

**HUMAN RESOURCES AND
REVENUE AND FINANCE DEPARTMENTS
PAYROLL PROCESS
AUDIT 23-13
OCTOBER 31, 2023**



City of Tampa
Jane Castor, Mayor

Internal Audit Department

315 E. Kennedy Boulevard
Tampa, Florida 33602
Office (813) 274-7159

October 31, 2023

Honorable Jane Castor
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: Payroll Process Audit 23-13

Dear Mayor Castor:

Attached is the Internal Audit Department's report on the Payroll Process.

We thank the management and staff of the Human Resources and Revenue and Finance Departments' Payroll Divisions for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: John Bennett, Chief of Staff
Dennis Rogero, Chief Financial Officer
Kelly Austin, Human Resources and Talent Development Director
Lee Huffstutler, Chief Accountant
Antonietta Rodriguez, HRMS Manager
Rosie Rivera, Accounting Operations Manager
Carl Brody, Assistant City Attorney

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/s/ Vivian N Walker

Lead Senior Auditor

/s/ Christine Glover

Audit Director

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BACKGROUND

The Human Resources (HR) Department is responsible for processing new employees, pay rate adjustments and increases, and terminations. It also maintains Kronos, the City of Tampa's timekeeping system. Central Payroll, within the Revenue and Finance Department (R&F), is responsible for processing payroll citywide.

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY 2023 Audit Agenda. The objectives of this audit were to ensure that:

1. The system of internal controls related to the segregation of duties for adding, changing, and approving an employee's pay is adequate.
2. Active employees hired between October 2021 and May 2023 are valid and being paid at the approved rate and correct hours worked.
3. Employees who terminated their employment with the City of Tampa between October 2021 and May 2023 were compensated in compliance with established policies.

STATEMENT OF SCOPE

The audit period covered payroll processing activity that occurred from October 2021 to May 2023. Tests were performed to determine whether the personnel in the Payroll Divisions for both HR and R&F were fulfilling their stated duties and responsibilities in an effective and efficient manner. Source information was provided by the Technology and Innovation Department in a report generated by Oracle Cloud. Oracle Cloud was previously evaluated and deemed reliable. Due to the high volume of records, a random sample was selected using the criteria of 90% confidence and 10% error rate. Original records as well as copies were used as evidence and verified through observation and physical examination.

STATEMENT OF METHODOLOGY

The following procedures were taken to determine if the stated objectives were being met:

- Reviewed the processes for adding, changing, and approving new hires in Oracle Cloud to assess the adequacy of internal controls.
- Reviewed new hire documentation packets for the accuracy of starting pay rates in Oracle Cloud.
- Reviewed personnel evaluations for proper approvals and that the correct rate for merit increases were posted properly.

- Reviewed documentation to support that any retroactive payments, for merit increases that were not received timely, were calculated accurately and posted by R&F.
- Compared hours worked in Kronos to the hours recorded and paid through Oracle Cloud.
- Reviewed vendor spreadsheet activity to verify that payroll deductions were being remitted or recorded as required.
- Reviewed documentation to support that employees who terminated their employment with the City of Tampa were compensated according to the applicable policy.
- Researched performance metrics related to payroll processing and provided options to management for consideration.

STATEMENT OF AUDITING STANDARDS

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT CONCLUSIONS

Based upon the test work performed and the audit findings noted below, we conclude that:

1. The system of internal controls related to the segregation of duties for adding, changing, and approving an employee's pay is adequate.
2. Active employees hired between October 2021 and May 2023 are valid and being paid at the approved rate and correct hours worked.
3. Employees who terminated their employment with the City of Tampa between October 2021 and May 2023 were compensated in compliance with established policies.