

Prevent and detect payroll fraud

Did you know?

Payroll fraud is one of the most common occupational fraud cases, and costs a company an average loss of 5 percent of revenue each year.

In fact, according to a recent study conducted by the Association of Certified Fraud Examiners, 90 percent of occupational fraud cases go undetected. And of the remaining 10 percent, only 20 percent are detected by internal controls.

Source: Center for Competitive Management

Preventing and detecting payroll fraud has many benefits to an organization: It strengthens the internal control structure of the company and saves you time, manpower, and most importantly money.

Our defined methodology for reviewing an organization's payroll process, system and controls will help you identify the key fraud risk areas in the payroll function. This way, we can help you mitigate those risks and strengthen your payroll process controls.

Payroll fraud vulnerability assessment

We will evaluate the effectiveness and adequacy of control procedures designed in your Company's payroll process. The evaluation will focus on the risks inherent to your Company's payroll process. This will allow us to provide recommendations for improvement in streamlining your Company's payroll process and related procedures so that you minimize the risk of payroll fraud.

Substantive review of payroll transactions

Through examination of supporting documents, we will substantiate the validity of the following payroll transactions:

- Personnel database changes, particularly new employee onboarding, separation and rate increases

- Timekeeping and reporting of employees' attendance, overtime charges, leave credits, and other applicable time charges
- Accounting and summarization of applicable deductions from, or additions to, employees' earnings
- Review of the payroll reports and draft bank advices prior to pay-out

"P&A, which is affiliated with global firm Grant Thornton, is one of the few — if not the only — local firms with expertise in forensic fraud investigation, a globally utilized effort to establish fraud."

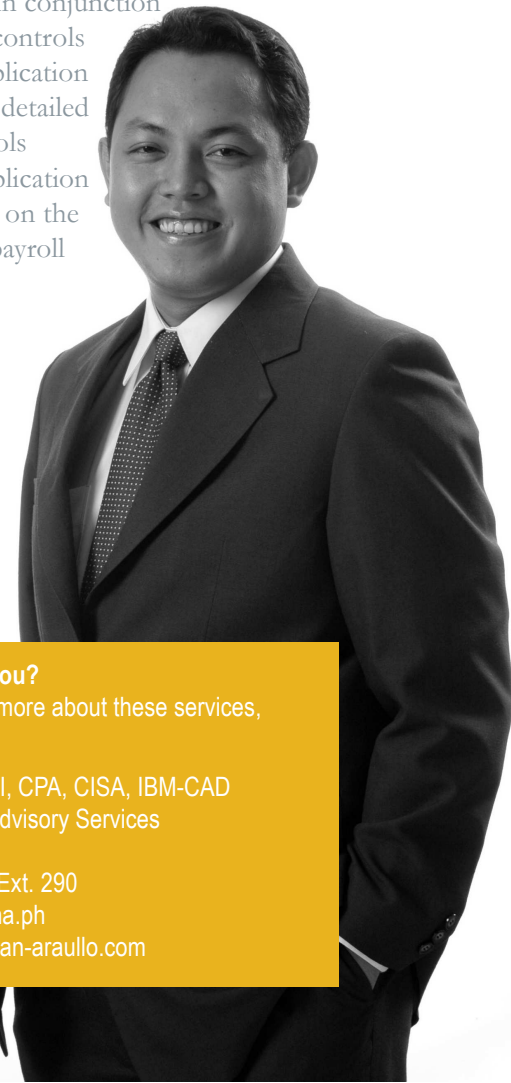
- "PDIC hires forensic auditors for Legacy investigation," abs-cbnNEWS.com, 11 May 2009

SAS70 assurance

Through our Statement on Auditing Standards (SAS) 70 (Type I or Type II) services, we can provide you with an independent, objective report on the controls of your payroll service providers to ensure that adequate checks and safeguards are in place when your payroll data is processed.

Payroll application controls review

Usually performed in conjunction with an IT general controls review, a payroll application controls review is a detailed evaluation of controls embedded in an application to establish reliance on the reasonableness of payroll application data.



How can we help you?

If you wish to know more about these services, please contact:

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