

**BROOME COUNTY
DEPARTMENT OF
AUDIT AND CONTROL**

**PAYROLL AUDIT
DISTRICT ATTORNEY
AND
OFFICE FOR AGING**

AUGUST 2001

Alex J. McLaughlin, Comptroller

August 24, 2001

Jeffrey P. Kraham, County Executive:

The Department of Audit and Control has audited the payroll for the District Attorney's Office and the Office for Aging for the payroll period ended July 8, 2001. The principle objectives were to ensure that payroll was recorded and distributed in a proper manner and that proper authorization existed for all payroll deductions.

The audit was conducted in accordance with generally accepted auditing standards. Such standards require that the Department of Audit and Control plan and perform the audit to adequately assess the accuracy of the financial records and adequacy of the internal controls, and that we examine, on a test basis, sufficient, competent and relevant evidence to afford a reasonable basis for our conclusions.

Based on the results of our examination, and except for the instances noted herein, it is our opinion that the District Attorney and the Office for Aging have complied in all material respects with existing rules, regulations, policies and procedures to properly monitor and record departmental payroll transactions.

Sincerely,

Alex J. McLaughlin
Comptroller

cc: Daniel A Schofield, Chairman of the Legislature
Members of the Legislature
Louis P. Augostini, Clerk of the Legislature
Jerome Z. Knebel, Commissioner of Finance
Gerald Mollen, District Attorney
Kathleen Bunnell, Director of Office for Aging

AUDIT FINDINGS, RECOMMENDATIONS, AND RESPONSES

- DISTRICT ATTORNEY -

FINDING 1: EMPLOYEES IN NON-EXEMPT POSITIONS NOT REQUIRED BY MANAGEMENT TO SUBMIT TIMESHEET

During the course of our audit, we found two employees in non-exempt positions (Administrative Assistant to the District Attorney and Investigator-DA) that were not required by management to fill out timesheets.

Broome County Personnel Department Policy #3060.3 requires all non-exempt class employees to record work time on an approved timesheet.

Without an approved timesheet on file for non-exempt positions, disputes can arise regarding entitlement to and the amount of employee overtime and compensatory time.

RECOMMENDATION:

We recommend that the District Attorney's Office require all non-exempt positions to complete and submit an authorized timesheet.

MANAGEMENT RESPONSE:

The District Attorney's Office has adopted this recommendation. All non-exempt positions are now required to complete and submit an authorized timesheet.

FINDING 2: TIMESHEETS DO NOT MEET MINIMUM PERSONNEL POLICY REQUIREMENTS

During the course of our audit, we noted an instance where an employee's timesheet did not have a supervisor's signature.

Broome County Personnel Department Policy #3060.3 requires that timesheets include the signature of the employee and signature or initials of their supervisor.

Without the required written documentation, time worked cannot be readily verified for accuracy and authorization.

RECOMMENDATION:

We recommend that the District Attorney's Office revise its procedures relative to timekeeping requirements to ensure proper oversight and compliance with Broome County Personnel Department's Policy #3060.3.

MANAGEMENT RESPONSE:

The District Attorney's Office has adopted this recommendation. Supervisors of all employees, as well as the Administrative Assistant, who prepares the payroll, have been reminded of the need to have the signature of both the employee and the appropriate supervisor on each timesheet.

AUDIT FINDINGS, RECOMMENDATIONS, AND RESPONSES

- OFFICE FOR AGING -

FINDING 3: CHANGES TO TIMESHEET NOT PROPERLY INITIALED

During the course of our examination, we discovered two instances where time recorded on employees' timesheets was crossed out and changed. Neither the employee nor the supervisor had initialed the entries.

Broome County Personnel Department Policy #3060.3 states that Employees shall record only their own time, and shall not record or alter the time for a co-worker. Employees shall not alter a previously recorded time unless approved, in writing, by a supervisor. Such approval may be indicated by the supervisor's initials. Changes are to be initialed by the employee.

Failure to properly initial timesheet alterations could result in either the employee, the supervisor, or a third party making changes without the knowledge or approval of other(s).

RECOMMENDATION:

We recommend that the Office for Aging revise its procedures relative to timesheet alterations to ensure proper oversight and compliance with Broome County Personnel Department Policy #3060.3.

MANAGEMENT RESPONSE:

Office for Aging currently has a policy in place that requires any time sheet alteration to be initialed by both employee and supervisor. Our agency will take steps to re-educate all staff on this matter to ensure proper oversight and compliance with the Broome County Personnel Department policy.

AUDIT FINDINGS, RECOMMENDATIONS, AND RESPONSES

- FINANCE DEPARTMENT-

FINDING 4: NY STATE TAX WITHHELD NOT CONSISTENT WITH WITHHOLDING ALLOWANCE CERTIFICATE (IT-2104)

During the course of our examination, we noted an instance where the amount of state tax withheld from an employee's check was not consistent with the calculated amount of withholding based on the employee's most recent Withholding Allowance Certificate (IT-2104) on file. The employee's IT-2104 indicates state tax withholding should include an additional withholding of \$50 per pay period. The amount of state tax withheld did not include the additional \$50 per pay period. The error would have resulted in over \$1,300 less state tax withheld for the year than indicated on the allowance certificate.

All deductions from employee's paychecks must be supported by and correspond to authorizations maintained in the employee payroll file.

Deductions from employee paychecks that do not correspond to authorizations signed by the employee may result in incorrect amounts being deducted from employee paychecks.

RECOMMENDATION:

We recommend that the Finance Department ensure that deductions in the payroll system correspond to authorizations maintained in the employee's payroll file.

We also recommend that the Finance Department correct the employee's state withholding.

MANAGEMENT RESPONSE:

The employee's withholding has been corrected to match the most recent document submitted, and a letter advising them of this change has been mailed.