



## **Enterprise Technology Services Division - Payroll Processing Review**

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## **Executive Summary**

This report presents the results of our payroll processing review of the Enterprise Technology Services (ETS) Division. Our objective was to evaluate whether the ETS Division's payroll is processed in compliance with County policies and procedures. The review covered the pay period April 19, 2009 through May 2, 2009.

We randomly selected a sample of 30 employees for the pay period, and reviewed time cards, leave forms, batch balancing forms and other payroll supporting documentation for accuracy, completeness and proper authorization. We found no exceptions for the pay period reviewed and concluded that the ETS Division generally complied with the County's payroll policies and procedures.

## **Purpose and Scope**

The objective of this review was to evaluate whether the ETS Division's payroll is processed in compliance with County policies and procedures. Our review covered the pay period April 19, 2009 through May 2, 2009.

## **Methodology**

To accomplish our objectives, we:

- Reviewed:
  - Chapter 4 Payroll of the Accounting Division's Internal Control Handbook (ICH),
  - Chapter 4 Work Hours, Leave and Pay Policies of the Human Resources Division's ICH,
  - Amalgamated Transit Union, Local 1591 (White Collar) and Government Supervisors Association of Florida, Local 100 (Professional Unit), and
  - Payroll documentation for a randomly selected sample of 30 employees.
  
- Interviewed ETS Division's personnel.

## Background

Enterprise Technology Services (ETS) Division has five sections<sup>1</sup> with approximately 160 employees. The majority of employees are in salaried positions (82%) and the rest are paid on an hourly basis (18%). In addition, ETS has three separate union contracts<sup>2</sup> which govern the terms and conditions for paying represented employees. Personnel at ETS's Operations & Technology Support section provide 24/7 services, and based on the union contracts, staff are eligible to receive additional shift differential pay<sup>3</sup>. Table 1 below shows ETS's gross payroll amounts and the number of employees for fiscal year (FY) 2008 and eight months ended May 2009.

**Table 1**  
**ETS Gross Payroll and Employees**  
**FY 2008 & Eight Months Ended May 2009**

Payroll Period	Gross Payroll	Number of Employees
FY 2008	\$12,455,000	181
Eight Months Ended May 2009	\$8,040,400	170

Source – Cyborg Payroll System

## ETS Payroll Processing

ETS utilizes the County's Cyborg payroll system (Cyborg) to record hours worked and type of leave utilized by the employee. Two Payroll Liaisons and one student intern perform the following payroll functions:

- Compile and review manual time cards and leave forms from the five sections,
- Enter payroll data into Cyborg,
- Perform batch balancing of hours entered in Cyborg, and
- Pick up and distribute checks and direct deposit stubs.

## ***Payroll Documentation Compilation and Review***

The payroll cycle is two weeks in duration, Sunday through Saturday. Payroll Liaisons send emails on the second Monday of each pay period to Division staff reminding

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<sup>1</sup> Five sections include: Administration (010), Customer Program Office (042), Application Services (049), Infrastructure Services (050), and Operations & Technology Support (052)

<sup>2</sup> Three union contacts are: Amalgamated Transit Union, Local 1591 (White Collar); Federation of Public Employees (Blue Collar); and Government Supervisors Association of Florida, Local 100 (Professional Unit)

<sup>3</sup> Shift differential pay includes an additional: \$0.70 per hour for White Collar union employees whose shifts begin between 12:00 pm and 7:59 pm on weekdays and anytime on weekends; \$1.10 per hour for the White Collar union employees whose shifts begin between 8:00 pm and 3:59 am on weekdays; or 5% differential pay for the Professional union employees who are regularly assigned to work for at least 7 1/2 hours between 3:00 pm and 8:00 am.

them to submit their time cards and leave forms no later than noon on Thursday. On the Thursday afternoon, the Payroll Liaisons separate all payroll documentation into five sections, and print the “Broward County Payroll Roster” for each section from BC-Net and ensure that time cards are received for all hourly employees. The payroll processes for salaried and hourly employees are as follows:

- *Salaried Employees*  
Salaried personnel are not required to submit time cards and are automatically paid 80 hours bi-weekly. If leave is utilized during the pay period, the employee completes the standard leave form, which is approved by supervisory personnel. The Payroll Liaison reviews the form to ensure that it is properly completed, signed by the employee and authorized by supervisory personnel. The Payroll Liaison then summarizes leave hours by HED code at the bottom of the form and later enter the information in Cyborg.
- *Hourly Auto Paid Employees*  
Hourly personnel must fill out a bi-weekly time card. Eighty hours are automatically set up in Cyborg for the hourly auto paid employees. Therefore the Payroll Liaisons only need to enter the non-regular hours (e.g. overtime, vacation, sick, etc.) into Cyborg. If leave is utilized, the same procedures are followed as the salaried employee. If employees work overtime, they are required to prepare an overtime authorization form to document the hours and the reason for overtime, and obtain an approval from supervisory personnel. The Payroll Liaisons summarize the bi-weekly non-regular hours by HED code at the bottom of the time card and later enter the information in Cyborg.
- *Hourly Time Entry Required Employees*  
Hourly time entry required personnel must fill out a bi-weekly time card and are only paid for the hours that are entered on the time card. If leave and overtime are utilized during the pay period, the employee follows the same procedures as described above. Payroll Liaisons summarize total hours by HED code (e.g. regular hours, overtime, vacation, sick, etc.) at the bottom of the time card and later enter the information in Cyborg.

### ***Cyborg Entry, Batch Balancing and Transmittal Approval***

After payroll documentation is reviewed for accuracy, the Payroll Liaison prepares a “Time Entry Batch Balancing Form” showing total regular and overtime hours by section. A package containing the “Time Entry Batch Balancing Form” and supporting payroll documentation for each section is reviewed for accuracy by four other Division personnel who initial the bottom of the form.

The Payroll Liaison signs onto Cyborg and performs the following steps for each section between Thursday afternoon and Friday morning:

- Completes the “Batch Balances” screen by entering the batch count, total regular and overtime hours into Cyborg,
- Enters time entries (hours worked and leave) from the time cards for hourly employees and approved leave hours for salaried employees, and
- After all entries are made in Cyborg, the system generates a “Time Entry Batch Balancing” screen showing whether the count and total hours are balanced. If the batch totals do not agree, the liaisons verify each entry and make the necessary corrections.

After the batch balancing is completed, a “Grand Total Batch Balances Form” is prepared by the Payroll Liaison and provided to the Division’s Accountant III for review and approval prior to faxing to Payroll Central on Friday afternoon.

Payroll corrections made after the second Thursday of the pay period are adjusted in the next pay period. If adjustment is necessary, the Payroll Liaison enters the adjusted hours into Cyborg and prepares a separate “Adjusted Time Entry Batch Balancing Form” for the section.

### ***Payroll Check Pick-up/Distribution***

On Thursday following the close of the pay period, the Payroll Liaison picks up pay checks and direct deposit stubs (stubs) from the Accounting Division, which are separated by sections. The Payroll Liaisons verify the employee’s names on the roster to ensure that a check or stub was generated, separate the checks or stubs by work location, distribute to the employees, and retain unclaimed checks in a locked desk drawer. Employees are required to sign when receiving a check. After one week, unclaimed checks and stubs are kept by the Payroll Liaison who contacts the employee for pick up.

## **Conclusion**

We randomly selected a sample of 30 employees for the pay period April 19, 2009 through May 2, 2009, and reviewed time cards, leave forms, batch balancing forms and other payroll supporting documentation for accuracy, completeness and proper authorization. We found no exceptions for the pay period reviewed and concluded that the ETS Division generally complied with the County’s payroll policies and procedures.