



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 14-610, **Version:** 1

Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 2 to an Agreement between with Robert Half International, Inc., which extends the term to June 30, 2015 and increases compensation by \$84,240 for a total amount not-to-exceed \$233,532, over a three year period, to provide accounting and auditing assistance in reconciling the Advantage HRM (Payroll) System to the Advantage Financial (General Ledger) System.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 2 to an Agreement between with Robert Half International, Inc., which extends the term to June 30, 2015 and increases compensation by \$84,240 for a total amount not-to-exceed \$233,532, over a three year period, to provide accounting and auditing assistance in reconciling the Advantage HRM (Payroll) System to the Advantage Financial (General Ledger) System

SUMMARY:

The Office of the Auditor-Controller entered into an agreement with Robert Half International, Inc. (Accountemps) on July 1, 2013 to provide a Senior Accountant for accounting and auditing assistance in reconciling the Advantage HRM (Payroll) System to the Advantage Financial (General Ledger) System. After the CGI Technologies' Advantage HRM System went live, the County's cash reconciliation has become a complex and challenging task due to system challenges, process changes, and a lack of resources in the Payroll and General Accounting Sections. As such, the Auditor-Controller acquired the services of a Senior Accountant from Accountemps to begin the process. The original agreement was renewed and amended in March, 2014, to extend the term to June 30, 2014, and to increase total compensation to a maximum of \$149,292. Due to the necessary transfer of knowledge to County staff and the accounting work required to add Wells Fargo Bank, the Auditor-Controller requests an additional amendment to the original agreement with Accountemps. As indicated below, the Auditor-Controller hopes to use a permanent employee to perform these services in the future.

DISCUSSION:

Cash reconciliation process incorporates payroll disbursements, accounts payable disbursements, all county receipts, and Special districts receipts and disbursements. The following payroll processing verification steps are necessary as part of cash reconciliation process for payroll disbursement area:

- Check payroll output against the General Ledger to ascertain that the Payroll Accounting Management (PAM) integrator developed by CGI Technologies is working correctly. This has not been the case since Go Live of the Advantage HRM Systems.
- Identify discrepancies in reporting Net Pay amounts to General Ledger Financials.
- Compare verified PAM with Check register; confirm checks processed accurately to the general ledger. Make necessary adjustments, if discrepancies are identified.

The lack of cash reconciliation is an internal control issue. Further, The County's independent auditor requires the information during the annual audit.

OTHER AGENCY INVOLVEMENT:

The Renewal, Extension and Amendment has been reviewed by County Counsel.

FINANCING:

The amendment changes the original agreement from a not-to-exceed \$84,240 to a not-to-exceed \$233,532. The Senior Accountant is a salaried and benefitted staff member of Accountemps. The Senior Accountant is working on reconciling the Advantage HRM (Payroll) System to the Advantage Financial (General Ledger) System. The cost of the Senior Accountant will be offset by funding from the Enterprise Resource Project (Fund 403).

Prepared by: Maria Papurello, Administrative Secretary-Confidential, 755-5084

Approved by: Alfred R. Friedrich, CGFM, Assistant Auditor-Controller, 755-5343

Attachments:

Amendment No. 2 with Robert Half International, Inc.

Renewal, Extension and Amendment No. 1 with Robert Half International, Inc.