## **Payroll Internal Controls Checklist**

* Open a separate payroll bank account
* Limit access to payroll records
	+ Prevent managers verifying time records from seeing employee pay stubs
	+ Prevent employees entering hours into payroll from changing employee pay rates
	+ Limit bookkeepers to having only viewing access to payroll data instead of editing access
* Separate payroll duties
	+ Have managers verify time records for their teams and approve before sending to payroll
	+ Assign one payroll employee to enter the logged hours into the payroll system
	+ Assign another payroll employee to verify the hours and processes payroll
	+ Have the payroll manager review and oversee the entire process for accuracy
* Conduct regular audits
	+ Perform quarterly internal payroll audit
	+ Have external audit done by accounting firm or payroll provider
* Establish a Change Authorizations Process
* Use software for timesheet & payroll verification
* Do final payroll review
* Regularly review payroll trends