

**Department Audit and Evaluation Branch  
Department of Indian Affairs and Northern Development**

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**Pay Administration and  
Pay Accounting Audit**

**97/08  
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# Acknowledgment

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The Departmental Audit and Evaluation Branch (DAEB) of the Department of Indian Affairs and Northern Development (DIAND) acknowledges the contribution made to this assignment by all the regional managers, pay specialists, other regional participants and the following members of the Project Advisory Committee:

Tony Keeshig	Corporate Staff Relations and Compensation Directorate
Dianne Dinelle	Corporate Staff Relations and Compensation Directorate
Carolyn Waddell	Human Resources, National Capital Region Directorate
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Reynald Beauvais	Human Resources, National Capital Region Directorate

For the Departmental Audit and Evaluation Branch, the Pay Accounting and Pay Administration audit was planned and managed by Abbas Rangwala, DAEB Audit Project Manager.

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# Executive Summary

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## Background

In 1982 and 1989, the Departmental Audit and Evaluation Branch had conducted an audit of Pay Accounting and Pay Administration and an audit of Classification, Staff Relations and Compensation. Since then, many changes in manual and automated processing of payroll transactions have evolved. Several government policies for pay administration have been amended and new ones have been introduced.

The purpose of this review was to provide senior management with a comprehensive audit of the Pay Accounting and Pay Administration to ensure the adequacy of the financial and management controls and ensure the integrity of the payroll within the Department of Indian Affairs and Northern Development (DIAND). In addition, to conduct an employee survey to obtain feedback from employees on the value of the services, information and advice they received from pay accounting and pay administration functions.

The Pay Administration process includes uniform application of various pay policies as contained in authorities such as the *Public Service Terms and Conditions of Employment Regulations*, *Public Service Employment Act and Regulations*, *Public Service Superannuation Act and Regulations*, public service insurance plans and regulations, the Retroactive Remuneration Directives, the *Reclassification and Conversion Pay Regulations*, Treasury Board Minutes and Collective Agreements.

The focus of the pay administration responsibilities of the Human Resources, within the National Capital Region (NCR) Directorate and the regional offices is to ensure the accuracy, validity and timeliness of the pay actions, monitor the performance of the systems required to administer these actions, ensure adherence to prescribed performance standards, and respond to employee queries.

The focus of the pay accounting function is to record employee remunerations in the financial records and the accounting systems of DIAND. This function encompasses the verification of pay lists generated by the On-line pay system of Public Works and Government Services Canada (PWGSC), and the detailed activities required to record, classify, code, adjust and report employee pay disbursements.

## Objectives

The objectives of the audit were to assess:

- the efficiency and effectiveness in the financial and management practices, procedures and controls related to pay accounting and pay administration;
- the degree of compliance by the department with the various collective agreements and the departmental and Central Agency policies and directives; and
- the adequacy of all manual, clerical, supervisory and computerized controls over the data input and output to and from the PeopleSoft Human Resource Management System (PeopleSoft), and other related systems, such as the Departmental Accounting System (DAS).

## Scope

The scope of the audit included the Pay Accounting and Pay Administration activities within the Human Resources Branch and the Financial Services Branch at headquarters and within the Atlantic, Ontario and British Columbia regions. The audit covered the fiscal periods from April 1, 1995 to March 31, 1997.

## General Assessment

A survey of DIAND's 3,707 employees was undertaken to obtain feedback from employees on the value of the services and information they received from the Pay Administration function. Overall the results of the employee survey were positive. More than 80% of respondents indicated that they are satisfied with the level of service provided by the Pay Administration function. However, in the area of pay calculation errors, though the error rate is relatively low, on going efforts are required to minimize the error rate.

While we did not observe any major deficiencies in the pay administration and pay accounting processes, the absence of interfaces between multiple automated and manual pay accounting and administration systems has resulted in significant duplication of effort and inefficiencies. Accordingly, there is a need to actively explore alternatives to streamline the pay recording and data entry processes.

## Key Findings

- The pay administration and pay accounting processes are well controlled within DIAND. However, the audit found that the absence of interfaces between the pay accounting and administration systems has resulted in significant duplication of effort. Multiple data entries are required to complete a pay related transaction. Specifically, entries are made in three automated systems: the On-Line Pay System (managed by PWGSC), the PeopleSoft (managed by Human Resources Branch) and the Salary Management Information System (managed by the Accounting Branch) and three manual documents: pay cards, transaction logs and the personnel pay file. The responsible managers recognize the inefficiencies resulting from the multiple data entries but these inefficiencies are, in part, outside the control of the regional offices. Two of the three regional offices visited have implemented additional control procedures to mitigate the risks of inaccurate data entries.
- Treasury Board and departmental pay policies and Collective Agreements are fundamental instruments in the processing of pay related information. The audit found that the regional pay specialists understand the complexities of their tasks and have the appropriate reference material available to them to perform pay processing activities. Where additional guidance is required on specific issues, the regional offices can seek advice from the Corporate Staff Relations and Compensation Directorate to determine the appropriate course of action. Regional pay specialists have noted that the Corporate Staff Relations and Compensation Directorate are quick to investigate and respond to their needs.
- The audit team reviewed selected employee personnel files and found that, with few exceptions, an adequate audit trail exists within these files. The audit also examined the security of the physical environment and found that all employee personnel files are protected and maintained in a secure filing area. Payroll transactions cannot be processed unless appropriate authorizations have been received. Access to all automated systems is also restricted to authorized personnel through user identifications (IDs) and passwords.
- Performance guidelines were revised in October 1997 to reflect the extensive transfer of responsibilities to government departments by central agencies. Since this time, however, additional changes have occurred making the performance guidelines inappropriate to follow. Once new performance guidelines have been established, a mechanism should be in place to measure the achievement of the guidelines.

## **Key Recommendations**

1. The Director General, Human Resources Branch in consultation with the Regional Directors, Human Resources Directorates should identify ways to streamline the recording of pay information to eliminate the duplication of data entry.
2. The Director, Corporate Staff Relations and Compensation Directorate, Human Resources Branch in consultation with the Regional Directors, Human Resources Directorates should ensure that the performance guidelines are updated and a monitoring mechanism is in place to assess the achievement of the performance guidelines.

# Section 1 - Introduction

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## Background

Pay Administration includes uniform application of various pay policies as contained in authorities such as the *Public Service Terms and Conditions of Employment Regulations*, *Public Service Employment Act and Regulations*, *Public Service Superannuation Act and Regulations*, public service insurance plans and regulations, the Retroactive Remuneration Directives, the *Reclassification and Conversion Pay Regulations*, Treasury Board Minutes and Collectives Agreements.

DIAND's Pay Administration responsibilities, as the employing department, are to: determine entitlements, initiate and manage pay actions and benefits for its employees, initiate and maintain control of batches of pay input documents, provide the certificates required by Sections 32 and 34 of the *Financial Administration Act*, certify pay input in accordance with Section 33 of the *Financial Administration Act* prior to submission to Public Works and Government Services Canada (PWGSC), verify outputs from the pay system; resolve input errors identified by PWGSC computer edits; ensure the accuracy, validity and timeliness of pay input, monitor performance of the pay administration processes and systems to ensure adherence to prescribed performance standards, and provide employees with a pay and benefit inquiry services.

DIAND's Pay Accounting function pertains to the incorporation of employees' remunerations in the financial records and the accounting systems of the department. It includes the verification of pay lists generated by the On-Line Pay System, managed by PWGSC, from the department's input. Pay accounting also includes the activities of recording, classifying, coding, adjusting and reporting of the pay disbursed to the employees. In the fiscal year 1996-1997, the total salaries and wages and the number of employees, by program, were as follows:

	<u>Amount</u>	<u>Employees</u>
Program 1 = Administration	\$ 46.3 Million	687
Program 2 = Indian and Inuit Affairs	\$ 119.7 Million	2218
Program 3 = Northern Affairs	\$ 37.2 Million	635
Total	\$ 203.2 Million	3540



## Objectives and Scope

The objectives of the Pay Administration and Pay Accounting audit were to assess:

- the efficiency and effectiveness in the financial and management practices, procedures and controls related to pay accounting and pay administration;
- the degree of compliance, by the department with the various collective agreements and the departmental and Central Agency policies and directives; and
- the adequacy of all manual, clerical, supervisory and computerized controls over the data input and output to and from PeopleSoft Human Resource Information System (PeopleSoft), and other related systems, such as the Departmental Accounting System (DAS).

The scope of the audit included the pay accounting and pay administration activities within the Human Resources Branch and the Finance Branch at Head Office in the Atlantic, Ontario and British Columbia regions. The audit covered the period from April 1, 1995 to March 31, 1997. As part of the objectives and scope of this audit, the following issues were reviewed:

- Are the internal controls over pay and benefit payments adequate to ensure appropriate deductions, avoidance of over or under payments, and timely monitoring of attendance, leave, overtime and other relevant activities?
- Does the function of pay accounting and pay administration bear due regard to efficiency, effectiveness, economy, accountability and compliance with departmental and central agency policies?
- Do these functions operate in a service-oriented mode as providers of sound quality information and advice to employees?
- Are the responses to requests for information and advice handled in a timely manner and is the information provided accurate?
- Are payrolls properly authorized?
- Are there adequate and effective controls over the delegation of financial signing authorities? and
- Are adequate controls in place over account verification and payment requisitions?

In order to address a number of the above issues, audit tests were performed on a random selection of employee files. The files were selected from the following categories: new external hires, changes to pay calculations, and terminations of employment.

## **Methodology and Approach**

The audit was conducted in three distinct phases: the Preliminary Survey Phase, the Fieldwork, Analysis and Debriefing Phase, and the Reporting Phase. An employee survey also formed part of the overall audit.

The overall objective of the Preliminary Survey Phase was to gain a thorough understanding of the Pay Administration and Pay Accounting processes within DIAND and to finalize the lines of inquiry and audit issues to be examined in the following phase. As part of this objective, preliminary interviews were conducted with the staff of the Compensation Services and Human Resource Branch within the National Capital Region. As a result, audit criteria were developed which outlined the specific areas of review for each audit objective.

Preliminary audit issues were discussed with the Project Advisory Committee members on a bi-monthly basis during this phase.

The Fieldwork, Analysis and Debriefing Phase was conducted in the Atlantic, British Columbia, Ontario and National Capital regions. During this phase, specific control procedures for each audit criteria were identified, documented and examined. The information was gathered from four main sources: Pay Specialists, Pay Supervisors, Human Resource Managers and Financial Officers. At the end of the field visits, a debriefing session was held with the Corporate Staff Relations and Compensation Directorate and Human Resources, National Capital Region Directorate to discuss the audit findings.

The Reporting Phase included the summarization of the audit findings, employee survey findings, audit recommendations and overall survey results.

An Employee Survey was a part of the audit and included in the audit fieldwork. It was undertaken to obtain feedback from employees on the value of the department's pay services, including the information and advice received from the pay accounting and pay administration functions. The results of the survey can be used to assist the department in providing improved services to its employees.

The survey included all employees of the department, and was conducted during the months of August and September 1998. In total, 3,707 questionnaires were distributed to all employees through the department's internal mail system. Completed questionnaires were returned to PricewaterhouseCoopers.

A total of 1,251 completed questionnaires was returned for a response rate of 34%. The overall margin of error is plus or minus 2% at the 95% confidence level. The margin of error will increase if only a subset of the sample is examined such as regional breakdowns.

The completed questionnaires were scanned using the Teleform software and they were analysed with the SPSS software. The results were weighted by the region to ensure that they reflect the actual employees' population distribution. Detailed survey results are included as Appendix 1 to this report.

## **Reporting Strategy**

This report summarizes results of an independent and objective Pay Accounting and Pay Administration Audit carried out by, and a separate department wide employee survey facilitated by, PricewaterhouseCoopers for the Departmental Audit and Evaluation Branch.

The audit covered the Pay Accounting and Pay Administration activities within the Human Resources Branch and the Financial Services Branch at headquarters and Atlantic, Ontario and British Columbia regions. The employee survey covered all employees of the department.

As a result, this report presents the audit findings and the respective survey findings associated with the pre-identified audit issues. The detail survey results are summarized in Appendix 1 of the report.

## **Section 2 - Detailed Findings and Recommendations**

### **Pay Administration and Pay Accounting Processes**

The Corporate Staff Relations and Compensation Directorate of the Human Resource Branch is responsible for interpreting policies received from Treasury Board, communicating and disseminating relevant pay policies and procedures to the regional offices, monitoring the application of these policies, and advising regional officers on pay related matters.

Compensation Services at the regional offices including the National Capital Region are required to implement adequate processes to ensure that Treasury Board and Departmental pay policies and procedures are followed. The Pay Administration and Pay Accounting processes include the following key actions:

#### **Initiation of Pay Action**

A pay action is initiated when an authorized letter of offer is received from the Staffing Unit. A letter of offer explains the action required, identifies the classification level of the employee, as well as the duration of the action required, if applicable, and is signed by both the employee and a staffing officer or responsible manager. However, not all actions require a letter of offer from the Staffing Units. For instance, annual pay increments are initiated by the pay specialists and do not require a letter of offer. The authorization for this action is found in the relevant Collective Agreements.

Employee initiated actions, such as a change in the medical plan, require appropriate forms to be completed and signed by the employee before processing can begin.

#### **Recording Pay Information**

The On-Line Pay System of PWGSC is used to initiate and record all pay actions. Appropriate electronic authorizations are required before a pay action can be entered into this system. In addition, pay related information is maintained in other DIAND systems: the PS/HRMS, manual pay cards, employee files, transaction logs and SMIS.

#### **Verification**

A cross verification of all pay actions entered into the On-Line Pay System is performed by a second Pay Specialist to ensure completeness and accuracy of the entries. Once the information has been reviewed, the status of the action changes to “verified”. At this point, the pay action is ready to be approved for Section 33. Only authorized personnel can change the action status in the On-Line Pay System to “verified”.

### **Financial Officer Sign-off**

A Financial Officer will perform the necessary verification required for Section 33 of the *Financial Administration Act*. Section 33 certifies that appropriate funds are available to process the pay actions by PWGSC. Once the cheques are processed by PWGSC, both the physical cheque records and pay register are sent to the region's Finance Section.

### **Pay Register Reconciliation**

Once received from PWGSC, the cheques are maintained in a secure room or cabinet in the Finance Section while the pay registers are returned to the pay specialists for review. Following the review, pay specialists will provide final approval for release of cheques to the employees. The pay register is reconciled to the pay actions listed on the transaction log by pay period. Any discrepancies with this log are investigated and appropriate corrective action is taken.

Once the review by the pay specialists is complete, the pay register is signed and a copy is returned to the Finance Section for cheque release. Any special directives, such as a cheque which is to be cancelled and returned to the pay specialist, are noted on the payroll register.

### **Posting Pay Transactions into the DRMS**

Pay transactions are posted into the Departmental Resource Management System (DRMS) on a monthly basis. An electronic tape is received by PWGSC for all pay transactions. The tape is entered into the DRMS by headquarters and the information appears in a "not posted" status. Regional offices are responsible for posting the pay transactions once they are reconciled with the pay records. Posting requires a full examination of all account codes to ensure the accuracy of each transaction. When the accounting entry is posted into the DRMS, the payroll cycle is complete. This process reoccurs every pay period and when supplementary cheques are requested.

## **Organizational Structure**

The pay administration is a complex process and requires adequate and continuous training of staff. Adequate back-up personnel are required in the event that the current pay specialists cannot perform their work for a period of time.

In one region visited, we noted that pay related procedures were being performed by only one pay specialist. Although most of the procedures are documented, the region did not have an adequate contingency plan should the pay specialist not be available to perform the work for an extended period of time. There was no back-up personnel familiar with all of the pay specialist functions.

### **Best Practices**

One region, within the scope of the audit, has reorganized their regional Human Resources Directorate to better meet workload demands and to respond to employee requests for additional training in other human resource functions. The regional staff members are trained and where required will be receiving cross-training in all areas of human resources support services such as compensation, staffing, classification and staff relations. The result is to enable the region's staff to have a consistent level of knowledge of all areas.

Also, the region is currently piloting a self-managing work team concept. This concept allows staff to self-manage the workload of several human resource functions. The regional staff members have indicated that this approach is self-motivating and far more satisfying than the traditional approach.

It was noted that the above self-managing work team concept has been reviewed and addressed by the Human Resource Branch management. As a result, other regions have also organized their Pay Administration section accordingly.

### **Recommendation**

1. The Directors, Human Resources Directorates, Atlantic, Ontario and British Columbia regions should ensure that trained, back-up resources exist to perform pay related tasks in the event of the extended absence of one or more pay specialists.

## **Recording of Pay Information**

Pay related information is captured both manually and electronically in:

- On-Line Pay System (PWGSC System);
- PeopleSoft;
- Salary Management Information System (SMIS);
- Pay Cards;
- Transaction Logs; and
- Personnel Pay File.

The multiple data entry of similar information increases the risk of inaccuracy of pay related information and regional staff are concerned that this has created inefficiencies in their operations. Regional staff interviewed were not aware of possible departmental enhancement initiatives to improve operations.

### **Relationship of Information Sources**

Pay cards and the On-Line Pay System are considered to be the most reliable sources of historical pay information. Before pay transactions were automated, pay cards were used to keep track of all pay actions associated with an employee. Currently, the On-Line Pay System is used to initiate pay actions and generate pay cheques through PWGSC. Pay cards and the On-Line Pay system retain similar historical information related to an employee's pay actions such as the employee name, effective date, classification and annual salary. The On-Line Pay System, however, includes only information after 1986 and is managed by PWGSC.

### **PeopleSoft**

All PeopleSoft entries are initiated by Regional Human Resource Staffing Officers. The regional pay specialists in three of the four regions visited, entered information affecting an employee's pay into the system with the exception of any pay actions leading to acting pay of less than four months. The information entered in PeopleSoft is similar to the data recorded on the pay cards and the On-Line Pay System.

Federal Government departments have implemented a customized version PeopleSoft 5.1. However, no interface was created to link the PeopleSoft and the On-Line Pay System of PWGSC. All federal departments using PeopleSoft are facing this same issue.

Two of the four regions visited did not rely on the accuracy of the pay information recorded in PeopleSoft as not all transactions are currently reflected in the system. In fact, the pay specialists have expressed concerns that the pay information recorded in PeopleSoft may be dated, incomplete and inaccurate. One region, however, has recently started a complete review of the data in PeopleSoft to ensure the information recorded is accurate.

The audit team compared selected employee files to the information recorded in PeopleSoft and identified few discrepancies. In all cases, the discrepancies related to the dates entered into PeopleSoft. These discrepancies did not impact upon pay, as the data stored in PeopleSoft was not used for pay purposes. One region visited did not enter any pay-related information into PeopleSoft due to resource constraints. The system was used strictly by the Staffing Officers.

### **Salary Management Information System (SMIS)**

SMIS is intended for the management of commitments made against budgets and to act as a forecasting tool for managers. The responsibility for this system and the processes surrounding it resides with the Accounting functions.

Entries into SMIS are done on an individual employee basis. The actual salary of the employee is included in SMIS for the appropriate responsibility center. The employee position responsible for updating the SMIS is not consistent within the regions. In some regions, the system is updated by the regional pay specialist while in other cases, the Financial Officers enter the necessary information.

The Atlantic Region has replaced SMIS with a Quattro Pro Forecasting Spreadsheet. The region argues that in an environment of resource constraint, it can no longer justify the use of the SMIS. The region has decided that the DAS has the functionality to provide the necessary commitment control and the Quattro Pro Forecasting Spreadsheet is an adequate supplement. In another region, the regional staff questioned the usefulness of SMIS. In fact, the employee profiles are not updated in the SMIS for this region.

The other two regions also indicated that the SMIS is not used by some managers. In fact, in at least two cases, staff mentioned that the use of other systems to perform the intended function of SMIS is not uncommon. Although this concern is known, pay related information continues to be entered into the SMIS. We noted that in those regions where SMIS is used, a second level of review to verify the accuracy of the entries is not performed.

### **Transaction Log**

A transaction log is yet another form of regional pay documentation used by the pay specialists within all of the regions. The logs are used to record information already entered into the On-Line Pay System, provide evidence of review/verification and reconcile the pay registers received from PWGSC before cheques are issued to staff by the Finance Section. The information entered



in the On-Line Pay System cannot be executed unless the multi-levels of review/authorization have occurred within the system. During the field visits, the audit team was not able to determine whether the On-Line Pay System could generate a report similar to the transaction log.

### **Best Practices**

Additional verification procedures have been implemented by the British Columbia regional office to ensure the accuracy of pay data entered in the PeopleSoft. When an employee file is passed on to another Pay Specialist for second level of review and approval, a copy of the PeopleSoft screen is printed and attached to the file for verification.

### **Employee Survey results related to Recording of Pay Information**

The survey results indicate that 78% of the respondents have requested information from the Pay Administration at least once in the past year. Employees indicated that the incidence of errors in the data that they were provided by the Pay Administration was relatively low and they were generally comfortable that errors were corrected promptly. The survey results are consistent with the audit findings that the Pay Administration function accurately records pay data.

### **Recommendations**

2. The Director General, Human Resources Branch, in consultation with the Regional Directors, Human Resources Directorates should:
  - identify ways to streamline the recording of pay information to eliminate the duplication of data entry. One option would be to emphasize the use of the transaction log in the On-Line Pay system; and
  - establish a policy to ensure that all mandatory pay data is correctly entered in PeopleSoft and verified by all regions.
3. The Director General, Human Resources Branch, in consultation with the Director General, Finance Branch should examine the use and benefits of SMIS throughout the regions and evaluate possible alternatives.

## **PeopleSoft**

### **Recording Pay Information of Future Dates**

One region is unable to record any pay related information in PeopleSoft extending into the year 2000. For instance, the system will show that an employee is returning from a leave of absence on December 31, 1999, when in fact the employee is not expected until the year 2001. As a result, the pay specialists within the regions are required to maintain separate documentation for future amendments in PeopleSoft once compliant. The region's staff noted that this may be a Year 2000 compliancy issue, however, discussions with representatives of the Information Management Branch have indicated that PeopleSoft is Year 2000 compliant.

### **Recommendation**

4. The Director General of Human Resources Branch, in consultation with the Regional Directors of the Human Resource Directorates should investigate the reasons a region is not able to record information extending into the Year 2000 and determine if other regions have similar issues.

## **Procedures Manuals**

Updates to Pay Administration manuals are received in the form of Directives from Treasury Board. The Treasury Board manual is available to all regional offices, however, the updates to the directives are neither reflected nor referenced in the On-Line information. Regional staff noted that this often results in confusion and significant time is spent to determine whether an update has been received.

We also noted that all regions have a set of checklists to follow and some of these checklists have been modified due to changes in the manual and some are more tailored to DIAND's processes. The checklists detail all documentation and approvals required to complete pay actions. They are often inserted in the employee file for audit and review purposes.

In addition to the checklists, regions have letter templates for every possible letter type sent to an employee. This ensures prompt response and consistent communication to all employees. The templates are updated when required and are accessible to the pay specialist within the region. In most cases, the pay specialist simply completes financial amounts in the letter and/ or adds any significant comments. Furthermore, Corporate Staff Relations and Compensations directorate, through monthly conference calls, promotes best practices and shares improved working tools with the regions.

## **Best Practices**

One region has decided to maintain a log of all updates to the hard copy of the Pay Administration manual. This practice enables them to track the changes to the Pay Administration manual and ensure that a complete list of all amendments is maintained.

## **Performance Guidelines**

In October 1997, following major changes to the work performed by the PWGSC, regional pay offices and extensive transfer of responsibilities to the government departments, the performance guidelines were reviewed, revised and communicated to the regions by the Corporate Staff Relations and Compensation Directorate.

Some regions are concerned that the above performance guidelines of October 1997 do not reflect their current working environment. It was expressed by the staff that the performance guidelines have not been revised to reflect the changes to the classification level of pay specialists and do not include their added responsibilities and tasks.

Although we identified documentation within the regions which supported the performance guidelines, there is no mechanism in place to measure the achievement of the performance guidelines.

## **Employee Survey on Provision of Services to Employees by Pay Administration Function**

The employee survey measured satisfaction of performance of the department's Pay Administration function in provision of pay services, information and advice to employees of the department. It covered the following areas:

- a number and types of requests made by employees for information;
- a number of inquiries made by employees for errors encountered by them in either of their initial pay, biweekly pay, change in pay increments, acting pay, overtime pay, leave or deductions;
- a quantity and quality of information received by employees on their leave provisions, allowances, insurance coverage, pension plan and benefits, superannuation benefits, optional benefit plans and pay management and practices;
- a number of communication tools and methods used, such as personnel bulletins, other written material, e-mail, Intranet, e-mail bulletin board, meetings and direct communication with supervisors; and

- a level of service provided, such as prompt response, staff accessibility, up-to-date information and overall satisfaction with the services provided.

Overall the results of the employee survey were positive. More than 80% (1000) respondents indicated that they are satisfied with the level of service provided by the Pay Administration. However, based on our analysis of employee survey results, it was observed that the following two issues were significant to employees of the department:

- pay calculations errors in the responses provided to those who made enquiries are relatively low. However, on going efforts are required to ensure that such errors are minimized.
- problems that have been identified were considered by employees to have been “not completely resolved” in 25% (this represents 25% of 980 staff who contacted the pay Administration office) of the cases by the Pay Administration function. However, in general, some problems brought forward to the Pay Administration function are not resolvable. The Pay Administration function needs to be more responsive to resolve outstanding problems.

## **Recommendations**

5. The Director, Corporate Staff Relations and Compensation Directorate of Human Resources Branch in consultation with the Regional Directors, Human Resources Directorates should ensure that there is a monitoring mechanism in place to assess the achievement of the performance guidelines. Where the regions have instituted their own performance guidelines, assess whether the regional practices are consistent with the pay performance guidelines set for the departments.
6. The Director General, Human Resources Branch should ensure that:
  - although pay calculation errors among those who made enquiries are relatively low, the pay calculation error rate is minimized. (See Exhibit 2);
  - problems that have been identified by staff were not completely resolved in 25% of the cases (19% had their problems partially resolved, while 6% felt their problems were not resolved) are further reviewed and effectively addressed. (See Exhibit 2); and
  - the other comments provided by employees are addressed in this report.

# **Appendix 1 - Employee Survey Results**

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## **Introduction**

The Departmental Audit and Evaluation Branch (DAEB) of the Department of Indian and Northern Affairs Canada, in alliance with the Human Resources Branch conducted an audit of Pay Accounting and Pay Administration.

As part of the objectives of the audit, an employee survey was undertaken to obtain feedback from employees on the value of the services and information they received by the Pay Administration function. The results of the survey should help the department to provide better services to the employees.

The following pages provide an overview of the results for the department as a whole. Detailed tables of results broken down by region and by job category have been appended.

## **Methodology**

A survey of all employees was conducted during the months of August and September 1998. In total, 3,707 questionnaires were distributed to all employees through the department's internal mail system. Completed questionnaires were returned to PricewaterhouseCoopers.

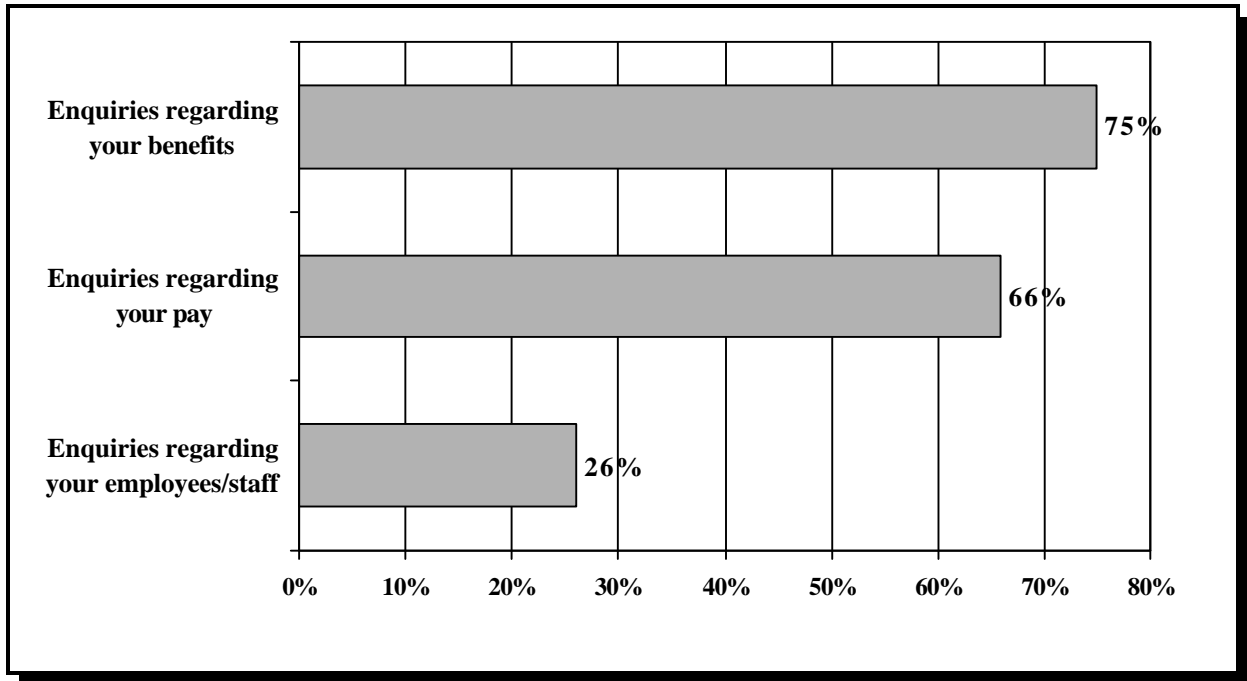
Total 1,251 completed questionnaires were returned for a response rate of 34%. The overall margin of error is plus or minus 2% at the 95% confidence level. The margin of error will increase if only a subset of the sample is examined such as a regional breakdown.

The completed questionnaires were scanned using the Teleform software and they were analysed with the SPSS software. The results were weighted by the region to ensure that they reflect the actual employee population distribution.

## Survey Findings

### Requests for Information

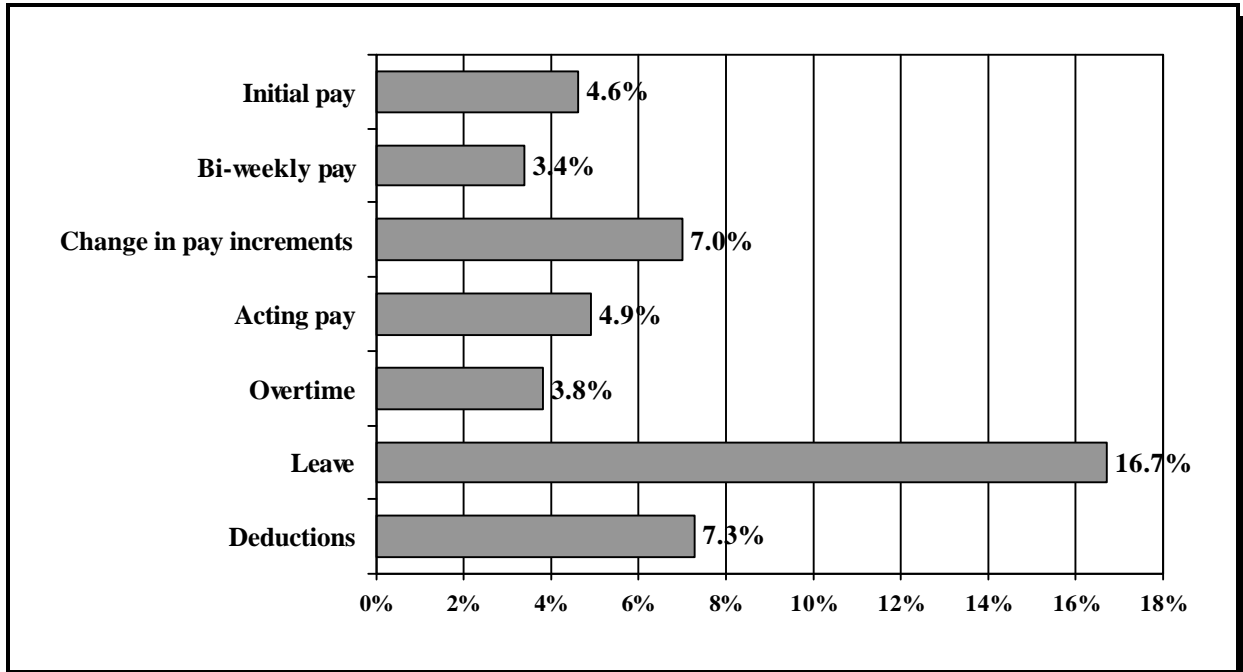
#### Exhibit 1: Most Common Type of Enquiries



In the past year 78% of the respondents requested information from the Pay Administration at least once. The average number of requests was 2.25 during the past year. The most common type of employee enquiry was regarding their benefits (75%) followed by questions about their pay (66%). Only 26% made enquiries about another employee under their supervision.

## Errors Encountered

### Exhibit 2: Errors in Past Year



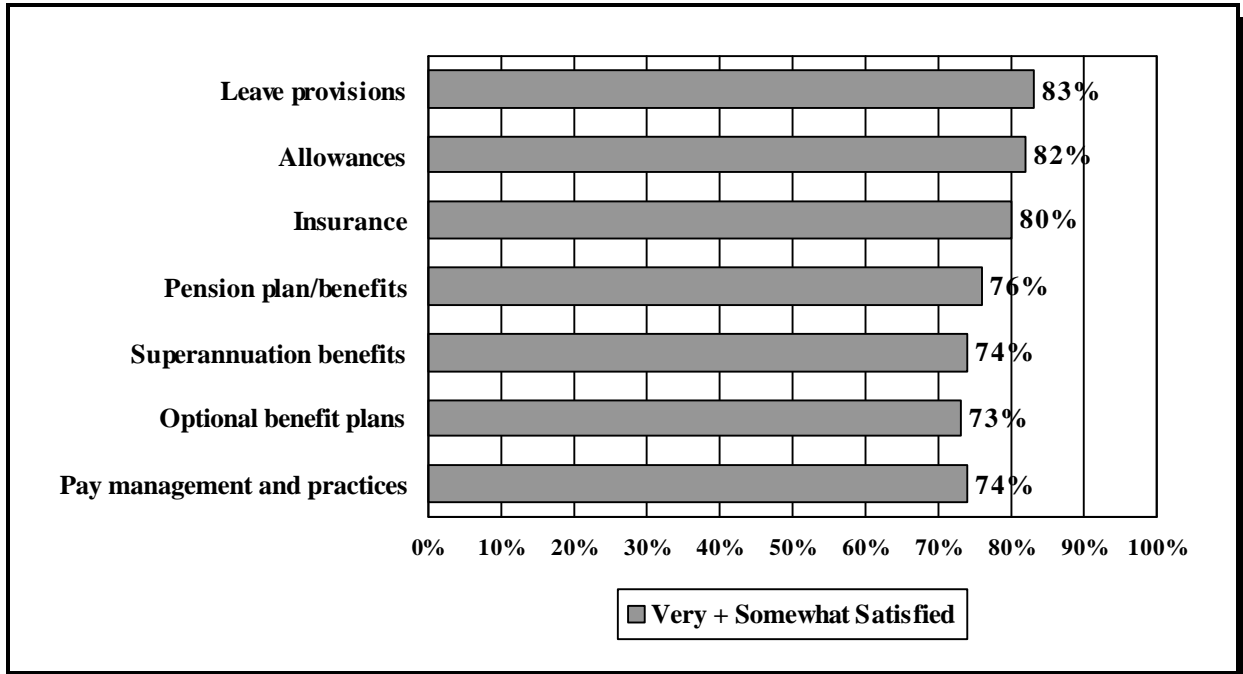
The above Exhibit 2 illustrates the types of errors that occurred in the past year. Errors in the various types of leave such as maternity leave, vacation leave, leave of absence etc. was by far the most common with 16.7% error rate. The average number of errors encountered varied between 1 and 2 for all types of leave.

When asked whether or not the Pay Administration had resolved the problem, 75% stated it had been completely resolved, another 19% had their problem partially resolved while 6% felt the problem was not resolved.

Among those who said their problem was completely or partially resolved, 89% were somewhat or very satisfied with the resolution of their problem. Seventy-seven (77%) percent were somewhat or very satisfied with the length of time it took to resolve the problem.

# Information

## Exhibit 3: Information



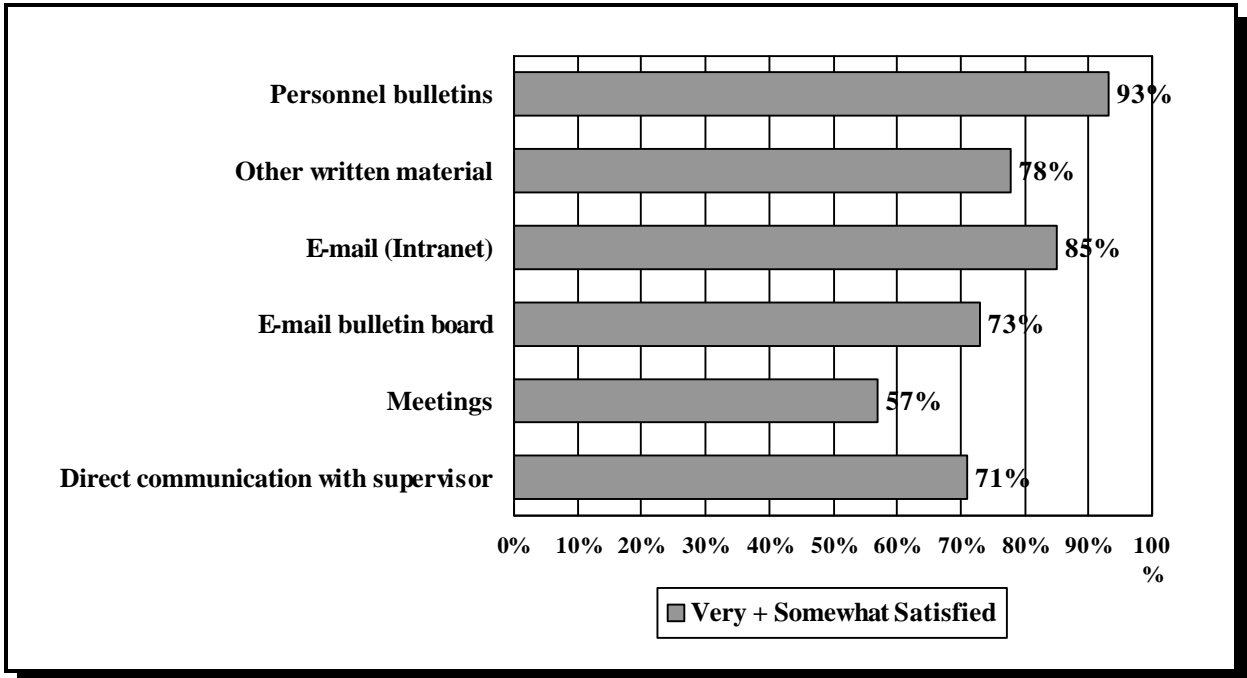
Respondents were asked for their satisfaction levels on how well they are kept informed of changes that have an impact on their pay on a series of areas related to their compensation. They answered using a 4 point scale where: 4 is very satisfied, 3 is somewhat satisfied, 2 is not very satisfied and 1 is not at all satisfied.

The results are consistent across the areas. They range from a low of 73% (somewhat+very satisfied) for the various optional benefit plans to a high of 83% for leave provisions.



# Communications

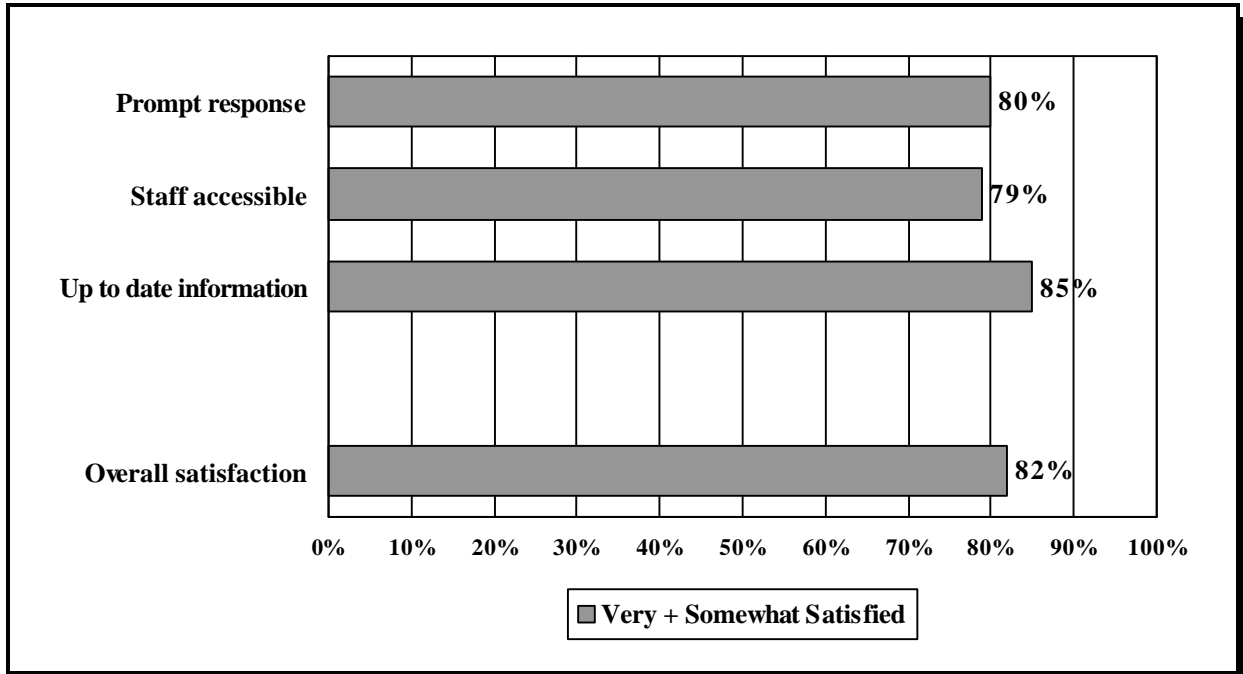
## Exhibit 4: Communications



Respondents were asked to evaluate, in terms of satisfaction level, whether a series of tools or approaches used by the Pay Administration for communications of information were effective. The Personnel bulletins, 93% found it to be a most effective communication tool. The meeting was considered as a least effective communication approach (57%).

## Level of Service

### Exhibit 5: Level of Service



Respondents were asked to rate the Pay Administration on a series of attributes. As it can be seen in Exhibit 5, the results were positive.

Overall satisfaction of 82% includes 42% who are very satisfied and 40% who are somewhat satisfied with the level of service provided by the Pay Administration.

## Other Comments

A total of 224 respondents provided additional comments. The most common occurrences are listed in the table below.

Comments	Percentage (n=224)
Better communications/information	41%
General positive comments	27%
Other comments	12%
Errors in pay/late pay	12%
Lack of training/staff make errors	12%
Pay Administration is understaffed/overworked	11%
Too much turnover of staff	8%

The following provides examples of the type of comments received within each category of the Survey Questionnaire. These are the verbatim comments as hand written by the respondents.

### **Better Communications/Information**

- When pay administration determines that actions are required related to pay or benefits of an employee there should be more direct and up front discussion with the employee affected, before action is taken. Pay administration should also keep the employee informed of the status of any actions underway or under review.
- We should be in the same building to speed things, easy access. The voice recorder in the pay office should be reduced and always have someone pickup calls or drop-ins.
- I would like to have been able to obtain financial information from other sources or on the Internet in order to determine if the available packages were or could have been feasible for me.
- There is poor communication in this office.
- Consulting with me is great, overall communication strategy is less then satisfactory.

### **General Positive Comments**

- The staff in our pay administration unit does an outstanding job in providing a quick, accurate response to all our directorates' requests.
- The staff have been some of the most professional, service/ client oriented staff in the region over the entire 19 years I served in the region.

- I was impressed with how quickly my transfer in from another department was done and the accuracy of my pay in the end.
- Keep up the good work.
- Although I have had very serious problems in the past, I am quite satisfied with pay administration at this time.

### **Pay Administration Understaffed/Overworked**

- Problem number one for pay administrators is the quantity of the workload. Problem number 2 is lack of training especially in the areas of buy back, pension, tax benefits, i.e. What is deductible, pension adjustments, etc.
- It seems that a shortage of staff could be part of the problem to provide a prompt and effective response to employee's (client's) requests.
- Pay administration employees are overburdened with extreme work loads, mistakes are increasing daily as with all other areas this will cost the federal government dearly in the next decade, not to mention the amount of embarrassment. It should plan ahead before they cut programs and eliminate positions in all areas.
- No support for administration person. If she takes leave, training etc., all pay actions stop until she returns.
- Overall the pay administration is adequate for routine; queries regarding superannuating or disability could be provided in a more professional/ thorough manner. Workload for pay admin. Personnel is too high to provide more personal service.

### **Lack of Training/Staff Make Errors**

- The information received is not always correct- especially the EDI and ERI.
- HR does not know what is happening and does not give clear direction and nothing is confidential.
- It seems that in asking for info. Regarding pension-this is a huge Grey area. Have not received a correct answer yet, over a period of 9 months.
- Some of the pay staff provide incorrect information re: benefits/terms etc. for term employees.

### **Errors in Pay/Late Pay**

- Waiting 6 weeks for a letter regarding a reclassification in which the job description has been signed is unacceptable. This letter affects the time in which retroactive pay is due (currently a 1 and a half years) and the current pay scale is increased.
- Serious errors were made in my leave credits 2 transferred from another federal department with 20+ years of service and I was issued a leave balance saying I was entitled to 3 weeks of holidays. This situation will hopefully be resolved in the next while. I have sent e-mails (registered) which sometimes are not opened for days.
- A problem I had was that my tax deductions had not been kept up to date resulting in having to pay back a substantial amount of money at the end the year.
- I find the lengthy waiting period for overtime cheques is unacceptable. We average 3 to 5 weeks waiting time if an inquiry is made the response is either rude or vague.
- The service depends on the individual official. 2 years ago I had an excellent pay administrator. Since then I have had 3; each of whom has been very difficult to contact and extremely slow in answering basic requests. More than 3 months have passed and still no response on inaccuracy in my annual leave statement.

### **Too Much Turnover in Staff**

- Our pay clerk has changed 4 times in the last fiscal year. It's probably just a reflection of what's going on in the Human Resources Branch or in our sectors' Administration Unit, but the end result is the same, the service is mediocre to terrible.

## Appendix 2 - Comparative Analysis of Employees' Survey Results by Regions Against a National Average

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### Exhibit 1: Most Common Type of Enquiries

Expressed in Percentage (%)

Legend	Atl	Que	Ont	Man	Sask	Alb	BC	Yuk	NWT	NCR	National Average
Enquiries re. Your Pay	71	61	71	61	60	69	57	63	61	71	<b>66</b>
Enquiries re. Your Benefits	66	76	59	76	85	75	77	84	82	72	<b>75</b>
Enquiries re. Your Staff	29	31	20	31	25	31	21	37	34	22	<b>26</b>

The above results were in response to the following question:

Question: How often in the past year have you requested information from the Pay Administration for:

- a) Enquiries regarding your pay
- b) Enquiries regarding your benefits
- c) Enquiries about your employees/staff?

## Exhibit 2: Errors in Past Year

Expressed in Percentage (%)

<b>Legend</b>	<b>Atl</b>	<b>Que</b>	<b>Ont</b>	<b>Man</b>	<b>Sask</b>	<b>Alb</b>	<b>BC</b>	<b>Yuk</b>	<b>NWT</b>	<b>NCR</b>	<b>National Average</b>
Initial Pay	7.3	1.6	8.0	1.6	5.0	0.0	2.7	0.0	1.4	6.4	<b>4.6</b>
Bi-weekly Pay	5.5	1.6	6.7	1.6	5.0	0.0	4.5	5.3	0.0	4.2	<b>3.4</b>
Change in Pay Increments	12.7	4.8	10.7	4.8	0.0	2.8	4.5	10.5	0.0	9.8	<b>7.0</b>
Acting Pay	7.3	6.5	4.0	6.5	5.0	4.2	4.5	5.3	1.4	5.6	<b>4.9</b>
Overtime	1.8	4.8	1.3	4.8	10.0	1.4	3.6	0.0	1.4	4.8	<b>3.8</b>
Leave	20.0	16.1	13.3	16.1	15.0	16.9	13.4	21.1	11.3	20.7	<b>16.7</b>
Deductions	14.5	6.5	4.0	6.5	5.0	4.2	8.9	0.0	5.6	8.2	<b>7.3</b>

The above results were in response to the following question:

Question: In the past year have you encountered any errors in your:

- a) Initial pay
- b) Regular biweekly pay
- c) Change in pay increments
- d) Acting pay
- e) Overtime
- f) Leave
- g) Deductions

### Exhibit 3: Information

Expressed in Percentage (%)

<b>Legend</b>	<b>Atl</b>	<b>Que</b>	<b>Ont</b>	<b>Man</b>	<b>Sas</b>	<b>Alb</b>	<b>BC</b>	<b>Yuk</b>	<b>NWT</b>	<b>NCR</b>	<b>National Average</b>
Leave Provisions	81	89	85	89	85	90	83	63	89	84	<b>83</b>
Allowances	80	84	78	84	79	89	82	74	92	83	<b>82</b>
Insurance	83	83	81	83	74	83	80	72	86	80	<b>80</b>
Pension Plan/benefit	73	77	81	77	69	79	71	72	81	76	<b>76</b>
Superannun.	67	74	79	74	61	78	67	67	83	76	<b>74</b>
Optional Benefit Plans	65	76	75	76	63	72	71	72	81	73	<b>73</b>
Pay Mgt. Practices	66	75	78	75	63	77	72	59	80	71	<b>74</b>

The above results were in response to the following question:

Question: How satisfied are you that you are well informed of changes that may affect your pay in the following areas:

- a) Leave provisions
- b) Allowances
- c) Insurance
- d) Pension plan/benefits
- e) Superannuation benefits
- f) Various optional benefit plans
- g) Pay management practices



## Exhibit 4: Communications

Expressed in Percentage (%)

<b>Legend</b>	<b>Atl</b>	<b>Que</b>	<b>Ont</b>	<b>Man</b>	<b>Sas</b>	<b>Alb</b>	<b>BC</b>	<b>Yuk</b>	<b>NWT</b>	<b>NCR</b>	<b>National Average</b>
Personnel Bulletins	93	84	97	84	91	95	93	90	90	93	<b>93</b>
Other Material	78	78	82	78	59	86	78	65	86	80	<b>78</b>
E-mail (Intranet)	95	81	88	81	84	91	88	67	89	87	<b>85</b>
E-mail Bulletin	90	69	77	69	69	78	72	60	78	75	<b>73</b>
Meetings	72	62	49	62	50	61	60	55	57	59	<b>57</b>
Direct Commun. With Supervisor	79	67	59	67	60	71	83	77	73	70	<b>71</b>

The above results were in response to the following question:

Question: How satisfied are you that the following tools or approaches are used effectively for communication of information from the Pay Administration:

- a) Personnel bulletins
- b) Other written material (memo, letters)
- c) E-mail (DIAND Intranet)
- d) E-mail bulletin board
- e) Meetings
- f) Direct communication with immediate supervisor

## Exhibit 5: Level of Service

Expressed in Percentage (%)

<b>Legend</b>	<b>Atl</b>	<b>Que</b>	<b>Ont</b>	<b>Man</b>	<b>Sas</b>	<b>Alb</b>	<b>BC</b>	<b>Yuk</b>	<b>NWT</b>	<b>NCR</b>	<b>National Average</b>
Prompt Response	78	85	92	85	74	84	84	79	90	76	<b>80</b>
Staff Accessible	85	85	88	85	73	90	82	79	92	72	<b>79</b>
Up to date Information	75	87	91	87	70	93	88	84	97	82	<b>85</b>
Overall Satisfaction	81	86	92	86	82	90	83	74	95	79	<b>82</b>

The above results were in response to the following question:

Question: How satisfied are you that the:

- a) Pay administration staff provides a prompt response to your request
- b) Pay administration staff is accessible
- c) Information provided to you by the Pay administration staff is up to date
- d) Overall, how satisfied are you with the level of service provided by the Pay administration?

# Terms of Reference

## Terms of Reference

### Audit of Pay Accounting and Pay Administration

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**Background:** The Pay Administration includes uniform application of various pay policies as contained in authorities such as the *Public Service Terms and Conditions of Employment Regulations*, *Public Service Employment Act and Regulations*, *Public Service Superannuation Act and Regulations*, public service insurance plans and regulations, the Retroactive Remuneration Directives, the *Reclassification and Conversion Pay Regulations*, Treasury Board Minutes and Collective Agreements.

DIAND's pay administration responsibilities, as employing department, are: to determine entitlements, initiate pay actions for its employees, initiate and maintain control of batches of pay input documents, provide the certificates required by Sections 32 and 34 of the *Financial Administration Act*, certify pay input in accordance with Section 33 of the *Financial Administration Act* prior to submission to Public Works and Government Services Canada (PWGSC), verify outputs from the pay system; resolve input errors identified by the PWGSC computer edits; ensure the accuracy, validity and timeliness of pay input, monitor performance of the pay administration system to ensure adherence to prescribed performance standards, and provide employees with a pay inquiry service.

The Pay Accounting function pertains to the incorporation of employees' remunerations in the financial records and the accounting systems of the department. It includes the verification of pay lists generated by the pay system, managed by the PWGSC, from the department's input. Pay accounting also includes the activities of recording, classifying, coding, adjusting and reporting of the pay disbursed to the employees.

In the fiscal year 1996-1997, total personnel costs and the number of employees, by programs, were as follows:

	<u>Amount</u>	<u>Employees</u>
Program 1 = Administration	\$ 46.3 million	687
Program 2 = Indian and Inuit Affairs	\$ 119.7 million	2218
Program 3 = Northern Affairs	<u>\$ 37.2 million</u>	<u>635</u>
Total	\$ 203.2 million	3540

**Need:** An audit of Pay Accounting and Pay Administration was last carried out in 1982. Furthermore, an audit of Classification, Staff Relations and Compensation was carried out in 1989. Since then, there have been many changes in manual and automated processing of payroll transactions. Also, several government policies for pay have been amended and new ones have been introduced. There is a need to verify that financial and management controls are in place to ensure the integrity of DIAND's payroll. A comprehensive audit of the Pay Accounting and Pay Administration will assist the department to achieve this and to ensure ongoing compliance with the central agency policies and directives.

**Objectives:** The objectives of the audit are to assess:

- the efficiency and effectiveness in the financial and management practices, procedures and controls related to Pay Accounting and Pay Administration;
- the degree of compliance, by the department with the various collective agreements and the departmental and Central Agency policies and directives; and
- the adequacy of all manual, clerical, supervisory and computerized controls over the data input and output to and from the People Soft Human Resource Management System (PS/HRMS), and other related systems, such as Departmental Accounting System (DAS).

**Scope:** The audit scope will include the Pay Accounting and Pay Administration activities within the Human Resources Branch and the Finance Branch at headquarters and at the Atlantic, Ontario and British Columbia regions. It will cover the fiscal period April 1, 1995 to March 31, 1997.

- Issues:**
- Are internal controls over pay and benefits payments adequate to ensure appropriate deductions, avoidance of over or under payments, and, timely monitoring of attendance, leave, overtime and other relevant activities?
  - Does the function of Pay Accounting and Pay Administration bear due regard to efficiency, effectiveness, economy, accountability and compliance with departmental and central agency policies?
  - Do these functions operate in a service-oriented mode as providers of sound quality information and advice to employees?

- Are responses to requests for information and advice handled in a timely manner and information provided is accurate?
- Are payrolls properly authorized?
- Are there adequate and effective controls over delegation of financial signing authorities?
- Are there adequate controls in place over account verification and payment requisitions? and
- Other related issues and to identify opportunities for improvement.

**Approach:** The audit will be conducted in the following three phases:

- preliminary survey and evaluation;
- fieldwork and analysis; and
- reporting.

**Resources:** The project will be implemented using contracted resources and will be managed by the Departmental Audit and Evaluation Branch (DAEB).

**Cost:** In addition to DAEB resources, it is estimated that the contracted resources will cost \$ 70,000.

**Timeframe:** The audit planning will commence in August 1997.

**Approved:**

Brent DiBartolo  
Assistant Deputy Minister  
Corporate Services  
October 17, 1997

# Action Plan

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : Human Resources Branch

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION  (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
1. The Directors, Human Resources Directorates, Atlantic, Ontario and British Columbia regions should ensure that trained, back-up resources exist to perform pay related tasks in the event of the extended absence of one or more pay specialists.	7	This recommendation only concerns the Atlantic Region where only one pay specialist is working in the regional office. The regional director, HR has taken steps to ensure continuity in the pay unit.	Director, Human Resources Directorate	May 1998
2. The Director General, Human Resources Branch, in consultation with the Regional Directors, Human Resources Directorates should: <ul style="list-style-type: none"> <li>• identify ways to streamline the recording of pay information to eliminate the duplication of data entry. One option would be to emphasize the use of the transaction log in the On-Line Pay system; and</li> <li>• establish a policy to ensure that all mandatory pay data is correctly entered in PeopleSoft and verified by all regions.</li> </ul>	10	As long as an interface is not built between PeopleSoft and On-line pay, duplication of data cannot be curtailed. The pay card is the most important record keeping. It will match the date in the On-line pay system.  A policy is not required, the majority of the regions enter all data in PeopleSoft  Education/sensibilisation of the pay specialist will be increased to ensure they understand the need for accurate data as our HR reports are produced using PeopleSoft. Discussions with HR planning and systems are on-going.	Director, Human Resources Directorate	September 30, 1999
3. The Director General, Human Resources Branch, in consultation with the Director General, Finance Branch should examine the use and benefits of SMIS throughout the regions and evaluate possible alternatives.	10	Director General of HR and Finance understand that one region is operating their budget management on a different system which is not SMIS. Both directors agree to meet and discuss possible alternatives or redress.	Director, Human Resources Directorate	October 29, 1999



REQUEST FOR ACTION PLAN / DEMANDE DE PLAN D'ACTION

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : Human Resources Branch

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION  (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
4. The Director General of Human Resources Branch, in consultation with the Regional Directors of the Human Resource Directorates should investigate the reasons a region is not able to record information extending into the Year 2000 and determine if other regions have similar issues.	11	Issue discussed with manager PeopleSoft, the Corporate/Compensation Manager. PeopleSoft is Y2K compatible and data extending beyond year 2040 can be entered into PeopleSoft. The Compensation Manager with the cooperation of the PeopleSoft manager will ensure that all regions are informed and know how to record this data in the system.	Director General, Human Resources Branch	July 30, 1999
5. The Director, Corporate Staff Relations and Compensation Directorate of Human Resources Branch in consultation with the Regional Directors, Human Resources Directorates should ensure that there is a monitoring mechanism in place to assess the achievement of the performance guidelines. Where the regions have instituted their own performance guidelines, assess whether the regional practices are consistent with the pay performance guidelines set for the departments.	13	Performance guidelines were reassessed and updated in October 1997 after a substantive transfer of responsibilities from PWGSC to departments.  As a monitoring mechanism, the compensation manager will propose a review of the guidelines and address the specifics for monitoring of such at the next departmental compensation workshop in October 1999.  In the meantime, a copy of the actual guidelines will be forwarded to the Regional Directors/Managers of Human Resources.	Director, Corporate staff Relations and Compensation Directorate, Human Resources Branch	October 29, 1999

REQUEST FOR ACTION PLAN / DEMANDE DE PLAN D'ACTION

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : Human Resources Branch

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION  (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
<p>6. The Director General, Human Resources Branch should ensure that:</p> <ul style="list-style-type: none"> <li>although pay calculation errors among those who made enquiries are relatively low, the pay calculation error rate is minimized. (See Exhibit 2);</li> <li>problems that have been identified by staff were not completely resolved in 25% of the cases (19% had their problems partially resolved, while 6% felt their problems were not resolved) are further reviewed and effectively addressed. (See Exhibit 2), and</li> <li>the other comments provided by employees are addressed in the report.</li> </ul>	<p>13</p>	<p>It is impossible to comment or take action on the three points of this recommendation as we are unaware of the identity of the employees who reported errors on their pay.</p> <p>Most problems are reported by employees as errors when in fact no error exist. The expected payment is simply not a benefit payable under the rules and regulations.</p> <p>When an actual error is found, management tries to minimize the impact on the employee but the situation must still be corrected.</p>	<p>Director General, Human Resources Branch</p>	<p>October 21,1999</p>

REQUEST FOR ACTION PLAN / DEMANDE DE PLAN D'ACTION

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : Atlantic Region

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
1. The Directors, Human Resources Directorates, Atlantic, Ontario and British Columbia regions should ensure that trained, back-up resources exist to perform pay related tasks in the event of the extended absence of one or more pay specialists.	7	The Atlantic Region has taken action in pursuing both technical and on-the-job training for a staff member to provide back-up support for the current Pay and Benefits Specialist position as was noted in the audit report.	Director Human Resources Atlantic Region	December 31, 1999

REQUEST FOR ACTION PLAN / DEMANDE DE PLAN D'ACTION

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : Ontario Region

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION  (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
<p>1. The Directors, Human Resources Directorates, Atlantic, Ontario and British Columbia regions should ensure that trained, back-up resources exist to perform pay related tasks in the event of the extended absence of one or more pay specialists.</p>	<p>7</p>	<p>Call upon P &amp; B expertise of two Human Resources Advisors in the Region who have considerable experience in P &amp; B.</p> <p>Call upon expertise of previous P &amp; B Supervisor who now works in another sector within Ontario Region. Provide exposure to P &amp; B to support staff in Human Resources in Ontario Region. This is already being done in preparation for implementation of Pay Equity.</p>	<p>Director, Human Resources Directorate</p>	<p>May 31, 1999</p>

PROJECT TITLE / TITRE DU PROJET : Pay Administration and Pay Accounting Audit  
 REGION OR SECTOR / RÉGION OU SECTEUR : British Columbia Region

(1) RECOMMENDATIONS / RECOMMANDATIONS	(2) REPORT / RAPPORT PAGE NO.	(3) ACTION PLAN / PLAN D'ACTION  (If space provided is insufficient please continue on blank sheet. / Si vous manquez d'espace, veuillez continuer sur une page blanche.)	(4) RESPONSIBLE MANAGER / GESTIONNAIRE RESPONSABLE (TITLE / TITRE)	(5) PLANNED COMPLETION DATE / DATE PRÉVUE DE MISE EN OEUVRE
1. The Directors, Human Resources Directorates, Atlantic, Ontario and British Columbia regions should ensure that trained, back-up resources exist to perform pay related tasks in the event of the extended absence of one or more pay specialists.	7	In British Columbia Region we have created a “self-managed” work unit of compensation/benefits/staffing advisors to manage the work. As a result, we have no “stand alone” positions to uncovered during an absence.	Director, Human Resources Directorate	May 31, 1999