



Internal Audit Co-sourcing

Overview

PCC was retained by the Office of the State Comptroller to perform activity-based cost reviews of key processes including payroll, credit card purchasing and procurement. PCC analyzed and compared the client’s current processes to the processes recommended by PCC for implementation. PCC also reviewed the controls for each process to assess efficiency and their ability to provide the required level of surety.

Approach & Methodology

- Performed on-site interviews at several state-agency locations
- Created detailed flowcharts of each process and identified control deficiencies and inefficient and/or ineffective procedures
- Collected pertinent data upon which reliable estimates of the costs of the processes were based
- Prepared surveys to identify risks and opportunities accurately
- Analyzed data and calculated the costs of the individual tasks that comprised each process
- Observed on-site the execution of each process
- Wrote a detailed report summarizing the execution of the activity-based process reviewed, the findings and the recommendations

Benefits

PCC identified potential annual cost savings of \$10M for the state as a result of our activity-based cost review of payroll, credit card purchasing and procurement.