
Subject: Payroll Audit: Phase 2 – Payroll Processing

Report to: Audit Committee

Report date: Monday, February 4, 2019

Recommendations

1. That report AC-C 4-2019 **BE RECEIVED** for information; and
2. That staff **BE DIRECTED** to implement the recommendations in Appendix 1 of Report AC-C 4-2019, respecting Phase 2 – Payroll Processing.

Key Facts

- The purpose of this report is to provide Audit Committee with a summary of findings noted during Phase 2 of the Payroll Audit which focused on the accuracy and completeness of amounts paid to employees and remittances to Canada Revenue Agency.
- This report contains the findings, implications and recommendations for the observations discovered during the Audit in addition to a Management Action Plan (MAP) for each of the recommendations.
- A total of one observation with one recommendation have been detailed in the audit report.

Financial Considerations

There are no immediate budgetary considerations associated with this report.

Analysis

This audit report is intended to provide Audit Committee with information regarding the accuracy of payroll processing at Niagara Region. This report includes the detailed observations from the audit.

Alternatives Reviewed

No other alternatives were reviewed at this time.

Relationship to Council Strategic Priorities

Value-for-money (VFM) audits were identified and approved as the previous term of Council's Strategic Priority – Advancing Organizational Excellence. The goal of this

Strategic Priority was to “Build a strong internal foundation for Niagara Region to enable a more prosperous Niagara.”

Following the completion of the 2015 and 2016 audits, Council approved a permanent Internal Audit function. The permanent internal audit function was named Internal Control and Organizational Performance division.

The 2018 Annual Audit Plan, which included a two-phase payroll audit was approved by Audit Committee on October 31, 2017.

Other Pertinent Reports

AC-C 6-2017 - 2018 Internal Audit Plan

AC-C 35-2018 - Payroll Audit Phase 1 - Timekeeping Process

Prepared by:

Mafu Ojisua, CPA, CMA
Process and Compliance Auditor
Enterprise Resource Management
Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Enterprise Resource Management
Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Frank Marcella, Internal Auditor and Andrea Wheaton, Supervisor, Corporate Reporting.

Appendices

Appendix 1 Payroll Audit Phase 2 – Payroll Processing Audit Report