



**DEPARTMENT OF THE ARMY**  
**OFFICE OF THE DEPUTY CHIEF OF STAFF, G-1**  
**CIVILIAN HUMAN RESOURCES AGENCY**  
**NORTH CENTRAL REGION**  
**1 ROCK ISLAND ARSENAL, BUILDING 56**  
**ROCK ISLAND, IL 61299-7650**

REPLY TO  
ATTENTION OF

PECP-NCR-A

15 September 2008

**STANDARD OPERATING PROCEDURE**  
**INTERNAL AUDIT AND REPORTING**

1. **PURPOSE:** This Standard Operating Procedure (SOP) prescribes policies and procedures for internal audit of personnel actions, records and files maintained by CHRA Processing Centers (PC) and Civilian Personnel Advisory Centers (CPAC). Internal audits will be conducted to accomplish the following:

a. Determine whether applicable laws, rules and regulations governing the employment and retention of civilian employees are being correctly applied to official personnel actions.

b. Identify training needs for PC/CPAC staff.

c. Identify errors so corrective action can be taken

d. Improve techniques for processing personnel actions.

2. **SCOPE:** This SOP applies to all CHRA PCs and CPACs.

3. **GENERAL:** It is the policy of CHRA to process every internal audit in the most efficient, accurate and expeditious manner possible. In order to adhere to this policy, internal audits will be conducted in accordance with the attached guidance and checklists.

4. **RESPONSIBILITIES:**

a. CHRA, Productivity Enhancement Division (PED).

(1) Respond to inquiries and provide guidance on these procedures, as necessary.

(2) Compile and analyze monthly evaluation reports from regions.

(3) Provide significant audit feedback/lessons learned to PCs/CPACs, as necessary.

(4) Elevate findings issues not within PED control or ability to fix.

(5) Issue corrective procedural guidance where systemic error trends are identified.

(6) Direct special/out of cycle audits of other actions processed within PCs/CPACs.

b. Regional Directors (RDs).

(1) Designate PC Chief and/or PC to:

(a) Lead internal audit/evaluation efforts. This will include developing a schedule, pulling the sample, preparing for the audit, coordinating the corrections and preparing the report of findings.

(b) Determine composition of internal audit/evaluation teams ensuring proper mix of seasoned HR Specialists. Minimum team size is 5, to include the team leader. Members shall generally consist of – 1 supervisor from the PC who will act as the lead, 2 staffing specialists selected on a rotating schedule from CPAC staff, 1 classification specialist selected on a rotating schedule from the CPAC staff and 1 processing specialist from the PC.

(c) Ensure reviews are conducted IAW this procedure.

(d) Ensure that findings are documented to include narrative analysis of systemic issues, recommendations for improvement and identifications of success/best practices.

(e) Ensure findings are corrected IAW this procedure.

(f) Establish and maintain internal audit files.

(g) Identify training needs and conduct training.

(2) Direct special/out of cycle audits of other actions processed within PCs/CPACs.

(3) Certify written internal audit/evaluation reports to CHRA.

## 5. PROCEDURES:

a. To ensure data is meaningful, audits will be conducted of individual CPACs. All CPACs will be audited at least once during the FY. Audits will be conducted monthly using the checklist at Appendix B. The sample size will generally be 20-25% of the actions processed by the scheduled CPAC(s) during the previous month. Personnel actions will be randomly selected, such as fill/recruit, promotions, reassignments, realignments, etc.

b. Actions will be reviewed to determine procedural, regulatory and statutory compliance (i.e., NOAC, legal authority, remarks, effective date, pay, qualifications, etc.). Where action was a competitive fill via local merit promotion, DEU, etc., PPP files and the e-case files for the action will be audited concurrently with the RPA/NPA. Electronic files will be used to the maximum extend possible.

c. Corrective actions resulting from the conduct of the audit will be completed before the RD certifies the audit.

d. Individual designated to oversee the conduct of the audit will submit a written, comprehensive audit narrative report (Appendix A) summarizing the audit to the RD for certification and submission to the PED, Chief, Productivity Enhancement Branch within 30 days of completion of the audit.

## 6. REFERENCES AND RELATED DOCUMENTS:

- a. Guide to Processing Personnel Actions (GPPA)
- b. Title 5, Code of Federal Regulations (CFR)
- c. Title 5, United States Code (USC)
- d. Qualification Standards for General Schedule Positions
- e. OPM Operating Manual for the Federal Wage System
- f. Priority Placement Program Operations Manual (PPP)
- g. Guide to Personnel Record Keeping
- h. Pay setting Reference Guide (FAS)

SUBJECT: Standard Operating Procedure: Internal Audit and Reporting

- i. DoD Civilian Personnel Manual 1400.25-M, Subchapters 1910 thru 1960 & FAQs
- j. Draft Army NSPS Classification Implementing Procedures
- k. DoD & AR 690-13 (DCIPS)
- l. Merit Promotion Plans
- m. Negotiated Agreements
- n. Pay Setting Policies

APPROVED BY:

  
NANCY A. LANE  
Regional Director  
North Central Region

## APPENDIX A

MEMORANDUM FOR Civilian Human Resources Agency (CHRA), Chief, Productivity Enhancement Division (PED), Aberdeen Proving Ground, MD 21005-5200

SUBJECT: \_\_\_\_\_ Region Internal Audit Report for Month of \_\_\_\_\_

1. The internal audit of actions processed in the month of \_\_\_\_\_ was completed in accordance with PED Guidance Memorandum No. xx-07.

2. The summary report on the results of the internal audit is attached at Encl 1. A detailed report covering the status of actions is at Encl 2.

Encl

XXXXX

Regional Director

CF:

INTERNAL AUDIT REPORT  
 ( \_\_\_\_\_ REGION - MONTH/YEAR)

1. The total numbers of actions processed: \_\_\_\_\_
2. The following actions were reviewed:

NOA		NUMBER PROCESSED	NUMBER AUDITED	PERCENT AUDITED
100	Appointments			
200	Return to Duty			
300	Separations			
400	Placements in Non-Pay			
500	Conversions to Appointments			
600	Reassignment NTE, Ext of Reassignment NTE, Term of Reassignment NTE			
700	Promotion, CLG, Reassignment, Extension			
800	Miscellaneous/Awards			
Total Numbers:				

3. The team consisted of the following personnel:

Team Leader: Provide Name, Title, Pay Schedule and Pay Band

Team Members: For each team member provide Name, Title, Pay Schedule and Pay Band, Location (CPAC/PC)

4. Records to be audited were selected based on NOA and importance (effect on pay/benefits, etc). Based on the numbers and types of actions processed, it was determined that the selection of \_\_\_\_\_ records would meet objectives, and resulted in a random sample of 20-25% of the actions processed for the month for CPAC(s) (list location). The team thoroughly reviewed all records, which included a review of all official documents in the OPF, updates in DCPDS and, if applicable, the PPP and e-Case Files. At the completion of the review, a listing of findings, OPFs, and annotated checklists identifying the needed corrections were provided to the CPAC Director(s), to effect the necessary changes to complete the corrections phase of the audit process.

5. SUMMARY OF FINDINGS:

a. Audit of \_\_\_\_\_ records revealed the following:

(1) There were \_\_\_\_\_ regulatory findings as follows:

(2) \_\_\_\_\_ Region Regulatory Compliance: \_\_\_\_\_%.

(3) The following \_\_\_\_\_ records were determined to have procedural deficiencies:

6. CORRECTIVE ACTIONS: CPAC HR Specialists from respective CPACs convened to complete the corrections phase of the process. Corrections are being processed in accordance with the time limits established in the SOP.

7. COMPLETED ACTIONS: Information on individual actions is attached.

8. RECOMMENDATIONS: The following recommendations were implemented:

**INTERNAL AUDIT REPORT**  
**FINDINGS AND CORRECTIVE ACTIONS TAKEN**

1. Regulatory Finding: .
  
2. Procedural Findings:
  
3. The point of contact for this action is

**APPENDIX B**  
**AUDIT CHECKLISTS**

**Checklist 1 Internal Placement**

**Checklist 2 Appointments/Transfer-In**

**Checklist 3 800's**

**Checklist 4 Classification**

**Checklist 5 Official Personnel Folder Audit Sheet**

**Checklist 6 Placement in Non Pay Status/LWOP/Extension of LWOP/Return to Duty**

**Checklist 7 Separations**

**Checklist 8 Reduction in Force**

**Checklist 9 Pay Changes**

## AUDIT CHECKLIST #1

### INTERNAL PLACEMENTS

Employee Name \_\_\_\_\_

Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_

Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
<i>AUDIT ITEM</i>	CORRECT LOCATION	Y N NA	VIOLATION	CORRECTIVE ACTION
1. Authenticated/ signed on or before effective date (Except CLG from TP)	RPA			
2. Authority – LAC Guide to Processing Personnel Actions	RPA/NPA			
3. PPP Annotation (DoD 1400.20-1-M). Specific exception cited or specific REQ # of clearance)	Case File & RPA			
4. If Promotion Potential exists, Was competition conducted & potential documented on RPA/NPA	NPA & Case File			
5. Qualifications/ TIG Documented?	RPA			
6. Pay – Pay Set Correctly? GS/FWS (CFR 531m 532-1) & Eligibility for grade retention (pay setting) if applicable (CFR 536)	RPA/NPA			
7. Probationary Period for Supervisors (CFR 315, AR 690-300)	RPA/NPA			
8..Time after competitive Appointment from OPM/DEU Certificate must be at least 3 mos.	OPF			
9. Does selectee meet Qualifications for the job	OPF			
10. Is Merit Promotion Case File properly closed out IAW MP SOP	Case File			

12. Special Conditions properly handled, e.g., PRP, Drug Testing, State Background Check	Case File OPF			
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SUMMARY OF FINDINGS:

## AUDIT CHECKLIST #2

### APPOINTMENTS/TRANSFER IN

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
AUDIT ITEM	CORRECT LOCATION	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
1. Authenticated/signed & dated on or before effective date	RPA			
2. Appointment Authority Annotated (Guide to Processing Personnel Actions)	RPA/NPA			
3. PPP Stopper List initiated on or before effective date	Case File & RPA			
Background Investigation initiated, if applicable. NACI, DA 873, results of: Drug Test, PRP, and Background Investigation, if applicable. (Guide to Personnel Records Keeping)	<b>OPF left</b>  OPF Right Side			
5a. SF 61, Oath of Office, completed on all list and change in agencies subsequent new appointments	OPF Right Side			
5b. Declaration of Appointee – OF 306. Required on every appointment and conversion signed before effective date.	OPF Right Side			
6. I – 9 Form, Citizenship, signed, if hired after 11-6-88	OPF Right Side			
7. Qualification/TIG documented.				
8. Does Selectee meet qualifications for the job	OPF Case File			
9. Is Merit Prom Case File properly closed out IAW MP SOP.	Case File			

10. Vet Pref. assigned correctly? SF-15 certified by appointing office, VA Letter dated within the last 12 month	DD 214 Right side OPF			
11. If promotion potential exists – documentation necessary (Guide to Processing Personnel Actions)	Case File, PVA, K12 & K20 remarks on RPA/NPA			
12. Pay – Pay Set Correctly? GS/FWS (Pay Setting Policy & Pay Table) (Mandatory Remark – see below)**	RPA/NPA			
13. Remarks on RPA/NPA (Guide to Processing Personnel Actions (Mandatory)	RPA/NPA			
14. Probationary period completed/new period required. Service counting toward tenure (Guide to Processing Personnel Actions)	RPA/NPA			
15. Probationary Period for Supervisors (CFR 315, AR 690- 300)	RPA/NPA			

\*\* If Transfer or CAO, Mandatory Remark, "Pay Rate subject to retroactive adjustment upon verification of prior service", must be shown on NPA.

SUMMARY OF FINDINGS:

### AUDIT CHECKLIST #3

**800'S**

**Employee Name** \_\_\_\_\_ **Organization** \_\_\_\_\_

**Nature of Action** \_\_\_\_\_ **Date of Audit** \_\_\_\_\_

**Signature of Auditor** \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
<i>AUDIT ITEM</i>	CORRECT LOCATIO N	MET Y-N-NA	VIOLATIO N	CORRECTIVE ACTION
1. 800, Chg in Data Element (e.g. if corrective, a correction should have been done).	RPA/NPA			
2. Change in Tenure. "				
3. Change in SCD "				
4. Other				

**SUMMARY OF FINDINGS:**

## AUDIT CHECKLIST #4

### Classification (Use with all placement actions)

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

**A. Compare the current Title, Series, Grade/Band and JD# of the position with the RPA, NPA, and Employee Master Record.**

**B. Do the title, series, grade/band and JD# match all 3 documents?**

Yes \_\_\_\_\_ No \_\_\_\_\_

**C. If this is a NSPS position, is it designated as such in both the position and employee records?**

Yes \_\_\_\_\_ No \_\_\_\_\_

**If any responses are no, summarize specific findings at the bottom of this page.**

IS THIS A NSPS ACTION? YES _____ NO _____			
<i>AUDIT ITEM</i>	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
1. PD format correct; narrative, FES, NSPS? (Note: HQDA has not yet defined NSPS PRD format.)			
2. Is the correct classification standard used?			
3. Duties have %s (NA to NSPS)			
4. Percent total 100% (NA to NSPS)			
5. If JD is in FES format do points total correctly? (NA to NSPS)			
6. Do points translate to grade assigned? (NA to NSPS)			
7. Does "Performs other duties as assigned" appear after duties on JD? (NA to NSPS)			

8. Does JD citation block listing series used correspond to assigned title, series and grade? <b>(NA to NSPS)</b>			
9. If titled supervisory, are applicable supervisory duties included, i.e., at least 25% supervisory duties-GS or supervisory duties as defined for NSPS?			
11. Is Functional Code on JD for Scientists and Engineer?			
12. Is Comp Level code on JD?			

SUMMARY OF FINDINGS:

**AUDIT CHECKLIST #5**  
**OFFICIAL PERSONNEL FILE AUDIT SHEET**  
**(To Be Completed For Each Action Audited)**

IS THIS A NSPS ACTION? YES _____ NO _____	
EMPLOYEE NAME:	AUDITOR NAME: DATE OF AUDIT: SIGNATURE: _____
<b>ITEM IDENTIFICATION</b>	<b>ITEM IDENTIFICATION</b>
Name (1) validate Resume/SF171 against EMR	Pay Rate Determinant (29)
SSN (2) " " "	Retirement Program (30)
DOB (3) " " "	SCD – Leave (31), Check EMR
Effective Date of Action (4)	SCD – Civ "
Position Title on NPA. Match against JD	SCD – RIF "
Position No. on NPA. Match against JD and EMR	Work Schedule (32)
Pay Plan/Pay Schedule (8 & 16) "	Part-time Hours (33)
Occupational Code (9 & 17) "	Position Occupied (34)
Grade/Band (10 & 18) "	BUS Code (37). Match NPA w/JD
Step (11 & 19) "	Duty Station (39)
Salary (12 & 20) "	Employing Agency (46), Check EMR/50
Pay Basis (13 & 21)	Agency Code (47), Check EMR/50
Vet Preference (23). Verify w/DD214 or similar document and SF15, if applicable	Personnel Office ID (48) (2289)
Employee Tenure (24)	No Letters of Reprimand past expiration date. (Left side of OPF)
Vet Preference for RIF (26)	If Designation of Beneficiary (SF 2823) is on file, is it signed by employee and witnessed? Does beneficiary share equal 100%?
FEGLI (27) Match against SF 2817	DA 873 (yellow), NACI or note if security clearance not required, etc. No SF85/86 in OPF except prior to 4/1/90 and "Stamped EO 10450".
Annuitant Indicator (28)	Check NPAs for Pay setting on last three pay actions.
Employment Verification (Resume, SF 171, OF 612) first Appt form, latest Appt form, latest certification of eligibility for Vets Pref. forms used as basis for OPM rating or	Form I-9, (Dept. Justice, white) for any person hired after November 6, 1986

	exam in file. Are OPM rating or exam in file. Are qualifications annotated?		
	EFMP, DA 5863, documentation on coordination with DODDS and Medical Facility, if required.		TSP1 or TSP 19 (transfer) in OPF? Match with EMR.
	Health Benefits: If SF 2810 on file, in chronological order with SF 2809?		Is OPF Label firmly affixed to folder along with bar coded label? Check SSAN and the name.
	If SF3102 on file, is it signed by employee and witnessed? Does beneficiary share equal 100%?		Are all SF-50s filed on right side chronologically?
	If SF 1152 on file, is it signed by employee and witnessed? Does beneficiary share equal 100%?		Photos/Passports removed from OPF?
	If OPF brown, SF-66, is it appropriate color? If OPF orange, SF-66C, it signifies merged OPF served in two different Federal systems. Is it correct?		Cancellations removed from OPF?

**SUMMARY OF FINDINGS:**

**AUDIT CHECKLIST #6**

**Placement in Non Pay Status/LWOP  
Extension of LWOP**

**Return to Duty**

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____			
AUDIT ITEM	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
1. If LWOP is 6 months or longer, has SCD been adjusted?			
2. LWOP NPA – Verify Health Benefits Remark (Election/Declination of Health Benefits)			
3. If employee has Life Insurance, verify LWOP NPA Remark (Covered for 365 days in a non-pay status)			
4. Return to Duty. Has SCD, WIGI and Tenure been adjusted? Verify as necessary.			

Summary of Findings:

## AUDIT CHECKLIST #7

### SEPARATIONS

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
VERIFY OPF CONTAINS THE FOLLOWING DOCUMENTS	CORRECT LOCATION	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
--Health Insurance – SF 2810 Termination	NPA Remarks OPF Right Side			
--Life Insurance – SF 2821 – Agency Certification of Insurance Status (after return from payroll) SF 2819 Notice of Conv Privilege	NPA Remarks OPF Right Side			
--SF 1150 (in OPF after 60 days)	OPF Right Side			
--Separation NPA --Separation RPA	OPF Right Side			

SUMMARY OF FINDINGS:

**AUDIT CHECKLIST #8**

**REDUCTION IN FORCE**

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
VERIFY OPF CONTAINS THE FOLLOWING DOCUMENTS	CORRECT LOCATION	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
1. SCD Correct?	OPF			
2. Tenure Group Correct?	OPF			
3. Vet Pref. for RIF Correct?	OPF			
4. Last 3 Performance Ratings correct? (Proper credit given based on last 3 perf ratings, i.e., adjusted SCD correct).	EPF/OPF			
5. Competitive Area and Competitive Level properly established?	RIF File (See Retention Reg) 5 CFR 351.402/403			
6. Proper notification/approval authority obtained/received? (for VSIP/VERA; RIF of 50 or less separations – MACOM and DA; RIF of more than 50 separations – Sec of Army)	RIF File			
7. Are RIF Ground Rules documented, e.g., will vacancies be used? Will qualified be modified? Cut off date for appraisals?	RIF File			
8. Is RIF's letter in OPF? Has employee been given 60 days advance notice	OPF			

before effective date of RIF? Has employee signed for receipt of letter?				
9. Does RIF letter contain the RIF action to be taken; explanation on the reason for RIF; appropriate references; appeal rights; enclosures; personal retention standing info; severance pay calculation, if separated.	OPF			
10. If separated, is severance pay determination correct? Is it properly computed and reflected in the Notice Letter?	OPF			
11. Is NPA processed by the effective date of RIF?	OPF			
12. Does OPF show evidence that the employee has accepted or declined RIF offer?	OPF			

SUMMARY OF FINDINGS:

**AUDIT CHECKLIST #9**

**PAY CHANGES**

Employee Name \_\_\_\_\_ Organization \_\_\_\_\_

Nature of Action \_\_\_\_\_ Date of Audit \_\_\_\_\_

Signature of Auditor \_\_\_\_\_

IS THIS A NSPS ACTION? YES _____ NO _____				
VERIFY OPF CONTAINS THE FOLLOWING DOCUMENTS	CORRECT LOCATION	MET Y-N-NA	VIOLATION	CORRECTIVE ACTION
1. 892 QSI not received within previous 52 weeks. Right Authority used?	NPA			
2. 840 Performance/Special Act/On the Spot Awards amount matches? - Documentation in EPF - Meets minimum requests of fully successful annual rating? - Has rec'd no previous award on same accomplishments?	EPF NPA			
3. 846 Time off award. - Documentation in EPF (justification or performance appraisal) - hours match - Max. 80 hrs in leave yr. - Max. 40 hrs per event.	EPF NPA			
4. 810 Supervisory Differential - Correct authority used? - Amount correct? - Documented in OPF?	NPA			
5. Recruitment/Retention Relocation Bonus. - Was correct authority used. - Amount correct? - Documented in OPF	NPA			

**SUMMARY OF FINDINGS:**