Internal Controls over Payroll Processes and IT General Controls  
Continuing Professional Education  
North Carolina Office of the State Controller  

Date: April 6, 2011  
9:30 a.m. to 11:30 a.m.  

Location: Office of the State Controller and Live Webinar  

Objective: To gain an understanding of the internal controls over the payroll processes and IT general controls.  

Content:  
1. Welcome and Introductions  
2. Overview of Related Audit Findings (Office of the State Auditor)  
3. Overview of Internal Controls and Risk  
   - Definition of Internal Control  
   - Types of Internal Control Activities  
   - Prevent vs. Detect Controls  
   - Manual vs. Automated Controls  
   - Definition of Risk  
   - Review of “What Could Go Wrong?”  
   - Balancing Risk and Control  
4. Implementing Internal Controls over Payroll Processes  
   - New Hires  
   - Terminations  
   - Time Entry  
   - Payroll Reconciliations  
5. Identifying the Risks in Each Payroll Process – “What Could Go Wrong?”  
6. How Payroll Control Weaknesses Could Lead to an Opportunity for Fraud  
   - Examples of Payroll Fraud from the Media  
7. Nature of Controls at the Transaction Level  
   - Manual Controls  
   - IT-Dependent Manual Controls  
   - IT Application Controls  
8. Considering IT Controls  
9. Understanding IT General Controls  
   - Manage Change  
   - Logical Access  
   - Other IT General Controls  
10. How IT General Control Weaknesses Could Lead to an Opportunity for Fraud  
   - Examples of IT General Control Fraud from the Media  
11. Key Take-Aways  

Instructors:  
Office of the State Controller  
Risk Mitigation Services  
- Ben McLawhorn  
- Jennifer Trivette  
- Amanda Williams  
- Wynona Cash  

Office of the State Auditor  
- To Be Determined  

CPE Credit  
Offered: Qualifies for up to 2 CPE credit hours  

Materials: Will be provided in advance
Teaching Method: Lecture

Prerequisites: None

Advance Preparation: None

Level: Basic

This course is not offered under the sponsorship agreement between the N.C. Office of the State Controller (OSC) and the North Carolina State Board of Certified Public Accountant Examiners. However, this program will meet the requirements of 21 NCAC 08G.0403(c), 21 NCAC 08G .0404, and 21 NCAC 08G.0409. References are to North Carolina Administrative Code, Title 21 - Occupational Licensing Boards, Chapter 08 - Board of Certified Public Accountant Examiners.

The OSC will maintain documentation proving that the course met these standards.