

**BROOME COUNTY
DEPARTMENT OF
AUDIT AND CONTROL**

**PAYROLL AUDIT
PUBLIC TRANSPORTATION**

January 2002

Alex J. McLaughlin, Comptroller

January 22, 2002

Jeffrey P. Kraham, County Executive:

The Department of Audit and Control has audited the payroll for the Department of Public Transportation for the payroll period ended November 25, 2001. The principle objectives were to ensure that payroll was recorded and distributed in a proper manner and that proper authorization existed for all payroll deductions.

The audit was conducted in accordance with generally accepted auditing standards. Such standards require that the Department of Audit and Control plan and perform the audit to adequately assess the accuracy of the financial records and adequacy of the internal controls, and that we examine, on a test basis, sufficient, competent and relevant evidence to afford a reasonable basis for our conclusions.

Based on the results of our examination, it is our opinion that the Department of Public Transportation has complied in all material respects with existing rules, regulations, policies and procedures to properly monitor and record departmental payroll transactions.

Sincerely,

Alex J. McLaughlin
Comptroller

cc: Daniel A Schofield, Chairman of the Legislature
Members of the Legislature
Louis P. Augostini, Clerk of the Legislature
Ronald Bailey, Commissioner of Public Transportation
Jerome Z. Knebel, Commissioner of Finance

AUDIT FINDINGS, RECOMMENDATIONS AND RESPONSES

-DEPARTMENT OF FINANCE-

FINDING 1: AUTHORIZATION FOR PAYROLL DEDUCTION NOT ADEQUATELY DOCUMENTED

During the course of our examination, we found an instance in which an arrears deduction from an employee's wages was not supported by a letter from the New York State and Local Retirement System indicating that the employee has authorized the current arrears deduction.

Employee payroll files are established and maintained to store information for earnings and deductions and should be complete and up to date at all times.

Without written documentation, deductions cannot be readily verified for accuracy and authorization.

RECOMMENDATION:

We recommend that management undertake corrective action to ensure that documentation is maintained in the payroll files for every payroll deduction.

MANAGEMENT RESPONSE:

The payroll deduction has been verified as correct, a copy of the directive has been obtained from the vendor and filed in the employee's payroll file.