



INTEROFFICE MEMORANDUM

TO: Anthony Nicks, County Auditor

FROM: 
Kenneth Hermon, CHRO

DATE: April 15, 2022

**SUBJECT: AUDIT RESPONSE –
PAYROLL PROCESS REVIEW**

Following, please find responses to the findings and concerns regarding the Payroll Process Review Audit:

FINDING 1 – NO APPROVAL FOR TIME IN KRONOS

We believe that we have remedied this finding with the implementation of Workforce Dimensions. The new system is configured to require both employee and supervisor approval of all timecards biweekly. Additionally, the Fulton County Timekeeping Policy and Procedure (#338) has been updated to include a clearer requirement for approval of all timecards for each payroll cycle.

FINDING 2 – LACK OF SUPPORTING DOCUMENTATION FOR OVERTIME

We have remedied this concern with the implementation of Workforce Dimensions. Paper timesheets are no longer required for the approval of overtime. All hours worked, including overtime hours, are now captured within Workforce Dimensions' timekeeping system. All non-exempt employees are required to clock in and out each day and for lunch breaks to accurately reflect all hours worked. Also, the Overtime and Compensatory Time Policy and Procedure (#108) was revised in January 2022 to communicate the requirement for written approval for both non-exempt and exempt employees to receive overtime pay or additional pay, respectively.

FINDING 3 – PART-TIME HOURS

Our department will, again, seek assistance from the Information Technology Department in finding a way, either via the HR/Payroll System or Workforce Dimensions, to flag instances when a non-permanent part-time or temporary employee is at risk of exceeding the maximum hours per pay period or monthly basis. It's hoped that this notification will prompt supervisors to make the necessary adjustments to the work hours of the part-time or temporary employee before they exceed the cap. Further, we will once again, reiterate the policy requirements to Department Heads and HR Liaisons.

FINDING 4 – MANUAL PROCESSES

We will continue to work with the Finance and Information Technology departments to review our processes and identify limitations with our current enterprise system that results in the requirement of manual processes. A Request for Information (RFI) for an alternative to our current enterprise systems was issued by the Information Technology Department in March 2022, which may be the first step toward a new and more robust system that will eliminate the need for manual payroll processes.

CONCERNS 1 – REVIEW OF PAYROLL CHECK REGISTER

In 2019, we issued guidance to Appointing Authorities and HR Liaisons on the requirement to review the payroll register to ensure its accuracy. We also created a mechanism where we also now have a reporting tool that identifies which departments are delinquent. We will continue to explore alternatives with both the Finance and Information Technology departments to ensure enforcement and compliance.

CONCERN 2 – LACK OF FLEXIBILITY TO CORRECT PAYROLL ERRORS

We have held several conversations with our Finance partners on how the County can navigate this concern without requiring that the employee wait two weeks to receive a check when an error has occurred while also balancing the intricacy around accurately reporting our withholdings to the Internal Revenue Service. It's hoped that as we venture into a new enterprise system, this concern, too, will be addressed.

CONCERN 3 – DATA ENTRY DUPLICATION

The fact that our applicant tracking system cannot seamlessly send information to our enterprise system has been a long-standing and vexing concern. Unfortunately, working with our two software vendors has not led to a solution. It's hoped that, as we venture into a new enterprise system, this concern, too, will be addressed.

CONCERN 4 – POSITION CONTROL

Our enterprise vendor has provided an immediate solution to what we, *very lovingly*, call the 'seven deadly screens' concern. We held conversations with the former Budget Director and the leadership of the Finance Department but, since his leaving, haven't made much progress on implementing. We will communicate with the new Budget Manager about the proposed solution with hopes to have it implemented by end of FY 2022.

Again, Mr. Nicks, I thank you and your staff for your patience and willingness to delve into the inner workings of the County's Human Resources' back-office operations. We hope we have provided the insight needed to your team as we both seek to improve the County's payroll operations and appropriate checks and balances. We look forward to your next visit - 😊.