



OC Board of Supervisors' Internal Audit Department

O R A N G E C O U N T Y

AUDIT HIGHLIGHT

DECEMBER 2, 2009

INTERNAL AUDITOR'S REPORT TO THE BOARD OF SUPERVISORS

INTERNAL CONTROL AUDIT: SHERIFF-CORONER PAYROLL PROCESS Audit No. 2825

WHY IS THIS AUDIT IMPORTANT?

This audit is important because for the year ending April 30, 2009, the Sheriff-Coroner paid over **\$491 million in payroll** using an in-house developed *Sheriff Timekeeping System* (STS) rather than the Virtual Timecard Interface (VTI) system used Countywide. The Sheriff-Coroner is planning to upgrade STS and this audit provides an assessment of controls over the bi-weekly payroll process and selected information technology general controls over STS.

WHAT WE FOUND?

Accomplishments and Successes

We found that: (1) controls are in place to ensure payroll is processed completely, accurately and timely; (2) STS IT general controls are in place but need improvement; and (3) the payroll process requires extensive manual inputting of employee hours into STS, and further automation of the process would significantly reduce payroll data input time. The Sheriff-Coroner is currently evaluating the costs/benefits of their planned STS upgrade with the Countywide VTI system to reduce payroll processing time.

Audit Findings and Control Recommendations

We identified 8 **Control Findings** and recommendations to establish additional controls over the payroll process. The Sheriff-Coroner concurred with the findings and recommendations and has either already implemented corrective actions or is in process of implementing or researching the recommendations.

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