

**City of Tampa
Internal Audit Department
Audit Program Guide
Employee Relations, 03-10**

Budget Hours	Audit Procedures	Done By	W/P Ref.
<i>Background</i>			
	<p>The Employee Relations Division of the Department of Administration is responsible for providing City Departments with a reliable and dependable labor and employee relations program. The division negotiates and administers the City's four collective bargaining agreements.</p> <p>The division is divided into two sections along operational responsibilities. The Benefits & HRMS Section is responsible for providing new employee orientations, maintaining the Payroll/Personnel system and processing personnel data, salary and benefit transactions. The EEO/Labor Relations is responsible for administering disciplinary action and labor grievance procedures, unemployment compensation, Equal Employment Opportunity and American with Disabilities Act compliance and training and development.</p>		
<i>Statistics</i>			
	No relevant statistics are available.		
<i>Planning the Audit</i>			
	<ol style="list-style-type: none"> 1. Print Quality Control Package and process Auditor Assignment and Independence Statement page. 2. Prepare and send an entrance letter to applicable personnel in the area under review. 3. Conduct an in-house review of the following: <ol style="list-style-type: none"> a) Financial Data b) Internal Policy & Procedures Manuals c) Applicable Rules, Laws and Regulations, and d) Prior internal audit reports and management comments 4. Schedule and hold an entrance conference with the Auditee. Obtain the name of the departmental contact person and secure a place from which to conduct the fieldwork portion of the audit. 		

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	<ol style="list-style-type: none"> 5. Begin Preliminary Survey by interviewing the appropriate personnel in the Auditee Department. Document the interviews with narratives in the work file. 6. Review and document Internal Control System. (Include control points, such as the location within the system of approvals, authorizations, segregation of duties, supervision, reconciliations, computer-generated error and edit listings, exception reports, etc.) 7. After gaining an understanding of various functions, conduct transaction walk-throughs. Revise documentation. 8. Assess the reliability of computer-processed data – <ol style="list-style-type: none"> (a) Identify all computer-generated data that will be used during the audit. (b) Determine how the data will be used in the audit. If used as the sole evidence supporting a finding or as corroborative or supporting evidence – assess the data’s reliability by performing steps (c) to (g). If it will be used as background information – cite the data’s source and no further work is required. (c) Document how the data is used in decision-making and the extent of users’ reliance on the data. (d) Review any evaluations of the system, application and data performed by an independent third party (e.g., external auditor’s management letter). (e) Identify and document any input, processing and output controls and controls over data adjustments. (f) Test the identified controls and data elements that will be used during the audit by tracing a sample of data records to the source documents and a sample of source documents to the database. (g) Summarize the test work and results and conclude on the data’s reliability. 9. Prepare a risk analysis listing the strengths and weaknesses of the system and reference risk assessments to audit objectives. 10. Prepare the audit program and include a time budget and estimated completion date. Index the preliminary survey file and turn in for review. The Planning Checklist page of the Quality Control Package should be completed by the Audit Supervisor. 11. Clear review notes and revise the audit program, if 		

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	necessary.		
<i>Audit Scope</i>			
	Based on the work performed during the preliminary survey and the assessment of risk, the audit period will cover the operations of Employee Relations from October 1, 2002 to September 30, 2003.		
<i>Audit Objectives</i>			
	<ol style="list-style-type: none"> 1. Determine compliance with the grievance procedures detailed in the four union agreements and the Personnel Manual. 2. Determine if personnel data were accurately entered into the Payroll/Personnel System. 3. Determine if disciplinary actions were progressive in nature. 		
<i>Objective 1: Determine compliance with the grievance procedures detailed in the four union agreements and the Personnel Manual.</i>			
	<ol style="list-style-type: none"> 1. Obtain a copy of the grievance log maintained by the Employee Relations Section. 2. Judgmentally select twenty (20) grievances filed during the audit period. Review the files for process compliance with the applicable union agreements or Personnel Manual. 3. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management. 4. Summarize and conclude. 		
<i>Objective 2: Determine if personnel data were accurately entered into the Payroll/Personnel System.</i>			
	<ol style="list-style-type: none"> 5. Obtain a copy of the orientation log maintained by the Central Records Supervisor. 6. Judgmentally select twenty (20) new employees from the log. 7. Obtain the selected personnel's employee and insurance files. 8. Trace file data to the Payroll/Personnel System. 9. Discuss any audit findings with the Audit Supervisor, 		

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	<p>Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management.</p> <p>10. Summarize and conclude.</p>		
<i>Objective 3: Determine if disciplinary actions were progressive in nature.</i>			
	<p>11. Obtain a listing of employees' disciplinary action from the Employee Relations Section.</p> <p>12. Judgmentally select twenty (20) employees.</p> <p>13. Review for progression of disciplinary actions.</p> <p>14. Discuss any audit findings with the Audit Supervisor, Deputy Director and Audit Director. After receiving their approval discuss audit findings with Auditee management.</p> <p>15. Summarize and conclude.</p>		
<i>Audit Wrap Up</i>			
	<p>16. Complete and index working papers.</p> <p>17. Prepare a preliminary draft of the audit report.</p> <p>18. Clear review notes.</p> <p>19. Forward draft to auditee and request responses within 10 working days.</p> <p>20. Incorporate auditee responses into the final audit report.</p> <p>21. If requested, schedule and hold exit conference.</p> <p>22. Send final report to reproduction and make one (1) unbound copy.</p> <p>23. Prepare Release Memo, Staff Summary Sheet and City Council Agenda Item Cover Sheet.</p> <p>24. Provide Audit Supervisor with ten (10) bound and one (1) unbound copy of the final report.</p> <p>25. Upon release by the Mayor <u>and</u> its appearance on the City Council's Draft Agenda, distribute final report to auditee and place the report, audit program and risk analysis files in the appropriate folders on the share drive for posting to IAD's web site.</p> <p>26. Have the Director complete the Quality Control Checklist of the Quality Control Package.</p>		