

I. Federal Grant Disbursement

Auditor's Recommendation: "...that the Department implement procedures to ensure compliance with the terms and conditions of the federal grant including not issuing vouchers for grant disbursements requested more than 30 days after the grant period has expired. We also recommend the Department follow-up on outstanding purchase orders for federal grant transactions when the receiving report has not been received to ensure transactions occur within the grant period or purchase orders are cancelled when goods/services are not received before the end of the grant period."

Management's Response: Procedures are being developed to ensure compliance with the terms and conditions of the federal grants. Through supervisory approval the Department shall ensure that no vouchers for grant disbursements will be issued more than 30 days after the grant period has expired. Our new procedures also assures the department that there is adequate follow-up and suitable documentation to validate that goods and services are received within the grant period.

3. PAYROLL DISBURSEMENTS:

A. New Hire Date

Auditor's Recommendation: "...that the Department implement procedures to ensure that information from source documents are entered correctly into the Department's payroll system. We further recommend that the information be independently reviewed and agreed to the source documentation."

Management's Response: All permanent hire dates in the SABAR database and at State HRIS are in agreement. We will continue to refine procedures.

B. Salary Change Authorization

Auditor's Recommendation: "...that the Department implement procedures to ensure that all changes in payroll be reviewed and properly authorized by the appropriate Department officials. We also recommend that agency procedures prohibit the payroll accountant from processing any salary/wage rate changes without evidence of proper authorization of the change.

Management's Response: The Department now has a method of posting individual documentation to place in the personnel records for all changes in payroll. All payroll increases must be authorized and source documentation must be attached to all salary changes.

C. Employee Authorizations

Auditor's Recommendation: "...that the Department implement procedures to ensure that voluntary deduction forms are properly signed by employees prior to including the forms in employee personnel files. We also recommend that agency procedures prohibit the payroll accountant from processing any voluntary deductions forms without evidence of proper authorization by the employee."