

AGENDA PLACEMENT FORM

(Submission Deadline – Monday, 5:00 PM before Regular Court Meetings)


Date: 03/19/24

Meeting Date: 04/08/24

Submitted By: Steve Watson

Department: County Auditor

Signature of Elected Official/Department Head:



Court Decision:
This section to be completed by County Judge's Office



April 9, 2024

Description:

Acknowledge the Audit Report for FY24 Payroll - Accruals

(May attach additional sheets if necessary)

Person to Present: Steve Watson

(Presenter must be present for the item unless the item is on the Consent Agenda)

Supporting Documentation: (check one) PUBLIC CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

Estimated Length of Presentation: N/A minutes

Session Requested: (check one)

Action Item Consent Workshop Executive Other _____

Check All Departments That Have Been Notified:

County Attorney IT Purchasing Auditor

Personnel Public Works Facilities Management

Other Department/Official (list) _____

**Please List All External Persons Who Need a Copy of Signed Documents
In Your Submission Email**



JOHNSON COUNTY AUDITOR
JOHNSON COUNTY COURTHOUSE
#2 N. MAIN
CLEBURNE, TEXAS 76033
Telephone (817) 556-6305 ~ Fax (817) 556-6075

Steven E. Watson
County Auditor

Jennifer R. Lyon
First Assistant County Auditor

February 27th, 2024

Mr. Randy Gillespie
Personnel Director
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – Payroll – Accruals FY24

Dear Mr. Gillespie,

Summary

In accordance with Local Government Code, Sections 112 and 115, the Auditor's Office performed a review of the Accruals for Vacation and Sick time in the Kronos Payroll software (Kronos). To accomplish the audit, the Auditor's office judgmentally selected a sample of payroll accrual detail and history reports from Kronos.

Background

The Personnel office organizes, maintains and secures each employee's records and documentation for the county. Services include, staffing and employment, training and development, compensation administration, employee services and benefits, along with processing the County's payroll on a bi-weekly basis, utilizing Kronos.

Scope

For this engagement, we reviewed the accrual criteria stated in the Johnson County Employee Handbook. *"All full-time regular employees will be eligible for vacation/sick benefits after they*

have satisfactorily completed their 6-month orientation period. For orientation employees, vacation/sick day accruals will be calculated retroactive to the employee's hire date and may be taken after the 13th pay period following date of hire." We then compared a manually calculated excel worksheet, based on the handbook criteria, to accrual balances reflected in Kronos. A sampling of active employees, and employees terminated after one year, were included in the comparison.

Objective

The objective of this audit was to analyze the reports from Kronos for accuracy and timeliness. Reports and supporting documents were examined and verified for Vacation and Sick time accrual balances.

Findings

Upon examination, we found the posting of the accrued hours are not recorded in the employee's portal in a timely manner. The accruals for the previous period do not reflect in the portal for 7 to 9 days. According to the criteria stated in the Handbook, vacation and sick time accruals are available to use beginning the next pay period.

Terminated employees are not receiving accrued vacation pay for the final pay period worked. This is due to the accruals not being updated in a timely manner. The final checks are processed prior to any accrual adjustments.

Recommendation

Update Kronos to have the accruals reflect on the employees profile the day following the completed pay period.

Insure terminated employees will receive the final accrued time earned on their final paycheck.

Thank you and your staff for your courtesy and cooperation shown during the audit.

Sincerely,



Steve Watson
Johnson County Auditor

cc: Kathy Rice, Audit Manager

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MAIN (817) 556-6350



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PERSONNEL ASSISTANT/
PAYROLL ADMINISTRATOR
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SAFETY COORDINATOR
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JOHNSON COUNTY
RANDY GILLESPIE
PERSONNEL DIRECTOR

March 19, 2024

Mr. Steve Watson
County Auditor
Johnson County
2 N. Main St.
Cleburne, Texas 76033

RE: Auditor's Report – Payroll – Accruals FY24

Dear Mr. Watson,

After reviewing the findings of the above indicated audit report, I am sending this letter to notify you that the desired recommendations have been completed. Kronos is step up to upload earned accruals at 12:00am (midnight) on the last Saturday of the pay period. This will allow the earned accruals to be displayed in the employee's portal on the first day (Sunday) of the next pay period. I appreciate you and your staff for providing this important County function.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Gillespie".

Randy Gillespie
Personnel Director

cc: Laura Baxter, Personnel Assistant

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