

Timesheet and Labor Charging System Checklist

Firm Name:

Date:

Has your firm viewed the WSDOT Interpretive Guidance –
Basic Timekeeping video presentation available at
www.wsdot.wa.gov/audit/guides.htm

Yes No

What type of timekeeping system does your firm have?
If electronic, what system?

Manual Electronic

Are timesheets completed daily by all staff?

Yes No

Are manual timesheets completed in ink by all staff?

N/A Yes No

For automated timekeeping, does employee have sole access to
his or her timesheet?
If no, explain.

N/A Yes No

Does your firm use pre-coded timesheets (provide example)?

Yes No

Are all hours worked recorded, for all employees (to include
owners, principals, and partners) whether paid or not?
If no, explain?

Yes No

Is overtime premium recorded as direct or indirect cost?

Yes No

Do the timesheets show preprinted labor categories for:

Bid & Proposal

Yes No

Direct Selling

Yes No

Advertising

Yes No

Public Relations

Yes No

Paid Time Off (vacation/sick/holiday)

Yes No

Do exempt/salary employees record all hours worked on
timesheets?

Yes No

If no, explain.

For exempt/salary employees, how is uncompensated overtime
recorded in the accounting system?

For exempt/salary employees, how is uncompensated overtime
recorded in the accounting system?

Yes No

For exempt/salary employees, is the standard wage rate based
on 2,080 hours per year used to compute hourly rates?

Yes No

Are corrections to timesheets made in ink and initialed/dated
by employee?

Yes No

Are supervisors prohibited from entering or changing employees'
timesheet without employees' concurrence?

Yes No

What types of internal controls does your firm have in place to ensure that timesheets from prior periods cannot be modified or changed after posting or after payroll cutoff?

Does the supervisor approve and co-sign all timesheets?
When? Yes No

Are direct and indirect hours segregated on timesheets? Yes No

Is your job cost system reconciled to the general ledger and payroll register, no less frequently than every 30 days?
(The detail of this reconciliation should be to the level of individual employee.) Yes No

Is there a segregation of duties for labor-related activities?
(e.g. timekeeping and payroll accounting) Yes No

Do you have a written timekeeping policy?
If yes, please provide a copy. Yes No

How are employees reminded of timekeeping policy?

Do you have a written labor reconciliation policy?
If yes, please provide a copy. Yes No

Note:

Labor reconciliations should be completed no less than every thirty days, and should be to the detail of the individual employee. (broken out by direct, indirect, pto, etc.) Labor (timesheets) should be reconciled to payroll registers and to the general ledger.

For additional information regarding Federal guidelines relating to timekeeping, please see the AASHTO Audit Guide, Chapter 6 Labor Charging Systems and Other Consideration.
<http://audit.transportation.org/Documents/UAAG-3%20FINAL.pdf>

Signature

Date