
From: BusinessAffairs Advisory Forum <BAAF-L@LISTSERV.UGA.EDU> on behalf of Holley W Schramski <hschrams@UGA.EDU>
Sent: Wednesday, November 28, 2012 2:36 PM
To: BAAF-L@LISTSERV.UGA.EDU
Subject: Best Practice/Internal Control Example - Origins of Timestamps used in Payroll Processing

To: UGA Business Officers and Payroll Representatives

From: Internal Auditing Division and University Business and Administrative Services

From time to time, recommendations are made in internal audit reports which are examples of good internal controls and best practices that would assist all University departments. A recent internal audit recommendation reminded a department to review the Kronos “Punch Origin Report” to verify that employee timestamps are generated from authorized sources. The observation and recommendation were as follows. We hope this best practice is helpful to you and your department. Please share with others who can benefit from this information.

Observation: We noted that the Kronos time management system is not reviewed by the Department to verify that the origins of hourly employees’ timestamps are from authorized computers/locations. The IP address of each timestamp can be reviewed in the Kronos Punch Origin Report.

If the origins of the payroll timestamps are determined to be from unauthorized locations, there is the risk that the time being reported is inaccurate.

Recommendation: We recommend that on a periodic basis the Kronos punch origin be reviewed by the Department’s business manager. Any non-departmental location IP addresses noted should be verified by the supervisors as being appropriate. Hourly employees should be informed which locations/computers they are allowed to log their time from and instruction should be provided on how to address foreseeable circumstances such as if an employee forgets to long-in or log-out.

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