


AGENDA PLACEMENT FORM

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

Date: 04/16/2026
Meeting Date: 04/27/2026
Submitted By: Steve Watson
Department: County Auditor
Signature of Elected Official/Department Head:


Court Decision: <small>This section to be completed by County Judge's Office</small>
 04/27/2026

Description:

Acknowledge the FY26 Bi-Annual Audit Report for 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

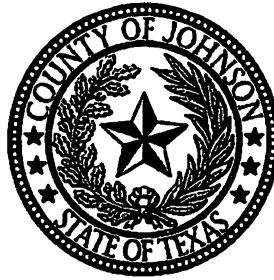
Session Requested: (check one)
 Action Item Consent Workshop Executive Other _____

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**

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PERSONNEL CLERK
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BENEFITS COORDINATOR
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CHRIS BROOKS
WORKER'S COMP/
SAFETY COORDINATOR
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JOHNSON COUNTY
RANDY GILLESPIE
PERSONNEL DIRECTOR

January 13, 2026

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

RE: Payroll – Accruals Audit Letter FY26

Dear Mr. Watson,

After reviewing the findings of the above indicated audit report, I am sending this letter to show my agreement with the audit findings. I appreciate you and your staff for providing this important County function.

Sincerely,

A handwritten signature in cursive script that reads "Randy Gillespie".

Randy Gillespie
Personnel Director

cc: Laura Baxter, Personnel Assistant



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

January 9th, 2026

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

RE: Auditor's Report – Payroll – FY26 Bi-Annual Accruals

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.

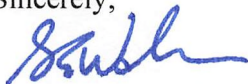
Objective

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

There were no exceptions that would lead us to conclude that the employee’s Vacation and Sick time accrual balances were not accurate. Additionally, any remaining unused vacation hours were paid out to terminated employees.

Sincerely,



Steve Watson
Johnson County Auditor

cc: Ricardo Ocegueda, Senior Internal Auditor
Kathy Rice, Audit Manager