

Preliminary FOLLOW-UP REPORT

An Audit of Salt Lake County Facilities Services Payroll

JUNE 2025



Chris Harding, CPA, CFE, CIA
County Auditor

Office of the Auditor
Salt Lake County

Audit Team

Brenda Nelson, CISA, Audit Manager
Tammy Brakey, Senior Internal Auditor
Jacqueline Zhang, Internal Auditor

Audit Management

Chris Harding, CPA, CFE, CIA, Auditor
Richard Jaussi, MBA, Chief Deputy Auditor
Roswell Rogers, Senior Advisor
Shawna Ahlborn, Audit Division Director

Audit Management

Marty Van Wagoner, CPA, MBA



Office of the Auditor
Salt Lake County
2001 S State Street, Ste N3-300
Salt Lake City, UT 84190-1100
Phone: (385) 468-7200

www.saltlakecounty.gov/auditor/

Salt Lake County Auditor



Chris Harding, CPA, CFE, CIA
County Auditor

2001 S State Street, Ste N3-300, Salt Lake City, UT 84190
Phone: (385) 468-7200 www.saltlakecounty.gov/auditor/

AUDITOR'S LETTER

June 10, 2025

In line with generally accepted government auditing standards and the established policies of the Auditor's Office, as authorized by Utah Code Title 17, Chapter 19a, "County Auditor," Part 2, "Powers and Duties," we maintain our responsibility to monitor and ensure that audit recommendations are addressed by county agencies through appropriate corrective action, which is also instrumental in shaping future audits.

This communication serves as the preliminary follow-up report for the Audit of Salt Lake County Facilities Services Payroll, following the original audit report issued in January 2024. The original audit identified seven findings with 15 recommendations. The purpose of this review was to evaluate the progress made in addressing the findings and recommendations aimed at enhancing operational efficiency and compliance.

Our follow-up indicates that Facilities Services Management has fully implemented nine of the 15 recommendations. These included establishing internal procedures for supervisor approval of timecards, retroactive payments, and compensatory time. Management also worked to ensure timely removal of terminated employees from timekeeping and network systems.

Three additional recommendations were closed because they were no longer applicable—two related to discontinued use of the external timekeeping system, which resolved related reconciliation issues, and one concerning how W-4 Forms were entered Countywide.

Facilities Services Management continues to work towards implementing the remaining three recommendations. These relate to documenting delegated timecard approvals, ensuring employee overtime elections are accurately entered and reviewed, and the required timing for removing terminated employees from timekeeping systems. While significant progress has been made, it is essential that all recommendations are fully implemented. A second follow-up will be conducted no earlier than December 2025.

We performed this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions.

We extend our appreciation to Facilities Services Management for their cooperation during this process. The enclosed follow-up audit report summarizes the current status of the recommendations. Should you have any questions or require further discussion, please do not hesitate to contact me at 385-468-7200.

A handwritten signature in black ink, appearing to read "Chris Harding".

Chris Harding, CPA, CFE, CIA
Salt Lake County Auditor

Action Since Audit Report

An Audit of Salt Lake County Facilities Services Payroll

Original Audit: Report Issued January 2024

7 findings with 15 recommendations issued.


Preliminary Follow-up

Facilities Services fully implemented nine recommendations, three are in progress, and three were closed

	FULLY IMPLEMENTED	9
---	-------------------	---

	IMPLEMENTATION IN PROGRESS	3
--	----------------------------	---

	NOT IMPLEMENTED	0
---	-----------------	---

	CLOSED	3
---	--------	---

Remaining Risks

A secondary follow-up audit will be conducted by the Auditor’s Office no earlier than December 2025.

FINDING 1. NO RECONCILIATION OF DATA TRANSFERRED TO THE PAYROLL SYSTEM



Recommendation 1.1 - We Recommend that Facilities Services Management work with Payroll Administration to make the necessary corrections to the employee's time for the variances identified.

Agency Action – Implemented our recommendation.



Recommendation 1.2 - We recommend that Facilities Services Management implement a documented reconciliation procedure to ensure the accuracy of time transferred from the external system to PeopleSoft to ensure accuracy and completeness. Procedures should include an independent review and approval of the reconciliation performed.

Agency Action – Recommendation Closed. Since the preliminary audit, the external timekeeping system, Maximo, is no longer being used. Employees are entering their own time into the county's payroll system, PeopleSoft.



Recommendation 1.3 - We recommend that Facilities Services Management collaborate with Information Services and Payroll Administration explore automatic upload of external timekeeping data into PeopleSoft to increase efficiency and reduce the risk of errors and omissions.

Agency Action –Recommendation Closed. Since the preliminary audit, the external timekeeping system, Maximo, is no longer being used. Employees are entering their own time into the county's payroll system, PeopleSoft.

FINDING 2. TIMECARDS NOT APPROVED BY A SUPERVISOR



Recommendation 2.1 -We recommend that Facilities Services Management establish and implement written procedures that include:

- Clear guidelines outlining the review and approval process for employee time by their direct supervisors or managers.
- Procedures addressing situations in which the direct supervisor is unavailable to approve time, specifying necessary documentation required to ensure proper oversight and accountability.

Agency Action –Implemented our recommendation.



Recommendation 2.2 -We recommend documentation be retained on file whenever a delegated supervisor approves an employee's timecard in the absence of the direct supervisor. This can be achieved by utilizing PeopleSoft's delegation and comments feature, using the comments section available upon timecard approval, or other documentation.

Agency Action –Implementation in progress. We observed discrepancies between

Facilities Services' internal policies and actual operating procedures. Management acknowledged this issue and stated their intent to resolve it by either revising their written policy or adjusting procedures. Follow-up will be required to verify the implementation of this recommendation.

FINDING 3. RETROACTIVE PAYMENT MISCALCULATION



Recommendation 3.1 - We recommend that Facilities Services Management establish clear and well-defined policies and procedures for calculating and verifying retroactive payments.

Agency Action – Implemented our recommendation.



Recommendation 3.2 - We recommend that Facilities Services Management collaborate with Payroll Administration to establish a documentation retention system to ensure supporting documentation of retro payments is maintained on file.

Agency Action – Implemented our recommendation.



Recommendation 3.3 - We recommend that Facilities Services Management work together with Payroll Administration to correct the overpayment made to the employee.

Agency Action – Implemented our recommendation.

FINDING 4. NO INTERNAL POLICY FOR EXEMPT EMPLOYEE'S COMPENSATORY TIME



Recommendation 4.1 - We recommend that Facilities Services Management establish and implement written policies and procedures addressing compensatory time for exempt employees.

Agency Action – Implemented our recommendation.

FINDING 5. OVERTIME COMPENSATION AGREEMENT FORM NOT CONGRUENT WITH TIME EARNED



Recommendation 5.1 - We recommend that Facilities Services Management establish and implement controls to ensure that overtime and compensatory time earned during each pay period are consistent with each employee's election.

Agency Action – Implementation in progress. In accordance with Facilities Services' internal policies, changes to Overtime Compensation Agreements for non-exempt employees must be updated in PeopleSoft and reviewed by the

Fiscal Manager. The Fiscal Manager's review was to be documented by email, confirming the employees' election was entered correctly. We identified one employee that had submitted an updated Overtime Compensation Agreement form; however, no email or other documentation of the Fiscal Manager's review was on file. Management explained that part of the internal policy had not been implemented yet.

For exempt employees, testing was postponed due to the timing of the implementation of Facilities Services' internal policy on exempt employees. All compensatory time within the follow up audit period occurred prior to the date the policy was issued. Compliance with the new policy will be revisited during the next follow up audit.

FINDING 6. INACCURATE ENTRIES OF W-4 DATA



Recommendation 6.1 - e recommend that Facilities Services Management establish and document procedures for obtaining, storing, and entering W-4 forms. These procedures should include a secondary review and approval to ensure the accuracy of the data entered.

Agency Action – Implemented our recommendation.



Recommendation 6.2 - We recommend that Facilities Services Management maintain hard or electronic copies of each employee's W-4 documentation for a minimum of 4 years.

Agency Action – Recommendation closed. Since the preliminary audit, employees now enter their W-4 information themselves and the documentation is stored in the county's payroll system, PeopleSoft, for the required retention period.

FINDING 7. TERMINATION REQUESTS SUBMITTED AFTER EMPLOYEES' LAST WORKING DATE



Recommendation 7.1 - We recommend that Facilities Services Management establish and implement Policies and Procedures for employee offboarding, outlining the precise timing of access termination to sensitive data systems, including timekeeping and network access.

Agency Action – Implementation in progress. The current Facilities Services internal policy does not mention the timing of removal from timekeeping applications, only that an offboarding request will be submitted to IT, which relates to network access. The policy will be revisited during the next follow up audit.



Recommendation 7.2 - We recommend that Facilities Services Management ensure the timely removal of employees from time keeping applications upon termination of employment.





Agency Action – Implemented our recommendation.



Recommendation 7.3 - We recommend that Facilities Services Management work with Information Technology to ensure the timely removal of employees from network access upon termination of employment.

Agency Action –Implemented our recommendation

APPENDIX A: AUDIT RECOMMENDATION IMPLEMENTATION STATUS

Audit Recommendation Implementation Status			
 <p>Fully Implemented</p>	 <p>Implementation In Progress</p>	 <p>Not Implemented</p>	 <p>Closed</p>
<p>The audit recommendation has been implemented, and the corrective actions effectively address the original issue or finding, as verified by the follow-up audit. No further action is required at this time.</p>	<p>The agency has begun taking corrective actions to address the audit recommendation. However, full implementation has not yet been achieved.</p>	<p>The agency has not taken corrective action to address the audit recommendation.</p>	<p>Circumstances have changed surrounding the original finding or recommendation that make it no longer applicable, or the agency will only implement a portion of the recommendation as verified by the follow-up audit. No further follow-up is required.</p>