



May 25, 2010

City of Saskatoon - City Clerk's Office
Attention: Secretary – Audit Committee
222-3rd Avenue North
Saskatoon, Saskatchewan S7K 0J5

Audit Report – Water & Waste Water Treatment Branch Payroll System

In 2009, Robert Prosser & Associates Inc. conducted an audit of the Utility Services – Water & Wastewater Treatment Branch Payroll System, as per the Corporate Audit Plan.

The Utility Services – Water & Wastewater Treatment Branch Payroll System involves a manual time tracking and entry system as well as an electronic system to calculate payments.

The Corporate Services Payroll Office uploads data from the Branch into the Corporate Payroll system. The Corporate Services Payroll Office calculates and remits deductions to the Federal Government, and invoices the department for the gross payroll costs and the employer's share of benefit costs. The payroll cheques and direct deposit pay slips are sent to the department where they are provided to the employees.

The objectives of the audit included:

- Determining whether adequate controls are in place to:
 - Ensure the accuracy of payroll cheques and direct deposits in terms of gross pay; and
 - Ensure complete and accurate accounting for all leave and banked time.
- Identifying and recommending opportunities for improvement to address identified weaknesses in internal control, including new systems and/or system improvements.

Management is currently working on implementation of the recommendations.

Respectfully submitted,

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