



Toolkit: Payroll self-audit checklist.

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Is your payroll really working as it should?

The payroll ran on time. Everyone was paid. No concerns were raised.

It would be easy to assume that everything is working as it should. But paying people regularly and on time does not necessarily mean they are being paid correctly.

Payroll risks can sit within award or enterprise agreement interpretation, employee records, rostering and timesheet practices, system configuration or manual workarounds that have become part of the normal payroll process.

Use this quick self-assessment to identify potential gaps in your payroll compliance, processes or system configuration. Consider completing it with representatives from HR, payroll, finance and operations to capture perspectives from across the organisation.

Payroll Self-Assessment			
1. Can you identify the awards, enterprise agreements and employment conditions that apply to each employee group?	☐ Yes	☐ No	☐ Unsure
2. Have responsibilities for payroll inputs, approvals, compliance, system changes and issue escalation been assigned to the relevant teams?	☐ Yes	☐ No	☐ Unsure
3. Are employee classifications, pay rates and allowances reviewed at least annually and whenever relevant employment conditions change?	☐ Yes	☐ No	☐ Unsure
4. Are changes to employee terms, pay or working arrangements provided to payroll before the relevant pay run?	☐ Yes	☐ No	☐ Unsure
5. Do rosters and timesheets capture all hours worked and the information required to calculate pay correctly?	☐ Yes	☐ No	☐ Unsure
6. Do managers understand and meet their responsibilities for checking and approving timesheets before the payroll cut-off?	☐ Yes	☐ No	☐ Unsure
7. Have payroll rules been tested using the actual working scenarios in your organisation, including overtime, penalties, allowances and minimum engagements?	☐ Yes	☐ No	☐ Unsure
8. Are payroll system changes documented, approved and tested before being applied to a live pay run?	☐ Yes	☐ No	☐ Unsure
9. Has the payroll system configuration been reviewed since implementation and following significant changes to awards, enterprise agreements, workforce arrangements or payroll processes?	☐ Yes	☐ No	☐ Unsure

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| 10. Are payroll results reviewed and reconciled each pay cycle, including unusual changes or variances? | ☐ Yes | ☐ No | ☐ Unsure |
| 11. Are manual adjustments, pay corrections and back payments investigated to identify and address the underlying cause? | ☐ Yes | ☐ No | ☐ Unsure |
| 12. Are key payroll processes, system rules and recurring checks documented and accessible so payroll can continue accurately if a key team member is absent? | ☐ Yes | ☐ No | ☐ Unsure |
| 13. Are recurring or material payroll risks reported to leaders and tracked through to resolution? | ☐ Yes | ☐ No | ☐ Unsure |

“Did You Answer ‘No’ or ‘Unsure’ to One or More Questions?”

A **No** or **Unsure** response may indicate a gap in your payroll compliance, processes or system configuration that requires closer review.

A **Zest Payroll Health Check** can help identify hidden risks, uncover the causes of recurring issues and assess whether your payroll systems and processes are operating as intended.

We work across people, processes and systems to provide practical recommendations that strengthen payroll compliance, governance and system performance.

Get in touch with Zest to discuss a Payroll Health Check.

This checklist is a high-level risk-identification tool. It does not constitute legal, financial or payroll advice and does not confirm payroll compliance.

Want to discuss a Payroll Health Check?



At Zest, we help organisations strengthen payroll compliance, governance and system performance. We can help with:

- ✦ Payroll Health Checks and compliance risk reviews
- ✦ HRIS and payroll system selection, implementation and optimisation
- ✦ Process improvement and automation solutions
- ✦ Policy, governance and compliance framework development
- ✦ People analytics and compliance reporting
- ✦ Remuneration and pay gap modelling

Practical, purposeful, and grounded in real outcomes, our solutions are always shaped around your goals.

Get in touch

