

OREGON ACCOUNTING MANUAL

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| Division Chief Financial Office | REFERENCE/AUTHORITY | |
| Policy Owner Office of the State Controller Oregon Statewide Payroll Services (OSPS) | ORS 292.018 ORS 292.036 OAM 10.10.00 PO & PR | |
| SUBJECT Separation of Duties | APPROVED SIGNATURE | |

PURPOSE

The purpose of this policy is to define what processes are appropriate for agencies to maintain adequate internal controls with respect to **Separation of Duties**, taking into consideration what staffing limitations may exist within a given agency.

APPLICABILITY

This policy applies to all state agencies that are subject to the Oregon Accounting Manual (OAM), as outlined in **OAM 01.05.00** Introduction: Scope and Applicability. If any provisions of OAM policies or procedures conflict with bargaining agreements, the provisions of bargaining agreements would supersede OAM guidance.

FORMS/EXHIBITS/INSTRUCTIONS

OAM 10.10.00 PR .106 d. and e.

DEFINITIONS

Refer to **OAM 65.00.00** Glossary for additional definitions.

Separation of Duties Placing key duties with different people to detect errors and prevent wrongful acts; no single person should cross the three responsibilities of authorizing, recording, and maintaining custody.

Distribution of Payroll Checks

101. For effective internal control, an agency payroll or fiscal employee having update access to the Workday Payroll System should not receive or distribute payroll checks or direct deposit pay stubs. This includes daily agency manual or off-cycle payroll checks.

Workday Payroll System Access and Personal Payroll Transactions

102. No person with update access to Workday Payroll System should perform data entry for their own pay input adjustments, or any correction to their own pay amounts. Agencies with a single payroll partner with no opportunity for a second person to process entries related to the payroll partner must create a case with Workday Help Desk to request that they make these entries on their behalf. The payroll partner's manager must review all entries made on a payroll partner's profile prior to payroll processing.
103. Agency-owned time systems that have an integration with the Workday Payroll System must provide adequate internal controls as referenced in 102.

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