

**F & P Pension, Audit 03-03**

**Risk Analysis Work Sheet**

<b>Risk</b>	<b>Control</b>	<b>Control In Place</b>	<b>Assessm</b>	<b>Obj</b>
Pension calculations incorrect; either deferred, longevity or disability	In addition to the calculation being checked by a second person within the Pension office; Central Payroll is involved in various stages.	Yes	Low	
Payments to ineligible employee	As with calculations, all supporting documentation is verified by more than one individual.	Yes	Low	
Payments to ineligible spouse or other beneficiary	All requests must be supported with valid documentation. However, dependents that reach 18 were not effectively being tracked. Estate requests are required to provide adequate documentation.	Yes / No	Medium	
DROP payments inaccurately calculated	Initial calculation determined as a normal pension payment and verified as noted above; the annual earnings credit it prepared using the overall rate determined by the external CPA and applied to the avg balances; the credit is approved by the Board	Yes	Low	
Disability payments to "fit" pensioner	Annual survey of 20% performed to require information for all medical treatment received since retirement. However, because only a sample taken, some individuals could be excluded.	Yes / No	Medium	
Payments to dead pensioner	Use of ComServ to validate social security numbers are for living recipients. Additionally, every other year, positive confirmations sent to all pensioners.	Yes	Low	