

COUNTY 2017 Audit Programs

June 30, 2017

PAYROLL

PROCEDURE	OBJ.	DONE BY	W/P REF	N/A	REMARKS
Audit Objectives and Related Assertions:					
A. Payroll (wages, salaries and benefits) disbursements are supported and made only for work authorized and performed. (5,6)					
B. Payroll is computed using rates and other factors in accordance with contracts. (7)					
C. Payroll is recorded correctly as to amount and period and distributed properly by account, fund and budget category and disclosures are adequate. (7,8,9,10,11,12,13)					
Audit Procedures:					
A. On a test basis, select payroll transactions from throughout the year to test:	A,B,C				
1. Authorization for gross pay or hourly rate.					
2. Approval of hours worked.					
3. Accuracy of number of hours paid per payroll journal to hours worked per approved timesheet (for hourly employees).					
4. Accuracy of calculations of gross pay.					
5. Accuracy of computation of FICA and IPERS. (The following FICA rates were effective January 1, 2017: Employee and employer rate of 7.65%.) (The following IPERS rates were effective July 1, 2016: Regular employee rate of 5.95% and employer rate of 8.93%, Sheriff's and deputy sheriff's rate of 9.63% for employee and employer and protection occupation rate of 6.56% for employees and 9.84% for employers.)					
6. Reasonableness of computation of federal and state withholding.					
7. Authorization for payroll deductions.					
8. Endorsement and cancellation of warrant/check are proper.					
B. Determine timesheets are prepared and approved for all employees, including salaried employees.	A				
C. Consider analytical procedures to substantiate payroll amounts and withholdings.	A,B,C				
D. Review copies of payroll tax returns and reconcile gross wages and the County share of FICA and IPERS to the expenditure record. Explain material variances.	C				

