employee classes are covered or exempt from FLSA provisions, and those designations are pre-established in eHR. However, departments can change the FLSA status for individual employees, with CEO approval.

We noted that TTC changed the FLSA status for two employees. In the first case, an employee's status was erroneously changed from covered to exempt. TTC acknowledged the error, and corrected the employee's status as a result of our audit. However, this error may have resulted in potential underpayments, because the employee was not compensated for overtime as she would have been as a covered employee. As previously indicated, TTC should resolve any potential underpayments.

The second employee's FLSA status was changed from exempt to covered. TTC indicated that they obtained CEO approval when the employee's status was initially changed. However, neither TTC nor the CEO could provide documentation of the approval, or formal justification for the change. As a result, we were unable to verify the approval. For calendar year (CY) 2010, the employee was paid $4,100 in overtime as a result of the status change. This employee has since retired, and the position remains vacant. TTC is working with the CEO to complete a reclassification study for this item. Depending on the outcome of the classification study, TTC will need to work with County Counsel to determine if there was an overpayment, and if the overpayment is collectible.

Recommendations

TTC management:

5. **Obtain CEO approval before changing any employee's FLSA status.**

6. **Routinely monitor FLSA overrides to ensure they are appropriate, and that proper approval is obtained and documented.**

Leave Accounting

Part-Pay Sick Leave

Employees who are eligible for sick leave and are out sick can use full or part-pay sick leave 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 accrued while on leave, etc.), unless specifically authorized by the Department

Head. In addition, employees cannot receive credit for holidays that occur while they are not working and are on part-pay sick leave.

We reviewed timekeeping records for ten employees on extended sick leave, and noted that six (60%) were paid incorrectly, including some with multiple errors:

- Three employees went from using part-pay sick leave to full-pay leave (e.g., vacation, etc.), without the required Department Head approval, resulting in potential overpayments of approximately $4,500, and incorrect leave balances.

- Three employees' full-pay and/or part-pay sick leave hours were coded incorrectly, resulting in potential overpayments totaling $700, and incorrect sick leave balances.

- Three employees received credit for a holiday that occurred while they were on part-pay sick leave, resulting in overpayments totaling $500, and incorrect leave balances.

Recommendations

TTC management:

7. **Obtain Department Head approval before allowing employees to change from part-pay sick leave to any full-pay leave.**

8. **Ensure Payroll staff correctly code employees' timecards when they are on extended sick leave.**

9. **Ensure employees are not credited with holidays while on part-pay sick leave.**

Leave Processing

County Interpretive Manual Section 1.2.B.1 states that employees who receive donated leave cannot use any accrued full-pay leave until the donated leave is exhausted, and the employee returns to work.

We reviewed timekeeping records for eight employees who donated, or received donated leave in CYs 2009 and 2010. We noted that one (13%) employee inappropriately used full-pay leave accrued while she was on extended leave, after exhausting her donated leave, before she returned to work.

We also noted that TTC did not keep a list of employees who donated or received donated leave time. TTC should keep this list to monitor leave donations, and ensure leave balances are accurate.

Recommendations

TTC management:

10. **Ensure employees who receive donated leave do not use any full-pay sick leave until the donated leave is exhausted, and the employees return to work.**

11. **Keep a list of employees who donate or receive donated leave, and monitor to ensure benefit balances are accurate.**

Industrial Accidents

County employees who are unable to work because of work-related IAs may receive temporary disability (TD) benefits. The benefits are authorized by one of the County's contract Third-Party Administrators (TPA). The first year of the injury is known as the salary continuation period (SCP).

If an employee's disability continues after one year, the post salary continuation period (PSCP) begins. Employees can use accumulated benefits (e.g., sick leave, vacation, etc.) earned while working to supplement their TD benefits up to 100% of their regular pay during the PSCP. Departments must notify employees that they can use accumulated benefits to supplement their TD benefits one month before the start of the PSCP. The TD and supplemental payments should stop when an employee returns to work, or is classified as permanently disabled. Once an employee returns to work, if an employee is out for less than a day for treatment related to the IA injury, the time should be coded as workers' compensation leave.

Two (40%) of five IA cases reviewed had multiple payment and timecard coding errors. Specifically:

- The two employees did not receive workers' compensation leave for treatment after they returned to work. In these two instances, the employees' used their own sick time, instead of workers' compensation leave. We also noted one instance where an employee received workers' compensation leave without a doctor's note or other supporting documentation. These instances resulted in potential over/under payments, and misstated leave balances.

- One of the employees inappropriately received TD benefits after she returned to work, and also received TD benefits after she was classified as permanently disabled and started receiving permanent disability benefits. These errors resulted in potential overpayments.

- Payroll staff miscalculated one employee's supplemental TD payments. In addition, this employee inappropriately used full-pay leave accrued during the

PSCP to supplement her TD benefits, resulting in potential overpayments, and misstated leave balances.

- TTC did not notify the employees one month prior to the PSCP that they can use accumulated benefits to supplement their TD benefits, as required.

Recommendations

TTC management:

12. **Ensure Payroll staff follow rules for TD benefit payments and workers' compensation leave usage, supplement TD payments correctly, and monitor for compliance.**

13. **Ensure employees are notified at least one month prior to the PSCP that they can use accumulated benefits to supplement their TD benefits.**

Supplemental Warrants

CFM Section 3.2.3 states that an employee independent of the payroll/personnel functions should verify that there is written approval for each warrant on the supplemental warrant register. CFM Section 3.1.12 indicates that staff with payroll/personnel responsibilities should not handle warrants.

We reviewed ten supplemental warrants, and noted that staff independent of the payroll/personnel function did not verify that there was written approval for the supplemental warrants. In addition, we noted that TTC staff with personnel responsibilities receive, sort, and distribute supplemental warrants.

Recommendations

TTC management:

14. **Ensure that an employee independent of the payroll/personnel function verifies that there is written approval for each warrant on the supplemental warrant register.**

15. **Ensure staff with no payroll/personnel responsibilities receive, sort, and distribute supplemental warrants.**

Data Security

System roles determine which eHR pages (previously called "screens" in CWTAPPS) a user can access and what specific actions (e.g., inquire, add, update, delete, etc.) they can process in the system. CFM Section 3.1.5 indicates that system role assignments

should be as restrictive as possible based on the employee's job responsibilities, and should be cancelled immediately if the employee no longer requires access. In addition, CFM Section 3.1.4 states that system access should be assigned to ensure adequate separation of duties, and that roles permitting changes to both payroll and personnel information should be restricted to management and high-level supervisory personnel.

We reviewed ten employees with CWTAPPS (now eHR) access, and noted the following:

- Three (30%) users had security roles that allowed them to perform all actions (e.g., make updates and/or deletions to both payroll and personnel data, etc.). These employees were not at an appropriate level to have this access. In addition, two of these employees performed both payroll and personnel functions. TTC should ensure proper separation of duties, and restrict employees' system access accordingly.

- Two (20%) users were assigned data-entry ability, but only needed to view personnel records to do their jobs.

- One (10%) user continued to have system access for approximately five months after she changed assignments and no longer needed access.

Recommendation

16. TTC management periodically review employees' eHR access, and ensure access is restricted based on the employee's job duties, proper separation of duties exist, and access is cancelled when no longer needed.

Employee Terminations

CFM Section 3.1.8 requires personnel independent of entering job, timecard, and/or termination transactions in eHR to keep a list of terminated employees, and trace the terminated employees' names to the eHR Payroll Sequence Register for at least three consecutive months to ensure that terminated employees are not being paid. TTC does not maintain a list of terminated employees and does not trace the employees' names to the eHR Payroll Sequence Register, as required.

Recommendation

17. TTC management ensure staff maintain a list of terminated employees, and trace terminated employees' names to the eHR Payroll Sequence Register for at least three consecutive months after the employees are terminated.

Exception Reports

Payroll/Personnel Exception Reports

eHR and Time Collection System both automatically generate reports to assist managers in monitoring payroll/personnel operations. CFM Sections 3.1.0 and 3.1.7 require Payroll staff to investigate exceptions on the following seven reports, and note the disposition of each entry on the reports.

eHR Reports

- Overtime Activity Report
- Leave Benefit Negative Balances Report
- Change in Overtime History Exception Report (also includes information from the Premium Overtime Transaction Exception Report previously generated by CWTAPPS)
- Excessive Comp Earned/Regular Hours Exception Report

Time Collection System Reports

- Single Approver Report
- Audit Trail Report
- Missing Timesheet Report

Payroll staff should sign and date the reports to document their review. In addition, the supervisor should review, sign, and date the reports. For 12 (75%) of 16 exception reports reviewed, Payroll staff did not properly annotate the exceptions on the reports. As a result, we were unable to determine whether the reports were reviewed and/or the adjustments were made timely. We also noted that Payroll staff and/or the supervisor did not sign and/or date eight (50%) reports. As a result, we were unable to verify whether the reports were reviewed timely.

Recommendation

18. TTC management ensure Payroll staff and supervisors document their review of eHR and Time Collection System reports, and ensure exceptions are resolved timely.

Internal Control Certification Program

The A-C developed the Internal Control Certification Program (ICCP) to assist County departments in evaluating and improving internal controls over fiscal operations. Departments must review and evaluate controls in key fiscal areas, and certify that proper controls are in place, or note that action is being taken to correct any deficiencies or weaknesses noted.

Many of the issues we noted in TTC's payroll/personnel operations could have been identified when TTC completed the ICCP in Fiscal Year's 2008-09 and 2010-11.

However, their certifications did not identify some payroll/personnel control weaknesses. For example, the Department certified that management maintains a list of terminated employees and traces the names to the eHR Payroll Sequence Register for at least three consecutive months. However, as noted above, our review does not support this. TTC management should ensure that the ICCP questionnaires are completed accurately, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.

Recommendation

19. TTC management ensure the ICCP questionnaires are completed accurately, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.

COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

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April 29, 2013

TO: Wendy L. Watanabe
Auditor-Controller

FROM: Mark J. Saladino
Treasurer and Tax Collector

SUBJECT: **RESPONSE TO AUDITOR-CONTROLLER'S PAYROLL/PERSONNEL REVIEW – TREASURER AND TAX COLLECTOR (790)**

Attached is the Treasurer and Tax Collector's response to the recommendations proposed by the Auditor-Controller in its Payroll/Personnel Review report. We are in agreement and we have taken or initiated actions to address and implement the recommendations contained in the report.

If you have any questions or require additional information, please have your staff contact Departmental Human Resources Manager Navjot Kaur at (213) 974-2178.

MJS:NK:HP:NJ:lc

Attachment

c: Keith Knox, Assistant Treasurer and Tax Collector
Sandra Pina-Barbee, Administrative Deputy
Navjot Kaur, Departmental Human Resources Manager

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
Response to Auditor-Controller Payroll/Personnel Review
June 13, 2013

Auditor-Controller Recommendation #1:

TTC management research the exceptions identified throughout this report, and work with DHR, the A-C's Countywide Payroll Division, and County Counsel to recover any identified overpayments, correct underpayments, and/or adjust employee leave benefit balances.

TTC Response: We concur.

Status: Complete. The TTC has corrected underpayments and recovered overpayments where appropriate.

Auditor-Controller Recommendation #2:

Ensure bonuses are paid correctly, and monitor bonuses for changes that affect the bonus amount.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls for Personnel staff to monitor bonuses and changes, such as step increases, that affect the amount of bonuses to ensure compliance.

Auditor-Controller Recommendation #3:

Keep supporting documentation for all bonuses, and review bonuses annually to ensure employees still qualify for the bonuses.

TTC Response: We concur.

Status: Complete. The TTC has revised its annual bonus review process to include Civic Center Traffic Mitigation Allowance, Superior Subordinate Bonuses, and Additional Responsibilities Bonuses. TTC will ensure that supporting documents are properly retained.

Auditor-Controller Recommendation #4:

TTC management to ensure that overtime is properly approved, and that documentation of overtime approval is kept for at least five years.

TTC Response: We concur.

Status: Complete. The TTC has a mechanism in place to ensure that all overtime hours are approved and documented properly. Payroll staff conducts a thorough review of overtime reports to ensure that all overtime was authorized appropriately. TTC will ensure that overtime approval documentation is retained for at least five years.

Auditor-Controller Recommendation #5:

Obtain CEO approval before changing any employee's FLSA status.

TTC Response: We concur.

Status: Complete. The TTC has no intention of changing the FLSA status for any current items and will obtain CEO approval if such a need arises.

Auditor-Controller Recommendation #6:

Routinely monitor FLSA overrides to ensure they are appropriate, and that proper approval was obtained and documented.

TTC Response: We concur.

Status: Complete. The TTC had one historical override. The parties involved are no longer employed and any associated supporting documentation could not be located. The TTC will obtain prior CEO approval and retain all supporting documentation should such a need arise in the future.

Auditor-Controller Recommendation #7:

Obtain department head approval before allowing employees to change from part-pay sick leave to any full-pay leave.

TTC Response: We concur.

Status: Complete. The TTC has developed a review process to obtain Department Head approval before allowing employees to change from part-pay sick leave to any full-pay leave. All such requests are submitted to the Department Head for approval to ensure compliance.

Auditor-Controller Recommendation #8:

Ensure Payroll staff correctly code employees' timecards when they are on extended sick leave.

TTC Response: We concur.

Status: Complete. The TTC has implemented a mechanism to ensure that timesheets for employees on extended leaves of absence are entered accurately. Payroll staff have been provided with additional training in an effort to ensure compliance.

Auditor-Controller Recommendation #9:

Ensure employees are not credited with holidays while on part-pay sick leave.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC Payroll staff review timesheets and eHR reports to identify and correct any such credits.

Auditor-Controller Recommendation #10:

Ensure employees who receive donated leave do not use any full-pay sick leave until the donated leave is exhausted, and the employees return to work.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC Payroll staff monitor leave usage for employees who receive donated leave to ensure no full-pay sick leave benefits are used until donated leave is exhausted.

Auditor-Controller Recommendation #11:

Keep a list of employees who donate or receive donated leave, and monitor to ensure benefit balances are accurate.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC Payroll staff oversee and process all leave donation requests and time donations and ensure accuracy of balances.

Auditor-Controller Recommendation #12:

Ensure Payroll staff follow rules for TD benefit payments and workers' compensation leave usage, supplement TD payments correctly, and monitor for compliance.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC Payroll staff will work closely with RTW staff to ensure all TD and Workers' Compensation payments and time usage are accurate.

Auditor-Controller Recommendation #13:

Ensure employees are notified at least one month prior to the PSCP that they can use accumulated leave to supplement TD benefits.

TTC Response: We concur.

Status: Complete. The TTC has implemented a process to ensure compliance. TTC RTW staff will notify affected employees and will inform Payroll staff of the employees' decision.

Auditor-Controller Recommendation #14:

Ensure that an employee independent of the payroll/personnel function verifies that there is written approval for each warrant on the supplemental warrant register.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. Staff independent of Payroll/Personnel have been designated to perform this task.

Auditor-Controller Recommendation #15:

Ensure staff with no payroll/personnel responsibilities receive, sort, and distribute supplemental warrants.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. Staff independent of Payroll/Personnel have been designated to perform this task.

Auditor-Controller Recommendation #16:

TTC management periodically review employees' eHR access, and ensure access is restricted based on the employee's job duties, proper separation of duties exist, and access is cancelled when no longer needed.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC management will utilize eHR reports to conduct this review and will take appropriate action(s) based on findings.

Auditor-Controller Recommendation #17:

TTC management ensure staff maintain a list of terminated employees, and trace terminated employees' names to the Payroll Sequence Register for at least three consecutive months after the employees are terminated.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. TTC has designated an employee to perform this task by reviewing the Payroll Sequence Register.

Auditor-Controller Recommendation #18:

TTC management ensure Payroll staff and supervisors document their review of eHR and eCAPS Time Collection reports, and ensure exceptions are resolved timely.

TTC Response: We concur.

Status: Complete. The TTC has implemented controls to ensure compliance. Payroll staff and the Payroll supervisor review eHR reports to identify exceptions and work with Departmental timekeepers to resolve them.

Auditor-Controller Recommendation #19:

TTC management ensure the ICCP questionnaires are completed accurately, all internal control weaknesses are identified, and an improvement plan is developed to address each weakness.

TTC Response: We concur.

Status: Complete. The TTC is committed to the accurate completion of the ICCP and improving personnel and payroll operations and controls wherever possible.