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Personnel-Payroll System Checklist

Systems Reviewed Under the Federal Financial Management Improvement Act of 1996

Exposure Draft

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PREFACE

The Federal Financial Management Improvement Act (FFMIA) of 1996, requires, among other things, that agencies implement and maintain management systems that comply with federal financial management systems requirements. These requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP) and in the Office of Management and Budget (OMB) guidance referred to in those documents.

To help agencies review their financial management systems and assist auditors with their responsibilities under FFMIA,[1] we have developed eight checklists, which we are issuing concurrently for comment as exposure drafts. Seven of the checklists reflect the system requirements defined by JFMIP. The eighth checklist, based on the JFMIP framework document, describes a single integrated financial management system and is primarily a reference tool rather than a standard-setting document.

As more system requirements are issued, we intend to develop additional checklists. When these checklists are issued in final form, they will be available on the Internet on GAO's Home Page (**www.gao.gov**).

Additional copies of the exposure draft of this checklist can be obtained from Room 1100, 700 4th St. NW, U.S. General Accounting Office, Washington, D.C. 20548, or by calling (202) 512-6000. Please send comments by February 28, 1998 to Robert W. Gramling, Director, Corporate Audits and Standards, Accounting and Information Management Division, at

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[1]The final form of this checklist will be included in GAO's Financial Audit Manual.

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Abbreviations

CPDF	central personnel data file
CSRA	Civil Service Reform Act of 1978
EEO	equal employment opportunities
FEGLI	federal employees' group life insurance
FFMIA	Federal Financial Management Improvement Act of 1996
FLSA	Fair Labor Standards Act
FPM	federal personnel manual
FTE	full time equivalent
GSA	General Services Administration
JFMIP	Joint Financial Management Improvement Program
MER	master employee record
NOAC	nature of action codes
NTE	not to exceed appointment
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PMR	payroll master record
RIF	reduction in force
SGL	Standard General Ledger

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OVERVIEW

The Federal Financial Management Improvement Act (FFMIA) of 1996, requires, among other things, that agencies implement and maintain financial management systems that comply with federal financial management systems requirements. These system requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP) and Office of Management and Budget (OMB) Circular A-127, Financial Management Systems. The JFMIP requirements documents identify (1) a framework for financial management systems, (2) core financial systems requirements, and (3) 16 other systems supporting agency operations. Figure 1 illustrates how these elements fit together in an agency systems architecture.

Figure 1: Agency Systems Architecture
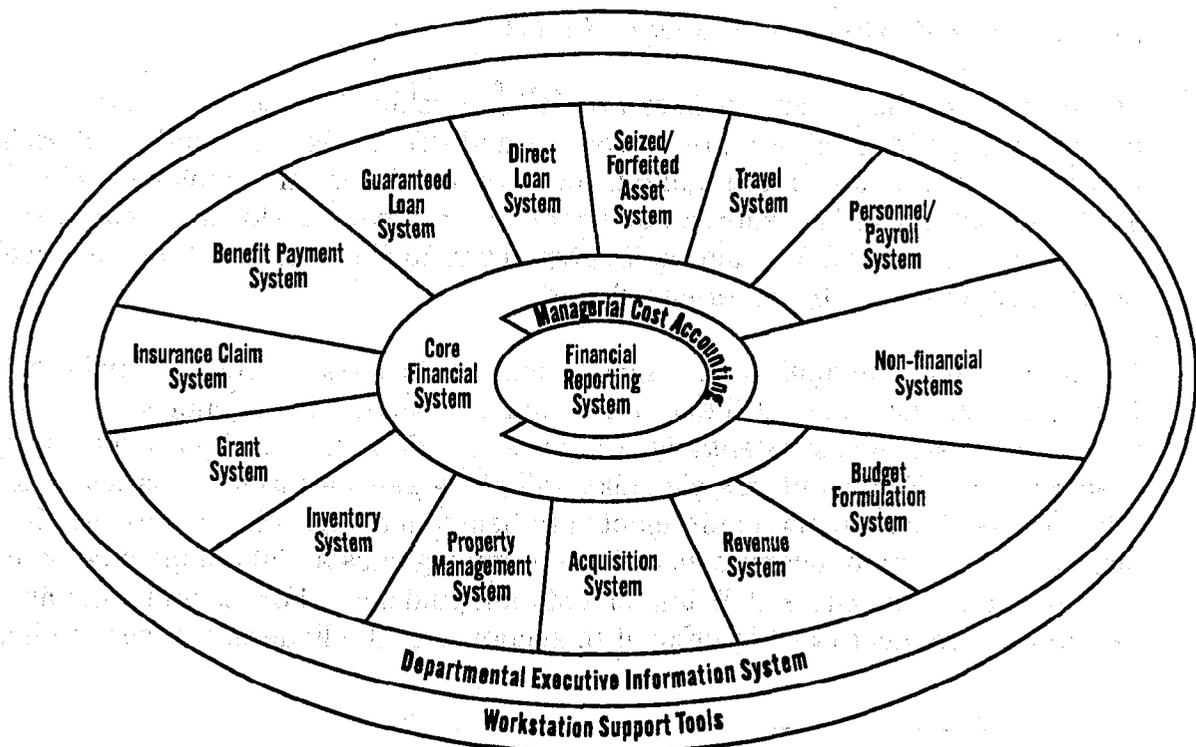
Source: JFMIP Federal Financial Management System Requirements documents.

To date, JFMIP has issued the framework and core documents and 6 of the 16 systems identified in the architecture.[2]

GAO is issuing this and seven other checklists that correspond to the JFMIP documents as part of its Financial Management Series. GAO will issue other checklists as additional systems requirements are defined.

Authoritative Guidance

OMB Circular A-127 and OMB's Implementation Guidance for the Federal Financial Management Improvement Act (FFMIA) of 1996, issued September 9, 1997, provide the basis for assessing compliance with the FFMIA requirement for agencies to implement and maintain financial management systems that comply substantially with federal requirements. OMB's September 1997 implementation guidance identifies various criteria that an agency must meet to be in substantial compliance with these requirements.

The source of all the questions in this checklist is the Joint Financial Management Improvement Program Federal Financial Management System Requirements Personnel-Payroll System Requirements (FFMRS-2, May 1990).

Purpose of This Guide and How to Use It

The purpose of this document is to provide a checklist to assist (1) agencies in implementing and monitoring their systems and (2) management and auditors in reviewing the systems to determine if they are in substantial compliance with FFMIA. The checklist, the JFMIP source document, and the two previously mentioned OMB documents (Circular A-127 and the September 9, 1997 implementation guidance) should be used concurrently by experienced staff.

OMB's 1997 implementation guidance provides indicators for chief financial officers and inspector generals to assist them in determining whether the agency's financial management systems substantially comply with federal financial management systems requirements. Filling out this checklist will allow agencies to systematically determine whether specific systems requirements are being met. Agencies can assess the significance of any noncompliances in determining substantial compliance by considering the "indicators" in OMB's 1997 implementation guidance. For example, the annual agency assurance statement issued pursuant to section 4 of the Federal Managers' Financial

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[2]Thus far, the series includes the (1) Framework for Federal Financial Management Systems, (2) Core Financial System Requirements, (3) Inventory System Requirements, (4) Seized/Forfeited Asset System Requirements, (5) Direct Loan System Requirements, (6) Guaranteed Loan System Requirements, (7) Travel System Requirements, (8) and Personnel-Payroll System Requirements.

Integrity Act is one of those indicators. Agencies can use GAO's checklists to help determine annual compliance with the section 4 requirement.

The following Personnel-Payroll System Requirements section contains a brief narrative followed by the checklist, which is organized by functions contained in the source JFMIP document.

In the checklist, two columns follow each question. Use the first column to answer each question "Yes," "No," or "NA." Use the second column to explain your answer. A "Yes" answer should indicate that the agency's system or systems provide for the capability described in the question. For each "Yes" answer, briefly describe how the system(s) contain the capability and refer to a source that explains or shows the capability.

A "No" answer indicates that the capability does not exist. For a "No" answer, the second column should provide an explanation and a reference to the supporting documentation. Such explanations could include the following: (1) The agency is working on modifying or implementing its system(s) to have the capability available in subsequent years. (2) Management believes the capability is not cost effective and will not enhance the systems' ability to manage operations. Refer to any cost-benefit studies that support such explanation. If there are none, provide a full explanation.

Not every guide may apply to an agency. Further, while a guide may be applicable to an agency, certain questions within the guide may not be applicable. Answer such nonapplicable question(s) with an "NA" and provide an appropriate explanation in the second column.

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PERSONNEL-PAYROLL SYSTEM REQUIREMENTS

The personnel-payroll system requirements document helps agencies meet government requirements by identifying the requirements needed (1) by the human resource function to initiate and maintain the compensation of employees; and (2) by the payroll function to link it to the financial management systems consistent with laws and regulations.

The six functions of the personnel-payroll system are discussed below.

1. Human Resource Data consists of data collection and maintenance activities. The data collection activity collects and edits all employee-related and/or position-related data needed to process pay and to support the personnel activities of the standard personnel/payroll system. The maintenance activity maintains current and historical personnel, pay, leave, time and attendance, and retirement data for each employee. It supports both payroll-related data and personnel-related data in a logically integrated database and/or interfaced system. (The checklist questions for this area are drawn from pp. 9-12 of the source document.)

2. Personnel Processing processes personnel actions in accordance with OPM Operating Manual, "The Guide to Processing Personnel Actions." Provides a variety of reporting data for use in advice and consultation to line managers and employees, as well as in required external reports such as Equal Employment Opportunities (EEO) compliance and training reports. Provides daily certified SF-50, "Notification of Personnel Action," data for posting to the payroll master record. (The checklist questions for this area are drawn from pp. 13-15 of the source document.)

3. Time and Attendance Processing collects time and attendance and labor-related data and edits these against the Master Employee Record (MER) and reference tables on a daily, weekly, and/or biweekly basis as required. (The checklist questions for this area are drawn from pp. 16-17 of the source document.)

4. Leave Processing processes and controls leave advances, accruals, conversions, transfers, usages, and forfeitures for each employee. (The checklist questions for this area are drawn from pp. 18-19 of the source document.)

5. Pay Processing calculates gross pay and allowances, deductions, employer contributions, and net pay for each employee. Because of the sensitivity of payroll disbursements and the need for payroll certification, pay processing must be considered a standard function to be controlled in a more central manner. (The checklist questions for this area are drawn from pp. 20- through 24 of the source document.

Personnel-Payroll System Requirements

6. <u>Report Processing/Reconciliation</u> accesses, manipulates, and formats data as required to satisfy accounting, regulatory, and managerial information requirements, including required reporting to the Office of Personnel Management (OPM) to the Central Personnel Data File (CPDF) and through the SF 113A, Monthly Report of Federal Civilian Employment, and SF 113G, Monthly Report of Full-Time Equivalent (FTE) Work-Year Civilian Employment. Provides payroll system data for comparison and reconciliation with disbursing and accounting systems to ensure accuracy and completeness. (The checklist questions for this area are drawn from pp. 25-27 of the source document.)

The checklist questions follow the JFMIP source document. It should be noted that not all questions will apply in all situations and, as with the use of any checklist, professional judgment should be exercised. Using the JFMIP source document along with the two previously mentioned OMB documents will help ensure that the user is cognizant of the background information and definitions necessary to fully understand the questions.

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation

Does the system:
 	
1. Maintain, for example, the following historical data to facilitate reporting and prior-period adjustment of data:
 	
  -- a pay history showing gross pay by type, deductions by type, and net pay for each pay period?
  -- a time and attendance history showing hours or days worked by type of pay for each pay period?
  -- a leave history showing beginning balances, leave accruals, leave usages, and ending balance by type for each pay period?
 	
Optional historical data may include: awards and training information, by date; nature-of-action changes for each employee, by date; and salary charges by assignment or activity, organization, geographic location, or other cost accounting centers.		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
2. Accept and edit position-related data, if required by agency management, for use in controlling the overall agency ceilings as established by dollar, Full Time Equivalent (FTE), and position limitations?		
3. Provide for erroneous input to be corrected immediately or at a later date from a suspense file that has preserved the input as initially entered and edited?		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
4. Accept and edit employee-related data, based on effective date and nature-of-action codes (NOAC), in accordance with OPM Operating Manuals, "The Guide to Processing Personnel Actions" and "Federal Workforce Reporting System," and 5 C.F.R. Part 530? The effective date establishes when transactions are to be effective, including the service computation date for purposes of retirement, leave accruals, promotions, and within-grade increases, and specific dates for which changes in deductions are to be effective.		
5. Accept and edit payroll-related data, as required, in accordance with Title 5 and related regulatory guidelines?		
6. Accommodate the entry of multiple personnel actions for an employee in one pay period, and/or on the same day?		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
7. Accept and edit award data, EEO data, and employee training data, if required?		
8. Establish new, deactivate existing, and modify existing personnel actions whenever appropriate and implement OPM Operating Manuals, "The Guide to Processing Personnel Actions" and "Federal Workforce Reporting System" changes in a timely fashion?		
9. Automatically adjust date fields (e.g., service computation date, not-to-exceed dates) based on processing of personnel actions?		
10. Accept edited position-related data, as required, for use in managing the organization within established dollar, FTE, and position limitations? Post this data to the payroll master record (PMR)?		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
11. Accept edited employee-related data, based on NOAC and effective date, in accordance with OPM Operating Manuals, "The Guide to Processing Personnel Actions" and "Federal Workforce Reporting System," and 5 C.F.R. Part 530? Post this data to the MER?		
12. Accept edited payroll-related data in accordance with Title 5 and related regulatory guidelines for posting to the MER?		
13. Update all related employee records (including salary rate, leave accrual, and expense records) based on each personnel action transaction?		
14. Recognize, through the use of effective dates, whether a transaction requires current, future, or retroactive processing and generate the appropriate action and payment?		

GAO/AIMD-98-21.2.3 - Proposed Personnel-Payroll Checklist (12/97)

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
15. Update all affected employee records to reflect across the board entitlement and/or deduction changes?		
16. Generate a checklist report for each separating or transferring employee to ensure proper procedural treatment?		
17. Calculate projected annual leave balances?		
18. Store lump sum leave hours to be paid to separating employees? Reduce annual leave balances to zero after lump sum payments are made?		
19. Update the CPDF with both activity and status reporting?		
20. Update a time history database each pay period to include current-period and prior-period adjusted time information for each employee?		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
21. Update a pay history data base each pay period to include detail, pay-period, quarter-to-date, and year-to-date pay data for each employee?		
22. Update retirement data including name, service history, and fiscal history for each employee? Maintain separate records for military (post-1956) and civilian (re-employed annuitant) deposits? Provide cumulative agency employment totals?		
23. Update leave data to reflect leave wages and balances for each employee?		
24. Allow the payroll office to add a new pay line manually or to change or delete an erroneous pay line, prior to calculation and disbursement of payroll? (Each pay line is identified by the pay period in which it was calculated and by the pay period to which it applies (the "effective" pay period)).		

Personnel-Payroll System Requirements

Human resource data function	Yes/no NA	Explanation
25. Update appointment limitation balances, health benefit rates, and Federal Employees' Group Life Insurance ((FEGLI) codes?		
26. Maintain historical data by pay period and transactions by effective date to facilitate prior-period adjustment processing?		
27. Maintain "calendar year-to-date" and "fiscal year-to-date" balances for targeted deductions and payments in order to stop action when the target is realized?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
Does the system: 1. Provide information needed to establish, maintain, and abolish positions?		
2. Provide management information data (e.g., open positions, positions filled by part-time employees, etc.)?		
3. Support position reviews to determine if restructuring positions could improve efficiency of operations, enhance EEO, and/or support management goals?		
4. Maintain records on applicants (from both within and outside the government)?		
5. Track internal recruitment and competitive (merit) and noncompetitive promotions and transfers?		
6. Track external recruitment and expert/consultant recruitment?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
7. Maintain current organizational component identifiers for reporting to OPM's CPDF?		
8. Provide the capabilities to process employee-related data, based on assigned position, NOACs, and effective date, in accordance with OPM Operating Manuals, "The Guide to Processing Personnel Actions" and "Federal Workforce Reporting System," and 5 C.F.R. Part 530?		
9. Process appointments and position changes (e.g., promotions, reassignments, changes to lower grade)?		
10. Process incentive awards as a result of personnel actions for both current and prior-period effective dates, ensuring that duplicate awards are not processed?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
11. Process all suspense actions of "not-to-exceed" (NTE) appointments? Provide the capability to support (1) termination of grade retention and details and (2) conversion to lower grade after temporary promotions? Provide the data for pending NTE terminations, tenure changes, ends of probationary periods, and ends of within-grade waiting periods?		
12. Process completed adverse actions?		
13. Process resignations and retirements; generate data for SF 50, "Notification of Personnel Action;" SF 2806, "Individual Retirement Record-Civil Service Retirement System;" SF 2807, "Register of Separations and Transfers;" and SF 1150, "Record of Leave Data"?		
14. Generate reemployment priority data and retained-grade program data?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
15. Provide the capability to support pending performance evaluations?		
16. Provide the capability to support employee benefit entitlements (life, health, and retirement) in response to employee inquiry or policy changes?		
17. Support retirement estimates for requesting employees?		
18. Produce union dues withholding information?		
19. Provide union data on retention register, merit promotion lists, and reductions-in-force?		
20. Produce data on union employee activity including union steward time and union employee time involved in adverse action, grievance, and appeals processing?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
21. Provide the capability to compile SF 182, "Request, Authorization, Agreement and Certification of Training," data for annual reporting to OPM?		
22. Generate training data from SF 182s for management information support?		
23. Generate training data related to EEO training?		
24. Provide information to support quarterly, annual, and ad hoc reporting to OPM, Equal Employment Opportunities Commission, and other reporting authorities?		
25. Provide information to support a wide variety of comparative studies using human resource data to identify discriminatory trends; generate data from such sources as the applicant supply file and best-qualified lists?		

Personnel-Payroll System Requirements

Personnel processing function	Yes/no NA	Explanation
26. Provide information to support recruitment procedures reviews to determine whether women, minorities, and handicapped individuals are included in applicant pools?		
27. Provide information to support position reviews?		
28. Provide the capabilities to compute retirement benefits as well as to anticipate retirements and track personnel through the process?		

Personnel-Payroll System Requirements

Time and attendance processing function	Yes/no NA	Explanation
Does the system: 1. Support the collection of time and attendance data based upon an established tour of duty, including alternative work schedule/ flexitime information? This requires, as a minimum, only positive acknowledgement from the timekeeper that the employee worked the established tour and that time and attendance data are available for supervisory review and approval.		
2. Support the collection of work hours, leave hours, and all other pay-related hours, as well as labor-related hours if required by agency management, from one source document for each employee?		
3. Support the collection of labor distribution hours by the classification code structure defined in the core requirements document?		

Personnel-Payroll System Requirements

Time and attendance processing function	Yes/no NA	Explanation
4. Provide for the collection of time and attendance data on a daily, weekly, biweekly, semimonthly, and/or monthly basis?		
5. Calculate and adjust weekly hours based on Fair Labor Standards Act (FLSA) requirements?		
6. Accept time and attendance data through various processing modes?		
7. Support the correction of current- and prior-pay period time and attendance records?		
8. Input time spent by employees who work temporarily in a higher classification (a) within the department but in different organizations or work centers or (b) in other departments?		
9. Provide for the capture of time and attendance data in fractions of hours?		

Personnel-Payroll System Requirements

Time and attendance processing function	Yes/no NA	Explanation
10. Generate a hard copy time and attendance report?		
11. Provide the capability to receive electronic approvals from authorized supervisory personnel and release data for further system processing?		

Personnel-Payroll System Requirements

Leave processing function	Yes/no NA	Explanation
1. Ensure that leave taken is supported by a sufficient balance? Insufficient leave balances are automatically converted based upon an established leave priority scheme and, when appropriate, specific management review (e.g., to determine advance leave, leave without pay, or absence without leave).		
2. Each pay period, accrue each type of leave that can be accrued and to which an employee is entitled, based on entitlement established in the human resources function, including partial accruals and carryovers?		
3. Process variable leave accruals for part-time employees? Leave accruals for part-time employees are based on actual hours in a pay status.		

Personnel-Payroll System Requirements

Leave processing function	Yes/no NA	Explanation
4. Determine compensatory time to be forfeited or compensatory hours to be paid based on predetermined elapsed time limits for compensatory time earned and the maximum earning ceiling for combined leave and earnings?		
5. Generate detailed audit trail and control data to ensure that all reported leave hours have been processed accurately and that the hours used in pay calculation are correct?		
6. Track and report job-related injury time (continuation of pay)?		

Personnel-Payroll System Requirements

Leave processing function	Yes/no NA	Explanation
7. Interface with the core financial system or another designated system and alert that system to establish receivables or follow-up on types of leave that may carry to the government employee indebtedness, including health and life insurance premiums for employees on approved leave without pay and certain jury duty fees while on court leave?		
8. Provide for fiscal year-end and calendar year-end processing in accordance with established guidelines?		
9. Provide for year-end leave forfeitures processing using maximum carryover amounts maintained in the human resource function?		
10. Modify leave accruals for employees who change leave systems, biweekly tours-of-duty, or from full-time to part-time?		

Personnel-Payroll System Requirements

Leave processing function	Yes/no NA	Explanation
11. Determine all work and leave hours to be paid for use by the pay processing, report processing/reconciliation, and human resource data maintenance functions?		
12. Process both current- and prior-period leave transactions on an effective pay period basis?		
13. Provide for recomputing leave balances due to prior-period hour adjustments or retroactive entitlement changes for each period subsequent to the effective period of the change in the following order: (1) retroactive entitlement changes and then (2) prior-period hour adjustments?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
Does the system: 1. Process both current-period and prior-period adjustments as an integral part of the payroll cycle?		
2. Compute pay according to the time worked and/or leave taken, based on data approved by the relevant supervisor?		
3. Compute pay of various types (e.g., entitlements for employees eligible for foreign service allowances, special pay and retention pay for commissioned officers, awards for SES, merit pay, cash awards, etc.)?		
4. Compute earnings amounts for partial pay periods when entitlement dates do not coincide with pay period beginning and ending dates? Process earnings adjustments on a begin-date/ end-date basis?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
5. Support adjustments and regular calculations that cross fiscal and/or calendar years and provide proper information to the core financial system?		
6. Initiate the pay calculation cycle only after time and attendance data have been certified and leave has been processed?		
7. Calculate overtime based on FLSA and Civil Service Reform Act of 1978 (CSRA) requirements?		
8. Calculate premiums and differentials as a percentage of base pay and set dollar amounts?		
9. Calculate shift differential amounts based on hours actually worked and certified by a supervisor?		
10. Accommodate processing of supplemental pay actions?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
11. Provide for percentage computation of deductions (e.g., 20 percent federal taxes on awards)?		
12. Support unemployment compensation for federal employees processing and responding to 931 requests?		
13. Record gross pay, deductions, and net pay generating information to update other functions and other systems, as appropriate, including the Standard General Ledger maintained in the core financial system?		
14. Accept allowance and premium pay entitlement as set dollar amounts or compute them as percentages of pay without some or all of the entitlement, as defined by law and regulation?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
15. Calculate the following deduction types for each employee: – mandatory deductions (e.g., federal, state, local, and FICA taxes)? – voluntary deductions (e.g., life insurance, health insurance, thrift savings deductions, allotments, and bonds)? – involuntary deductions (e.g., IRS levies and administrative debt collections)?		
16. Provide the capability to handle deductions that apply in various pay periods?		
17. Adjust taxable gross pay by deducting untaxed items (e.g., thrift saving deductions) and civil service retirement annuity offsets?		

Personnel-Payroll System Requirements

	Pay processing function	Yes/no NA	Explanation
18.	Support mass rate changes and individual entitlement changes for current and retroactive processing? Offset advanced sick leave balances against annual leave balances? Accommodate waivers of collections for leave advances?		
19.	Compute the maximum variable levy deduction based on available net pay and the outstanding amount owed IRS?		
20.	Prorate insurance deductions for part-time, seasonal, and newly hired employees using the "four-day rule?"		
21.	Accelerate deductions for employees paid an annual salary in less than 1 year (e.g., teachers)?		
22.	Compute deductions, employer contributions, and net pay based on manually calculated earnings amounts (e.g., supplemental pay for commission or tip earnings)?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
23. Calculate deductions specified in chapter 5, Title 6 of GAO's <u>Policy and Procedures Manual for Guidance of Federal Agencies</u>, using tables and making such computations as necessary and providing for such things as — limitations on the maximum amount of salary subject to certain deductions? — limitations on the maximum amount allowed for certain other deductions? — adjustments of taxable gross pay for certain purposes by deducting untaxed items, including penalties, before computing taxes? — proration of certain deductions for part-time or seasonal employees?		
24. Subtract the deductions calculated in the order of precedence provided for in GAO's Title 6 while ensuring that net pay is not negative?		

Personnel-Payroll System Requirements

	Pay processing function	Yes/no NA	Explanation
25.	Determine when a bond may be issued given its denomination per pay deduction? (The process for setting bond issuance dates and issuing bonds may be accomplished by systems outside the pay system.)		
26.	Deduct some items in every pay period and others in selected pay periods only?		
27.	Offset the dollar amount of advanced leave balances (computed at the rate of pay in effect when the leave was taken) against the dollar amount of final net pay and any unused annual leave (based on the current pay rate) on termination of an employee from federal employment?		
28.	Offset the dollar amount of other receivables owed the agency against final net pay or, if applicable, lump sum annual leave payments on separation from the agency?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
29. Generate payment for severance pay?		
30. Accommodate various methods of payment (e.g., electronic funds transfer/ direct deposit, home leave, etc.)?		
31. Generate supplemental payments and recertified checks?		
32. Generate payment to beneficiary of unpaid compensation?		
33. Provide for electronic fund transfers of amounts withheld to appropriate organizations?		
Does the system provide the following outputs: 34. information on gross pay by type, deductions by type, and net pay by pay period, made available for retention?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
35. Magnetic tapes or other media to be sent, with any accompanying reports, to Treasury or other authorized disbursing officers for disbursement, with any accompanying reports of deductions, net pay, and employer contributions to intended payees?		
36. Magnetic tapes or other media to be sent to Treasury for issuance of U.S. savings bonds?		
37. Magnetic tapes or other media transmitting information on federal retirement thrift plan contributions and loan repayments to be sent to the Thrift Investment Board?		
38. Employee earnings statements detailing the composition of gross pay, deduction, and net pay for the pay period and year to date?		

Personnel-Payroll System Requirements

Pay processing function	Yes/no NA	Explanation
39. Information on the transfer of dues withheld for labor organizations?		
40. Information to pass to the core financial system and cost accounting modules to update fund balances with Treasury and other assets, expense and liability accounts, appropriations and other cost centers for the payroll, including employer contributions?		
41. Information made available to other functions to generate internal and external payroll reports not created directly in the pay processing function?		

Personnel-Payroll System Requirements

Report processing/ reconciliation function	Yes/no NA	Explanation
Does the system:		
1. Produce reports required by Treasury, IRS, Social Security Administration, Department of Labor, OPM, and OMB? Produce reports for state and local taxing authorities at required intervals?		
2. Produce all reports and vouchers necessary to recognize payroll expenses, establish related receivables (e.g., administrative debts), and disburse all related payments? Produce supporting detail registers or subsidiary ledgers?		
3. Produce managerial reports to facilitate monitoring of personnel costs, leave authorization, and personnel actions by personnel/payroll staff members and by operational supervisors or managers?		

Personnel-Payroll System Requirements

Report processing/ reconciliation function	Yes/no NA	Explanation
4. Generate, as an option, tickler reports for management (e.g., pending NTE terminations, pending performance evaluations, etc.)?		
5. Generate required reports--SF 1150, "Record of Leave Data;" SF 2806, "Individual Retirement Record-Civil Service Retirement System;" and SF 2807, "Register of Separations and Transfers"--for separating or transferring employees with the next regular payroll?		
6. Generate Monthly Report of Federal Civilian Employment (SF 113A) and the Monthly Report of Full-Time Equivalent (FTE) Work-Year Civilian Employment (SF 113G) to OPM?		
7. Provide for tax deduction reporting, reconciling, and correction processing for each taxing authority?		

Personnel-Payroll System Requirements

Report processing/ reconciliation function	Yes/no NA	Explanation
8. Provide the information to analyze detail pay transactions and establish each as either a disbursement or as a debt due the government?		
9. Derive summary totals of earnings, deductions, contributions, and paid hours for control purposes and to facilitate reporting?		
10. Provide disbursement voucher data for verification and certification of the payroll process?		
11. Generate reports of pay and benefit transactions required by the agency core financial system?		
12. Generate reports on the use of various methods of payments (e.g., check, direct deposit/electronic funds transfer, etc.)?		

Personnel-Payroll System Requirements

Report processing/ reconciliation function	Yes/no NA	Explanation
13. Generate accounting transactions for accruals of pay and benefits? (This process is to provide for reversals and accruing pay and benefits on other than a monthly basis.)		
14. Provide a means for correcting accounting transactions for an employee for one or more past pay periods generating adjusting accounting transactions to reverse the improper charges and record the correct ones?		
15. Notify agency payroll and personnel office staff of incorrect or missing data?		
16. Compile employee data related to health insurance enrollment for validation purposes?		
17. Store audit trail data in the standard personnel/payroll data files?		

Personnel-Payroll System Requirements

Report processing/ reconciliation function	Yes/no NA	Explanation
18. Generate detail registers or subsidiary ledgers that support all vouchers, accounting entries, and disbursements authorized by the payroll office?		
19. Provide a report for health benefit deductions not taken (e.g., for an employee on leave without pay)?		
20. Provide a report of employee debt caused by prior-period adjustments or current-period computation to be used in administrative collection?		
21. Provide an output matrix of reports that describes report by title, purpose, frequency, distribution level, and the media used to distribute?		
22. Generate retention records for Reduction in Force (RIF) based on competitive position, tenure, and retention requirements?		

(922242)

United States
General Accounting Office
Washington, D.C. 20548-0001

Official Business
Penalty for Private Use $300

Address Correction Requested