

**B-3 – Employee Administration and Payroll****Key Control Checklist (Version 1.3.3)**

	<b>Risk</b>	<b>Key Control</b>	<b>Section Reference</b>	<b>Preventative or Detective</b>	<b>Frequency of Control</b>
1	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	Segregation of duties within the Payroll process is essential to reduce the risk of fraud. This means that the same person is not responsible for handling payroll and authorising and approving transactions. All of these three actions must be completed by different staff so that no one person can control the payroll process from start to finish.	2.3	Preventative	Transaction dependant
2	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Each HSE unit must nominate a person in a supervisory role with responsibility for payroll control. That supervisor must monitor and sign off on the payroll controls set out in Section 2.5 Payroll administration function controls and note exceptions and take action to solve any issues identified.	2.4	Detective	Transaction dependant
3	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	<p>The procedure for approving payroll control is:</p> <ul style="list-style-type: none"><li>▪ the nominated employee completes payroll control check for each cost centre at location or site level</li><li>▪ the payroll control check must be reviewed and signed off by the relevant Line Manager for each payroll run processed</li><li>▪ the payroll control check at site location level must be reviewed by the TRO</li></ul>	2.4	Preventative	Transaction dependant

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		and the Line Manager before the payroll returns are authorised by the Line Manager. When the relevant officer is satisfied that the payment list is correct it should be signed off.			
4	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Assistant National Directors or equivalent grades are responsible for ensuring that: <ul style="list-style-type: none"><li>▪ the procedures for approving payroll control are adhered to</li><li>▪ the appropriate nominated employees are in place to complete the sign off of payroll control checks and exception reports for each area under their control</li></ul>	2.4	Preventative	Transaction dependant
5	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Each Payroll function must ensure local payroll procedures include controls for the following: <ul style="list-style-type: none"><li>▪ setting up new employees and removing employees</li><li>▪ contract hour changes and upgrades</li><li>▪ processing timesheets and leave sheets</li><li>▪ processing travel and subsistence claims</li><li>▪ review and approval of payroll returns and files</li></ul>	2.5 App 2	Preventative or Detective	Transaction dependant

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		<p>(all pay files and returns are reconciled with time return approvals received by Payroll for the relevant period)</p> <ul style="list-style-type: none"><li>▪ any unapproved personnel included on the pay file are investigated (this reconciliation exercise is completed by a separate individual from the staff member preparing the pay file)</li><li>▪ the induction of new staff joining the Payroll team</li></ul> <p>Local procedures should have:</p> <ul style="list-style-type: none"><li>▪ clear SOD</li><li>▪ utilise technology to trace changes</li><li>▪ clear reporting, review and oversight</li><li>▪ utilise exception reporting</li></ul>			
6	▪ Payment errors	Management within each payroll function must prepare a monthly report of all new employees (joiners) and employees who have left (leavers) as recorded on payroll and submit this report for review to the relevant HR manager.	2.5	Detective	Monthly
7	▪ Payment errors	Management within each payroll function must complete a quarterly reconciliation of all new joiners and leavers, comparing the information	2.5	Detective	Quarterly

## B-3 – Employee Administration and Payroll

### Key Control Checklist (Version 1.3.3)

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		between the payroll system and HR approved joiners and leavers.			
8	<ul style="list-style-type: none"> <li>Fraud risk</li> <li>Misappropriated funds</li> </ul>	Management within each payroll function must put in place Information Communication and Technology (ICT) access controls. Such as separate users logins to track who makes changes to payroll related data.	2.5	Preventative	Transaction dependant
9	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	Management within each payroll function must analyse payroll tax returns to make sure there is no duplication of tax references, for example, Personal Public Service Number (PPSN).	2.5	Preventative	Transaction dependant
10	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	<p>Line Managers must have a list by cost centre and employee of all current authorised changes in:</p> <ul style="list-style-type: none"> <li>hours</li> <li>positions</li> <li>shifts</li> <li>T&amp;C's of employment resulting in increased or reduced hours or pay</li> </ul> <p>Also a list of:</p> <ul style="list-style-type: none"> <li>unpaid leave</li> <li>retirements</li> <li>resignations</li> <li>terminations</li> </ul>	2.6	Preventative	Kept current
11	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	Line Manager must maintain local payroll manuals and ensure they are up to date with current operations and	2.6.1	Preventative	Transaction dependant

## B-3 – Employee Administration and Payroll

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		authorisations. Make sure relevant employees follow the local payroll manuals.			
12	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	Local procedures must be in place to ensure the efficient processing of HR forms.	2.7	Preventative	Transaction dependant
13	<ul style="list-style-type: none"> <li>Fraud risk</li> <li>Misappropriated funds</li> <li>Payment errors</li> </ul>	Staff must not process any HR forms that: <ul style="list-style-type: none"> <li>do not have Line Manager approval or sign off</li> <li>are not consistent with HSE policy</li> </ul>	2.7	Preventative	Transaction dependant
14	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	Budget Holder must conduct timely reviews of relevant payroll reports to monitor for overpayments and underpayment	2.9.1	Preventative	Transaction dependent
15	<ul style="list-style-type: none"> <li>Payment errors</li> </ul>	Each HSE Area HR and Payroll division must ensure a documented payroll plan for continued operations exists in the event of a disaster or emergency.	2.9.4	Preventative	Transaction dependent
16	<ul style="list-style-type: none"> <li>Fraud risk</li> <li>Misappropriated funds</li> </ul>	Each HSE Area HR and Payroll Division must ensure all payroll systems and related payroll data is restricted by password control or equivalent and that they are appropriate to the authorising level of the payroll or HR officer.	2.9.4	Preventative	Transaction dependent
17	<ul style="list-style-type: none"> <li>Fraud risk</li> <li>Misappropriated funds</li> <li>Payment errors</li> </ul>	Each HSE Area HR and Payroll Division must ensure a register of exceptional payments is held	2.9.4	Preventative	Transaction dependent

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		locally outlining details of any pay arrangement that deviates from nationally approved pay-rates and contract terms and conditions. It should include the following information: service justification, confirmation of approval, proposed duration, estimated cost and date of review. The register should be kept up-to date and be subject to regular management review			
17	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	HSE employees have a responsibility to comply with their contractual obligations around pay. This includes compliance with the payroll policies set out in this document, relevant regulations, and legislation as appropriate.	3.2	Preventative	Transaction dependent
18	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	All requests to create an employee number for payroll should be processed only on receipt of a standardised HR101 Form that has been approved by the relevant Line Manager. It must be accompanied by any other relevant supporting documentation as advised by HR or NRA.	3.3	Preventative	Transaction dependent
19	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	A review of new employment contract records must be completed monthly to ensure codes and details have been recorded appropriately. This check must be completed by a	3.3	Detective	Monthly

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		separate employee to the creator of the records.			
20	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	HR Managers must create and review a monthly report of all new and promoted employees.	3.3	Detective	Monthly
21	<ul style="list-style-type: none"><li>▪ Payment errors</li></ul>	<p>Where the HSE does not receive the full notice period from an employee who is resigning or their employment is being terminated, the TRO or Line Manager must inform the NPA, HR or Payroll Department immediately by phone and in writing of the effective date of the employee's termination.</p> <p>It is essential that leaving forms (Form HR106) and retirement forms (Form HR107a) are submitted in a timely manner to avoid payments in error.</p>	3.6.1 3.6	Preventative	Transaction dependent
22	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	<p>Before staff can be paid, all timesheets (or equivalent), whether manual or electronic, must contain at least the following 7 elements:</p> <ul style="list-style-type: none"><li>▪ employee number</li><li>▪ employee name</li><li>▪ employment location and cost centre code</li><li>▪ dates worked</li><li>▪ hours worked</li><li>▪ premia hours worked (if relevant)</li><li>▪ total amount or total hours to be paid</li></ul>	4.2	Preventative	Transaction dependant

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23	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	Processes outlined in section 5.1 of the NFR must be adhered to in relation to all overpayments. Any recovery must be carried out in accordance with <a href="#">Revenue's position</a> .	5.1	Preventative	Transaction dependent
24	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	<p>For overpayment greater than €200, a letter will be issued to the employee from the party responsible for the overpayment with the assistance of FSS Payroll Department.</p> <p>The overpayment letter must include at a minimum the details outlined in Section 5.1.1 of the document. Sample letter templates are also available in section 5.1.1.</p>	5.1.1	Preventative	Transaction dependent
25	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	If the negotiated repayment schedule with the employee is significantly different than originally noted, approval is required from the Assistant Chief Financial Officer, Finance Specialists prior to formal agreement with the employee.	5.1.2 5.1.5	Preventative	Transaction dependent
26	<ul style="list-style-type: none"><li>▪ Fraud Risk</li><li>▪ Payment errors</li></ul>	An emergency payment to rectify an underpayment can be requested by the line manager in writing and the Payroll Department will review requests on a case by case basis.	5.2	Preventative	Transaction dependent
27	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li></ul>	Records must be kept by the Payroll Department of all over and underpayments. Details	5.3	Detective	Transaction dependent



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		required are outlined in the checklist in section 5.3.			
28	▪ Payment errors	NiSRP roll out control: When NiSRP is being rolled out in an area, management must ensure all staff are aware of the programme and its key elements.	Appendix 1	Preventative or Detective	Transaction dependent
29	▪ Payment errors	NiSRP roll out control: Staff receive training on how to use HR and Payroll Self Service and Managers receive training on HR and Payroll Self Service – Manager Self Service. There are training courses on <a href="#">HSeLanD</a> for employees, managers, approvers, and staff who travel.	Appendix 1	Preventative or Detective	Transaction dependent
30	▪ Payment errors	NiSRP roll out control: Controls are in place to ensure that only HR and Payroll Self Service is used when it is available.	Appendix 1	Preventative or Detective	Transaction dependent
31	▪ Payment errors	NiSRP roll out control: Local procedures are updated to reflect the new ways of recording time and submitting T&S claims arising from the availability of HR and Payroll Self Service.	Appendix 1	Preventative or Detective	Transaction dependent
32	▪ Payment errors	NiSRP roll out control: Management reviews how well the NiSRP was put in place and addresses any shortfalls.	Appendix 1	Preventative or Detective	Transaction dependent
33	▪ Fraud risk ▪ Misappropriated funds ▪ Payment errors	Controls for processing payroll cheques: Documented	Appendix 3	Preventative	Transaction dependent

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		procedures for using payroll cheques are in place.			
34	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: Cheques can only be signed by people not involved in the processing of the pay and can only be signed on receipt of a report from payroll which reconciles to the details on the cheque.	Appendix 3	Preventative	Transaction dependent
35	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: A record is kept of all cheque signatories and is reviewed on a quarterly basis by finance management.	Appendix 3	Preventative	Transaction dependent
36	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: A record is maintained by payroll of all employees paid by cheque.	Appendix 3	Preventative	Transaction dependent
37	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: A log is kept by payroll of when an employee receives a cheque and a register updated with dates and times of cheque release or handover.	Appendix 3	Preventative	Transaction dependent
38	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: The log is reconciled to the record of all employees paid by cheque and to the payroll system by someone from outside Payroll.	Appendix 3	Preventative	Transaction dependent
39	<ul style="list-style-type: none"><li>▪ Fraud risk</li><li>▪ Misappropriated funds</li><li>▪ Payment errors</li></ul>	Controls for processing payroll cheques: Employees paid by cheque cannot have bank	Appendix 3	Preventative	Transaction dependent

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		account details recorded for them on the payroll system.			
40	<ul style="list-style-type: none"> <li>▪ Fraud risk</li> <li>▪ Misappropriated funds</li> <li>▪ Payment errors</li> </ul>	Controls for processing payroll cheques: No new employees are to be paid by cheque.	Appendix 3	Preventative	Transaction dependent
41	<ul style="list-style-type: none"> <li>▪ Fraud risk</li> <li>▪ Misappropriated funds</li> <li>▪ Payment errors</li> </ul>	Controls for processing payroll cheques: The cheque signatories need to reconcile the log every quarter against the leavers return.	Appendix 3	Preventative	Transaction dependent