ICSA – Human Resources & Payroll (due April 30, 2024)

Each agency is responsible for establishing and maintaining an effective system of internal control. Internal controls can provide reasonable, but not absolute, assurance that an agency's objectives—including the prevention or detection of fraud, waste and abuse—will be met. More information about internal controls and minimal internal control structure requirements can be found in Topic 05 of the State of Arizona Accounting Manual (SAAM). The internal control self-assessment is meant as a catalyst to improve agency operations and achieve agency objectives.

This survey is a self-assessment of certain internal control practices within your agency in the areas of Human Resources and Payroll. Some of these practices may not be required by policy but are nonetheless considered best practices.

If your response to a survey item is sensitive in nature, contact GAO's Internal Audit Unit (gaointernalaudit@azdoa.gov, 602-291-0506) directly to discuss.

The items in this survey are to be rated, using either Yes/No/NA or the 5-point scale as indicated by each question. The following guidance is provided for the 5-point scale ratings:

Not Applicable (0) – Practice does not apply.

Needs Improvement (1) – Practices have not been fully implemented or are intermittent; acceptable quality and timeliness are recurring challenges.

Fair (2) – Practices meet the minimum expectations but are not consistently monitored; acceptable quality and timeliness are inconsistent.

Good (3) – Practices meet expectations and are monitored frequently; acceptable quality and timeliness are consistent.

Very Good (4) – Practices exceed expectations; quality and timeliness are consistently above average.

Excellent (5) – Practices serve as a model for other agencies and other states; quality and timeliness exceed expectations; best-in-class results.

EMAIL:
Agency:
Contact Name (First and Last):
Contact Number (Work Phone):
EIN:
CFO/CFO Designee Email Address:

Human Resources & Payroll

Internal controls over human resources operations and payroll help ensure that time worked is accurately recorded and approved, segregation of duties is properly maintained, and payroll is processed accurately. Internal controls mitigate the risk of employee overpayments resulting from errors or fraudulent payroll schemes. The survey items below are driven by SAAM policies and best practices.

1. Approved notices of employee status changes (e.g. additions, separations) and pay changes (e.g. changes in salaries, wages, and deductions) are reported to the agency's payroll division timely. (0-5 scale)
2. Agency procedures are established, maintained and followed to ensure that all keys, equipment, P-Cards, Travel Cards, Identity Cards, etc. are returned to the agency by a separating employee as required by SAAM 5505. (0-5 scale)
3. The agency uses a time tracking mechanism other than Employee Time Entry (ETE). (Y/N, NA) If N or NA, skip 3a, if Y, provide the name of the system in 3a. Use NA if the agency has no employees.
   3a. Enter the name of the time tracking system being used:
4. Individual employee's time and attendance records are reconciled with centralized time and attendance records. (0-5 scale)
5. Your agency allows a proxy to enter time for another employee. (Y/N) If Y answer 5a, if N skip to 6.
   5a. The agency has a review process by someone other than the proxy to ensure that the time entry is valid, correct and that any questions are resolved timely. (1-5 scale)
6. Employee personnel actions and payroll transactions are processed by different people. (Some agencies may utilize shared services such as CSB and/or ADOA HR for these functions.) (0-5 scale)
7. Except in the case of an emergency, all overtime and leave requests are approved at least one (1) business day in advance (SAAM 5505). (0-5 scale)
8. Employees are prohibited from entering and approving their own time and/or compensation directly into HRIS or other payroll/personnel systems if not using HRIS. (Yes/No/NA – No/NA submit survey)
   8a. Agency has a process for documenting these approvals. (1-5 scale)

Comments:

Add comments/clarity for all questions where your agency has selected NA. You may add additional comments as necessary.