

## PAYROLL SYSTEM AND FRAUD



State government officials have recently provided information in which it was stated that the statewide technology for the payroll system and management system will not help to prevent any type of timesheet fraud that could occur. The recent technology, referred to as the Enterprise Resource Planning project, has been ongoing for the past two years and is costing around \$8.2 million. It has been designed to basically streamline the entire timesheet system for all workers of the state, along with the human resources software, which is now being upgraded and updated. Even with the upgrades and all of the work that has gone into the project, state officials say that the new system is not going to help prevent timesheet fraud. At this point in time, workers are expected to record the number of hours they have worked on paper, via timesheets. The information provided is then entered into an outdated program, known as Paradox, which basically logs the time and provides insight on the expenses of the employees working for the state. With the new and updated system, employees will be expected to log their own hours into the system on their own, without going through a clerk. After doing so, supervisors will be responsible for reviewing all submitted timesheets. The commissioner for the Department of Finance and Management, Jim Reardon, has made it clear that even though the system is a complete upgrade, no system is completely foolproof. Reardon has said that it will be the main responsibility of the supervisors to look over the timesheets, find out how accurate they are and then approve them accordingly. The Deputy Administration Secretary, Michael Clasen, has also taken the time to address such issues and even made it clear that the IT overhaul and the recent fraud case on timesheets have absolutely no connection with one another. Clasen has said, "The impetus for this project had nothing to do with fraud in general." Clasen has also said that the primary purpose of the IT overhaul is to improve the efficiency of the entire system. He is hoping the new system will help supervisors with the process of preventing fraud from taking place, although expecting the system to completely guard against the possibility of fraud is simply unrealistic. State officials do believe that the entire upgrade is going to help improve efficiency and they also agree that it is possible that it will eliminate some fraud, at least to a smaller degree. However, the extent as to how it will help is, at this point, simply unknown.