



COUNTY OF PLACER

OFFICE OF AUDITOR-CONTROLLER

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August 27, 2013

David Boesch, County Executive Officer
County Executive Office, Placer County
175 Fulweiler Avenue
Auburn, CA 95603

Re: Countywide Time Entry Review – Follow-Up

Dear Mr. Boesch:

The Internal Audit Division of the Auditor-Controller's Office performed follow-up procedures to our prior review of Countywide Time Entry practices. The objectives of our initial review were to ensure (a) proper department internal controls regarding timekeeping and payroll processing have been designed to safeguard County assets and detect fraud and/or abuse and prevent it from occurring, and that internal controls have been placed into operation and are operating as designed; and (b) timekeeping and payroll processing procedures continue to be followed in accordance with the Placer Administrative Manual, Placer County Code Chapter 3 (Chapter 3) along with specific memorandums of understanding and labor contracts.

In our previous report, we noted numerous control deficiencies during our testing of timesheets in many departments throughout the County. Second, we noted inconsistencies or incorrect application of many sections of Chapter 3, due to ambiguous language that has not been updated to accurately reflect current accepted practices as well as varying interpretations by County staff. Lastly, we found errors in timekeeping and payroll processing that resulted in overpayments to employees.

The objectives of our follow-up procedures were to determine how recommendations from the previous review were implemented to strengthen internal controls. Our procedures included providing countywide training related to timesheet/payroll processing, as well as inquiries of Department personnel regarding deficiencies in internal control, and how recommendations were implemented along with actions taken.

It appears the findings reported in our initial review have all been addressed satisfactorily and most recommendations were implemented with either training, or changes to MOU's and the County Ordinance and Chapter 3. In the event we perform a review of Countywide time entry

or payroll policies and procedures in the future, we will review key areas of the initial review to verify continued compliance with County policies.

We appreciate the courtesy and assistance of County staff throughout the course of our follow-up review.

Respectfully,



Nicole C. Howard, CPA
Assistant Auditor-Controller

cc: Holly Heinzen, Chief Assistant County Executive Officer
Andy Heath, Deputy County Executive Officer
Maryellen Peters, Deputy County Executive Officer
Therese Leonard, Principal Management Analyst
Nancy Nittler, Personnel Director
Placer County Audit Committee