Financial Improvement and Audit Readiness Methodology
Assertion Work Product Example
Memorandum of Understanding

Detailed Activity 1.1.1 – Overall Statement to Process (Reporting Entities)
Detailed Activity 1.2.2 – Prepare the MOU (Service Providers)

NOTE: The Tool/Template/Work Product below is an example memorandum of understanding. The example is based on the Military Service Civilian Payroll process.

Table of Contents

Memorandum of Understanding – Example

Military Service Civilian Payroll Memorandum of Understanding

Contents

Purpose and Background[1]

Purpose: The purpose of this Memorandum of Understanding (MOU) is to define the mutual support required from the Defense Finance and Accounting Service (DFAS) and the United States Military Service (Military Service) in support of audit readiness and audit sustainment efforts regarding Civilian Pay (CivPay). This MOU is one component of the Service-level Agreement (SLA) (*insert SLA reference number here*) between the Military Service and DFAS and does not address the operational requirements of CivPay.

Background: The Military Service is performing audit readiness efforts in preparation for a future financial statement audit of their Statement of Budgetary Resources (SBR) in fiscal year (FY) 2015. The CivPay business process (also known as "Hire-to-Retire") encompasses the business functions and activities necessary to hire, pay, maintain, and out-process Military Service civilian employees, as well as financial reporting of CivPay in the Military Service accounting systems. A main component of CivPay is comprised of paying salaries to civilian employees. The payroll and leave obligations are reported under the Obligations Incurred line item of the SBR and the payroll disbursements are reported under the Gross Outlays line item of the SBR.

The Military Service CivPay business process includes the following areas (see *Appendix A* for more detail):

1. Personnel Actions – the processes and controls for establishing, maintaining and making updates to the employee's personnel file.
2. Time and Attendance (T&A) – the processes and controls for recording, approving, and processing the employee's T&A data, as well as the processes for the system interfaces.
3. Payroll Calculation – the processes and controls for using the T&A data to calculate the payroll amount for each pay period.
4. Disbursements – the processes and controls for using the payroll data to process the payments for employees.
5. General Ledger Recording – the processes and controls for using the payroll data to post the amounts to the general ledger.
6. Financial Reporting – the processes and controls for generating financial statements using data collected in the general ledger.

As its Service Provider, DFAS currently performs CivPay functions on behalf of the Military Service necessary to process civilian payroll on a bi-weekly basis. In order for the Military Service to move CivPay

---

[1] This document is an example memorandum of understanding to provide guidance to Reporting Entities and Service Providers when completing assertion work product 1.1.1 (Reporting Entity) or 1.2.2 (Service Provider). DoD Instruction 4000.19 (dated April 25, 2013) provides additional guidance for developing support agreements between DoD entities, as well as templates for administrative/introductory sections of memorandums of agreement/understanding. The detailed sections in this example memorandum of understanding (Appendices A through F) are key parts of memorandums of agreement/understanding developed for audit readiness/audit sustainment purposes because they define processes and systems focused on by audit readiness activities (e.g., Appendix A) and organizational responsibilities for performing specific audit readiness/audit sustainment tasks (e.g., Appendices B through F).

into an audit readiness state, continuing support is needed from DFAS. To date, DFAS and the Military Service have worked together to perform CivPay audit readiness efforts for a significant amount of time. As a result, process maps, narratives, risk and control analyses, and test plans have been developed for both the Military Service and DFAS portions of the CivPay business process.
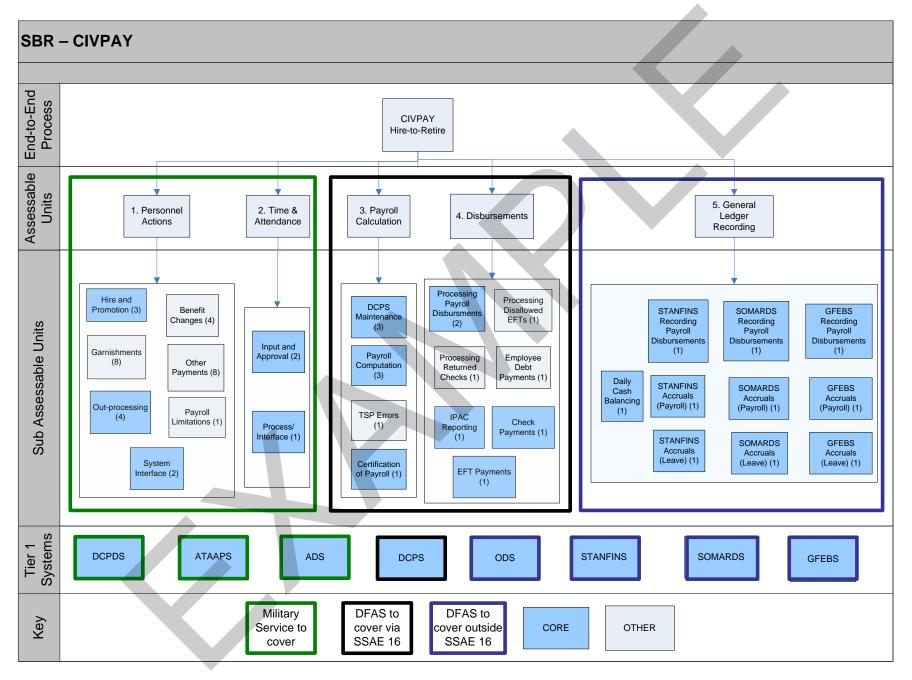
Scope: The Military Service and DFAS are establishing this MOU to document responsibilities with respect to the Military Service's and DFAS's CivPay audit readiness and audit sustainment efforts. *Appendices B, C, D, and E* depict the Military Service's and DFAS's responsibilities related to audit readiness key tasks, activities, and the resulting deliverables agreed to in this MOU. *Appendix F* depicts the audit sustainment key tasks, activities, and resulting deliverables agreed to in this MOU.

The Statement to Process Analysis, found in *Appendix A*, depicts the CivPay assessable units, sub-units, and systems that each DFAS and the Military Service are responsible for. In an attempt to expedite the audit readiness process, the Military Service and DFAS agree to focus their efforts on "core" processes for CivPay to include personnel actions, T&A, processing payroll, disbursing payroll, and recording payroll in the general ledger systems (blue boxes in Statement to Process Analysis). The "other" processes include things such as garnishments, TSP errors, check returns and benefit changes (gray boxes in Statement to Process Analysis). While these "other" processes have the potential to have a material effect on CivPay, they are not priority areas at the time this MOU was created.

Effective Date and Implementation: This MOU, and accompanying Appendices, is effective upon signature and will remain in effect until modified or terminated by mutual agreement. This MOU will be updated every year, or when necessary, based on agreement by both parties.

For DFAS, XXX   For US Military Service, XXX

By: _____   By: _____

Date: _____   Date: _____

Appendix A. Assessable Units, Sub-assessable Units, and Key Systems

SBR – CIVPAY

End-to-End Process

- CIVPAY Hire-to-Retire

Assessable Units

1. Personnel Actions
2. Time & Attendance
3. Payroll Calculation
4. Disbursements
5. General Ledger Recording

Sub Assessable Units

1. Personnel Actions:
- Hire and Promotion (3)
- Benefit Changes (4)
- Garnishments (8)
- Other Payments (8)
- Out-processing (4)
- Payroll Limitations (1)
- System Interface (2)

2. Time & Attendance:
- Input and Approval (2)
- Process/Interface (1)

3. Payroll Calculation:
- DCPS Maintenance (3)
- Payroll Computation (3)
- TSP Errors (1)
- Certification of Payroll (1)

4. Disbursements:
- Processing Payroll Disbursments (2)
- Processing Disallowed EFTs (1)
- Processing Returned Checks (1)
- Employee Debt Payments (1)
- IPAC Reporting (1)
- Check Payments (1)
- EFT Payments (1)

5. General Ledger Recording:
- STANFINS Recording Payroll Disbursements (1)
- SOMARDS Recording Payroll Disbursements (1)
- GFEBS Recording Payroll Disbursements (1)
- Daily Cash Balancing (1)
- STANFINS Accruals (Payroll) (1)
- SOMARDS Accruals (Payroll) (1)
- GFEBS Accruals (Payroll) (1)
- STANFINS Accruals (Leave) (1)
- SOMARDS Accruals (Leave) (1)
- GFEBS Accruals (Leave) (1)

Tier 1 Systems

DCPDS | ATAAPS | ADS | DCPS | ODS | STANFINS | SOMARDS | GFEBS

Key

- Military Service to cover
- DFAS to cover via SSAE 16
- DFAS to cover outside SSAE 16
- CORE
- OTHER

Appendix B. Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation

Risk #	Objectives/ Outcomes	Primary Risks	Systems	Detailed Risks	Key Controls	Key Supporting Documents
	CivPay Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation					
1	All material civilian payroll systems achieve relevant FISCAM objectives	IT General Controls may not be appropriately designed or operating effectively	DCPDS	1a. ITGCs may not be appropriately designed or operating effectively over DCPDS	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
			Time & Attendance (T&A) System(s)	1b. ITGCs may not be appropriately designed or operating effectively over the T&A system(s)	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
			DCPS	1c. ITGCs may not be appropriately designed or operating effectively over DCPS	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
			ODS	1d. ITGCs may not be appropriately designed or operating effectively over ODS	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
			ADS	1e. ITGCs may not be appropriately designed or operating effectively over ADS	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
			General Ledger(s)	1f. ITGCs may not be appropriately designed or operating effectively over the general ledger(s)	See FIAR FISCAM Matrix for listing of relevant IT controls	N/A
2	Civilian personnel actions are valid and recorded accurately	Incorrect personnel information may be recorded	DCPDS	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	2a1. Manual Control: Supervisory review and approval of personnel actions	1. SF 52s (Requests for Personnel Action) and SF 50s (Notifications of Personnel Action)
					2a2. IS Application Control: Personnel actions are not processed in DCPDS unless approved within DCPDS	N/A
					2a3. IS Application Control: The approval role in DCPDS requires supervisory approval before it is granted and all individuals with an approval role in DCPDS are reviewed on a quarterly basis to determine whether the role is needed.	2. DD Form 2875, System Authorization Access Request (SAAR) evidencing supervisor approval of DCPDS role. 3. Documentation evidencing quarterly review of DCPDS roles.
					2a4. IS Application Control: DCPDS edit checks help ensure the accuracy of data input of personnel actions	N/A
			DCPS	2b. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPS	2b1. Manual Control: Reconciliation of personnel information between DCPDS and DCPS (name, SSN, grade/step, locality, etc.). All differences are resolved in a timely manner.	4. Documentation evidencing reconciliation between DCPS and DCPDS and support that all differences were successfully resolved.

CivPay Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation						
Risk #	**Objectives/ Outcomes**	**Primary Risks**	**Systems**	**Detailed Risks**	**Key Controls**	**Key Supporting Documents**
					2b2. IS Application Control: Personnel actions cannot be recorded in DCPS, actions must be recorded in DCPDS and electronically interfaced in DCPS	N/A
					2b3. IS Application Control: Personnel information interfaced from DCPDS to DCPS passes through a series of edit checks to ensure accuracy of personnel record updates posted to DCPS	N/A
			ADS	2c. Incorrect payee or payment amount information (name, address, dollar amount, etc.) may be recorded in ADS	2c1. Manual Control: Reconciliation of biweekly payroll disbursements between ADS and DCPS (Gross Pay File)	5. Documentation evidencing biweekly reconciliation of payroll disbursements between ADS and DCPS (See Key Control #2c1)
					2c2. Manual: Independent review and approval (within ADS) of voucher for bi-weekly payroll disbursements	6. Approved ADS bi-weekly payroll disbursement voucher
					2c3. IS Application Control: Disbursements are not processed in ADS unless approved within ADS	N/A
					2c4. IS Application Control: The approval role in ADS requires supervisory approval before it is granted and all individuals with an approval role in ADS are reviewed on a quarterly basis to determine whether the role is needed.	7. DD Form 2875, System Authorization Access Request (SAAR) evidencing supervisor approval of ADS role. 8. Documentation evidencing quarterly review of ADS roles.
3	All civilian personnel actions are recorded timely	Personnel information is missing or incomplete	DCPDS	3a. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPDS	3a. Manual Control: Periodic data call and accuracy/completeness certifications of payroll master file records by supervisors across the organization	9. Analysis of pay adjustments (as a dollar and percentage of total bi-weekly payroll) to support the immaterial effect of retroactive adjustments. 10. Documentation evidencing supervisor certification that all personnel data in DCPDS is complete and accurate for their employees
			DCPS	3b. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPS	See Key Control #2b1	See Key Supporting Document #4
4	T&A information is valid and is recorded	Incorrect T&A information may be	T&A System(s)	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in	4a1. Manual Control: Supervisory review and approval of timesheets and related actions (Overtime, Leave, etc.)	11. Signed/approved timesheets 12. Other T&A support (leave slips, overtime requests, etc.)

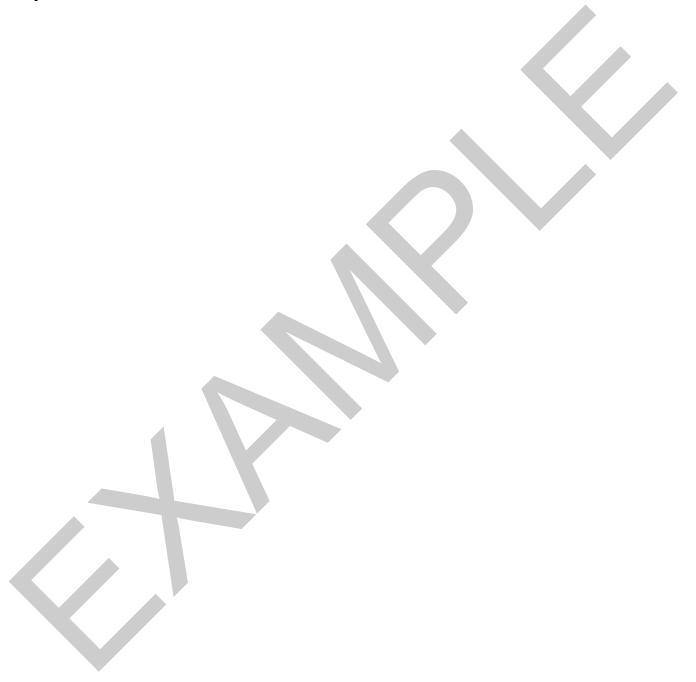|					CivPay Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation	
Risk #	Objectives/ Outcomes	Primary Risks	Systems	Detailed Risks	Key Controls	Key Supporting Documents
	correctly	recorded		the component T&A system	4a2. IS Application Control: Time information is not submitted to DCPS unless electronically approved by supervisor	N/A
					4a3. IS Application Control: The approval role in T&A systems requires supervisory approval before it is granted and all individuals with an approval role in the T&A system are reviewed on a quarterly basis to determine whether the role is needed.	13. DD Form 2875, SAAR evidencing supervisor approval of T&A role. 14. Documentation evidencing quarterly review of T&A roles.
					4a4. IS Application Control: T&A system edit checks help ensure the accuracy of data input of time information	N/A
					4a5. Manual Control: Reconciliation between T&A systems and DCPS (Gross Pay File) to demonstrate the completeness and accuracy of hours information. All differences are resolved in a timely manner.	15. Documentation evidencing reconciliation of T&A data between T&A systems and DCPS Gross Pay File and support that all differences were successfully resolved.
			DCPS (if applicable)	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the DCPS	4b1. Manual Control: Supervisory review and approval of time sheet and related actions (Overtime, Leave, etc.)	11. Signed/approved timesheets 12. Other T&A support (leave slips, overtime requests, etc.)
					4b2. IS Application Control: Time information is not submitted for processing within DCPS unless electronically approved by supervisor	N/A
					4b3. IS Application Control: The approval role in DCPS requires supervisory approval before it is granted and all individuals with an approval role in DCPS are reviewed on a quarterly basis to determine whether the role is needed.	16. DD Form 2875, SAAR evidencing supervisor approval of DCPS role. 17. Documentation evidencing quarterly review of DCPS roles.
					4b4. IS Application Control: Time information interfaced from T&A system(s) to DCPS passes through a series of edit checks to ensure accuracy of time information	N/A
					4b5. IS Application Control: DCPS edit checks help ensure the accuracy of data input of time information directly into DCPS	N/A
					4b6. Manual Control: Reconciliation between DCPS (T&A data) and DCPS (Gross Pay File) to demonstrate the completeness and accuracy of hours information. All differences are resolved in a timely manner.	18. Documentation evidencing reconciliation of DCPS (T&A data) and DCPS (Gross Pay File) and support that all differences were successfully resolved.

	Objectives/ Outcomes	Primary Risks	Systems	Detailed Risks	Key Controls	Key Supporting Documents
			CivPay Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation			
Risk #						
5	All T&A information is recorded timely	T&A information is missing or incomplete	T&A System(s)	5a. T&A information is missing or incomplete (number of hours, OT, leave, differential) in the component T&A system	Key Control 4a5	Key Supporting Document 15
					5a1. Manual Control: Review and resolution of employees without time or time below standard (T&A Systems)	19. Documentation evidencing the biweekly review and resolution of employees without time or with time below the standard (T&A Systems)
			DCPS (if applicable)	5b. T&A information is missing or incomplete (number of hours, OT, leave, differential) in DCPS	Key Control 4b6	Key Supporting Document 18
					5b1. Manual Control: Review and resolution of employees without time or time below standard (DCPS)	20. Documentation evidencing the biweekly review and resolution of employees without time or with time below the standard (DCPS)
6	Bi-weekly payroll is calculated and processed correctly	Payroll may be calculated or processed incorrectly	DCPS	6. DCPS may not calculate or process gross to net payroll correctly	6a. IS application control: Review and approval of any changes to pay rates in DCPS	21. Documentation evidencing review and approval of DCPS pay table changes
					6b. Manual Control: Recalculation of gross-to-net payroll for a sample of employees each pay period	22. Leave & Earning Statements (LES) 23. OPM Pay Tables 24. Documentation supporting any other pay or entitlements (e.g., special pay) 25. Documentation evidencing the recalculation of gross-to-net payroll for a sample of employees each pay period
					6c. IS Application Control: DCPS limits users ability to change grade/step and pay rate information (through the use of roles)	N/A
					6d. IS Application Control: Roles needed to adjust grade/step and pay rate information within DCPS are approved by a supervisor and reviewed on a quarterly basis to determine whether the role is needed.	See Key Supporting Documents #16 and #17.
7	Payroll and leave obligations, expenses, accruals, and disbursements are valid and are correctly recorded in the General Ledger(s)	Payroll and leave obligations, expenses, accruals and disbursements may be recorded incorrectly	General Ledger(s)	7. Payroll and leave obligations, expenses, accruals and disbursements may be recorded incorrectly (accounting period, dollar amount, general ledger accounts/transaction codes) in the general ledger(s)	7a. Manual Control: Reconciliation between DCPS Gross Pay File and general ledger (trial balance, 218 or equivalent) used to populate DDRS to ensure the completeness and accuracy (dollar amount, appropriation, object class, accounting period, etc.) of obligations incurred, expenses and disbursements. All differences are resolved in a timely manner.	26. Documentation evidencing reconciliation between DCPS Gross Pay File and general ledger and support that all differences were successfully resolved.
8	All payroll and leave obligations, expenses, accruals and disbursements	Payroll and leave obligations, expenses, accruals and	General Ledger(s)	8. Payroll and leave obligations, expenses, accruals and disbursements are missing or incomplete in the general ledger	See Key Control #7a.	See Key Supporting Document #26

CivPay Objectives/Outcomes, Risks, Key Controls, and Key Supporting Documentation						
Risk #	**Objectives/ Outcomes**	**Primary Risks**	**Systems**	**Detailed Risks**	**Key Controls**	**Key Supporting Documents**
	are recorded in the General Ledger(s) timely	disbursements are missing or incomplete				
9	All stale obligations and accruals are removed from the General Ledger(s) timely	Stale obligations and accruals may not be removed	General Ledger(s)	9. Stale obligations (undelivered orders or accrued delivered orders) may not be removed from the general ledger(s) timely	9a. Manual Control: Triannual review of all open payroll obligations (undelivered orders and delivered orders/accounts payable (accruals)	27. Documentation supporting undelivered orders and payroll accruals (e.g., prior pay period Gross Pay Files and support for calculations/adjustments for accrual) 28. Documentation evidencing triannual review of open payroll obligations
These documents are used in Discovery Procedures 1 and 2 in order to obtain a detailed population of all employee level payroll activity for a sample of pay periods.						29. Population definition and selection criteria and field layout definitions
						30. Data mining criteria

Appendix C. High-Level Financial Improvement Plan Tasks

Key Tasks	FIP Task	Activities	Deliverables	Responsible Party	Start Date	End Date	Resources (FTEs)
High-level FIP Activities							
Statements to Process Analysis	1.1	Overall Statement to Process analysis depicting asset/transaction classes, underlying processes, assessable units and sub-units, and systems	Statement to process analysis	Military Service	Complete		N/A
		Prepare quantitative drill downs (level 1&2)	Quantitative drill downs	Military Service	Complete		N/A
Prioritization	1.2	Develop a prioritization document of assessable units based on quantitative and qualitative factors	Assessable unit prioritization document	Military Service	Complete		N/A
		Develop a systems inventory list to include all current and future systems (including system environments)	System inventory list	Military Service	Complete		N/A
Test Controls and develop ICOFR SOA	1.3	Identify all relevant financial statement assertion risks and corresponding key control objectives (KCO) and document in Financial Improvement Plan (FIP)	Updated FIPs with financial statement assertion risks and KCOs	Military Service	Complete		N/A
		Prepare process and systems documentation	Narratives, flowcharts, risk assessments, control worksheets, system certifications and accreditations, system user listing, system and end user locations, system documentation	Military Service/DFAS	Complete		N/A
		Prepare controls assessment and evaluate design effectiveness	Control assessments	Military Service/DFAS	Complete		N/A
		Execute tests of controls	Test plans	Military Service/DFAS	See Appendix D		
		Summarize test results	Updated control assessments	Military Service/DFAS	See Appendix D		
		Identify, evaluate an classify deficiencies	Updated control assessments and Summary of Aggregated Deficiencies	Military Service/DFAS	Dependent on "Execute tests of controls"		
		Develop ICOFR SOA	ICOFR SOA memorandum and Summary of Corrective Action Plan	Military Service	Dependent on "Execute tests of controls"		
Evaluate Supporting Documentation	1.4	Prepare the population	Electronic detail populations and reconciliations	Military Service/DFAS	See Appendix D		
		Perform data mining	Documentation summarizing updated data mining results and required corrective actions	Military Service	See Appendix D		
		Identify and document documentation required	Supporting documentation criteria matrices	Military Service	Complete		N/A
		Determine retention requirements through an aging analysis demonstrating years documentation must be retained	Aging analysis	Military Service	Complete		N/A
		Test existence of supporting documentation	Test plans and test results	Military Service	See Appendix D		
		Summarize test results	Evaluation of test results	Military Service	Dependent on "Tests of existence of supporting documentation"		

Appendix D. Discovery Procedures

Appendix D

Discovery Procedures

Discovery Procedures	Detailed Risk	FIP Task	Key Controls	Key Supporting Documents	FISCAM X-Reference	FISCAM Requirement/Control Techniques	Responsible Party	Start Date	End Date	Resources (FTEs)
Manual Controls & Supporting Documentation										
Personnel Actions:										
1. Obtain a detailed population of all employee level payroll activity for a sample of pay periods (recommend using the DCPS Gross Pay File) (see FIAR Guidance, Appendix D, Section D.4 "Supporting Documentation Testing" for guidance on sample size).	N/A	1.4.1	N/A (Preparing Population)	29. Population definition and selection criteria and field layout definitions	N/A	N/A				
2a. To ensure the completeness and accuracy of the population, reconcile the detailed population to the general ledger (using the report/dollar amounts used to populate DDRS for financial reporting). As part of this step, verify a periodic reconciliation is performed to reconcile the DCPS Gross Pay File to the general ledger on a regular basis, the reconciliation is documented, and contains evidence of review. (see FIAR Guidance, Appendix D, Section D.2.3	7. Payroll and leave obligations, expenses, accruals and disbursements may be recorded incorrectly (accounting period, dollar amount, general ledger accounts/transactions codes) in the general ledger(s)	1.4.1 and 1.3.4	7a. Manual Control: Reconciliation between DCPS Gross Pay File and general ledger (trial balance, 218 or equivalent) used to populate DDRS to ensure the completeness and accuracy (dollar amount, appropriation, object class, accounting period, etc.) of obligations incurred, expenses and disbursements	26. Documentation evidencing reconciliation between DCPS Gross Pay File and general ledger and support that all differences were successfully resolved.	N/A	N/A				
	8. Payroll and leave obligations, expenses, accruals and disbursements are missing or incomplete in the general ledger(s)									
2b. To ensure the ongoing completeness and accuracy of employee-level personnel information in DCPDS and DCPS, review of sample of periodic DCPDS/DCPS employee-level reconciliations to ensure all differences (i.e. John Smith is a GS-13 in DCPDS and a GS-12 in DCPS) were resolved timely (see FIAR Guidance, Appendix D, Section D.2.3 "Execute Tests of Controls"	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPS	1.3.4	2b1. Manual Control: Reconciliation of personnel information between DCPDS and DCPS (name, SSN, grade/step, locality, etc.)	4. Documentation evidencing reconciliation between DCPS and DCPDS and support that all differences were successfully reconciled.	N/A	N/A				
	3b. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPS									
3. Perform initial data mining on population to identify and address unusual, invalid, and abnormal transactions (e.g. negative payroll amounts, duplicate payments, excessive hours) or missing data fields.	6. DCPS may not calculate or process gross to net payroll correctly	1.4.2	N/A (Preparing Population)	30. Data mining criteria	N/A	N/A				
4a. Once reconciled, select a sample of individual employee-level payroll transactions for testing and obtain the most recent SF-52/SF-50 that was in affect for the pay period selected (see FIAR Guidance, Appendix D, Section D.4 "Supporting Documentation Testing" for guidance on sample size).	3a. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPDS	1.4.5	N/A (Substantive Test)	1. SF 52s (Requests for Personnel Action) and SF 50s (Notifications of Personnel Action)	N/A	N/A				
4b. Compare the employee name, SSN, grade, step and locality between the SF-52, SF-50 and DCPS Gross Pay File to ensure the employee's information was accurately recorded in DCPS (MER File) used for calculation of payroll.	2b. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPS	1.4.5	N/A (Substantive Test)	1. SF 52s (Requests for Personnel Action) and SF 50s (Notifications of Personnel Action)	N/A	N/A				
4c. Verify the SF-52 (as applicable) was signed by the supervisor, authorizing the Request for Personnel Action	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	1.3.4	2a1. Manual Control: Supervisory review and approval of personnel actions	1. SF 52s (Requests for Personnel Action)	N/A	N/A				
4d. Verify the SF-50 was signed by the Human Resources Specialist, evidencing their review of the accuracy of the data input into DCPDS	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	1.3.4	2a1. Manual Control: Supervisory review and approval of personnel actions	1. SF 50s (Notifications of Personnel Action)	N/A	N/A				
4a. Review the documentation supporting the periodic certification of the accuracy/completeness of payroll master file records in DCPDS by supervisors across the organization. (see key control 3a)	3a. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPDS	1.3.4	3a. Manual Control: Period end data call and accuracy/completeness certifications of payroll master file records by supervisors across the organization	10. Documentation evidencing supervisor certification that all personnel data in DCPDS is complete and accurate for their employees	N/A	N/A				
4b. Perform an analysis of all retroactive pay adjustments (any increases or decreases to an individual's pay from an earlier period as a result of a personnel action that was not timely processed) after fiscal year end (e.g., October and November) to demonstrate the immateriality of untimely personnel actions	3a. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPDS	1.4.5	N/A (Substantive Test)	9. Analysis of pay adjustments (as a dollar and percentage of total bi-weekly payroll) to support the immaterial effect of retroactive adjustments	N/A	N/A				
	3b. Not all personnel actions/changes (hiring, separations, grade/step changes, locality, danger pay, etc.) are recorded in DCPS									
Disbursements:										
5. For the sampled pay periods selected in #1 above, review the reconciliations of the DCPS Gross Pay File to ADS (Disbursement Voucher).	2c. Incorrect payee or payment amount (name, address, dollar amount) may be recorded in ADS	1.3.4	2c1. Manual Control: Reconciliation of biweekly payroll disbursements between ADS and DCPS (Gross Pay File)	5. Documentation evidencing biweekly reconciliation of payroll disbursements between ADS and DCPS	N/A	N/A				
6. Verify the ADS voucher was reviewed and approved prior to processing	2c. Incorrect payee or payment amount (name, address, dollar amount) may be recorded in ADS	1.3.4	2c2. Manual Control: Independent review and approval (within ADS) of voucher for bi-weekly payroll disbursements	6. Approved ADS bi-weekly payroll disbursement voucher	N/A	N/A				
7. For the sample of employees selected in #4a above, obtain the ADS payment voucher that details the amount of net payment and compare it to the DCPS Gross Pay File to confirm the accuracy of the payment (e.g. employee name, dollar amount).	2c. Incorrect payee or payment amount (name, address, dollar amount) may be recorded in ADS	1.3.4	N/A (Substantive Test)	6. Approved ADS bi-weekly payroll disbursement voucher	N/A	N/A				
Time & Attendance:										
8a. For the sample of employees selected in #4a above, obtain the employee timesheet for the applicable time period. Also obtain any Leave and Overtime authorizations, if applicable. Verify each employee's timesheet was accurately recorded in DCPS, matching the employee name, SSN, regular, leave, overtime, differential, etc. hours from the timesheet to DCPS (Gross Pay File)	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.4.5	N/A (Substantive Test)	11. Signed/approved timesheets 12. Other T&A support (leave slips, overtime requests, etc.)	N/A	N/A				
8b. Verify the timesheet and any other supporting authorizations (e.g. leave, OT, etc.) were appropriately signed by a supervisor	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the T&A system. 4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.3.4	4a1/4b1. Manual Control: Supervisory review and approval of timesheets and related actions (Overtime, Leave, etc.)	11. Signed/approved timesheets 12. Other T&A support (leave slips, overtime requests, etc.)	N/A	N/A				
9. For the sampled pay periods selected in #1 above, review the reconciliations of the DCPS Gross Pay File to DCPS timekeeping and feeder Time & Attendance systems to ensure the completeness & accuracy of time input	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the T&A system. 5a. T&A information is missing or incomplete (number of hours, OT, leave, differential) in the T&A system	1.3.4	4a5. Manual Control: Reconciliation between T&A systems and DCPS (Gross Pay File) to demonstrate the completeness and accuracy of hours information. All differences are resolved in a timely manner.	15. Documentation evidencing reconciliation between T&A systems (T&A data) and DCPS (Gross Pay File) and support that all differences were successfully resolved in a timely manner.	N/A	N/A				
	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS. 5b. T&A information is missing or incomplete (number of hours, OT, leave, differential) in DCPS	1.3.4	4b6. Manual Control: Reconciliation between DCPS time and attendance information and the DCPS Gross Pay File to demonstrate the completeness and accuracy of hours information	18. Documentation evidencing reconciliation between DCPS (T&A data) and DCPS (Gross Pay File) and support that all differences were successfully resolved in a timely manner.	N/A	N/A				
10. Review the documentation supporting the review of employees with missing/below standard hours to ensure the completeness of time input.	5a. T&A information is missing or incomplete (number of hours, OT, leave, differential) in the T&A system	1.3.4	5a1. Manual Control: Review and resolution of employees without time or time below standard (T&A systems)	19. Documentation evidencing the biweekly review and resolution of employees without time or with time below the standard. (T&A systems)	N/A	N/A				
	5b. T&A information is missing or incomplete (number of hours, OT, leave, differential) in DCPS	1.3.4	5b1. Manual Control: Review and resolution of employees without time or time below standard (DCPS)	20. Documentation evidencing the biweekly review and resolution of employees without time or with time below the standard. (DCPS)	N/A	N/A				
Payroll Processing:										
11a. For the sample of employees selected in #4a above, look up their applicable pay rate (given their grade/step/locality per SF-52/SF-50) and recalculate their gross and net pay. Verify employee was paid correct amount as reported in DCPS (Gross Pay File)	6. DCPS may not calculate or process gross to net payroll correctly	1.4.5	N/A (Substantive Test)	22. Leave & Earning Statements (LES) 23. OPM Pay Tables 24. Documentation support any other pay or entitlements (e.g., special pay)	N/A	N/A				
11b. Verify manual recalculation of payroll is occurring on an ongoing basis for a sample of employees	6. DCPS may not calculate or process gross to net payroll correctly	1.3.4	6b. Manual Control: Recalculation of gross-to-net payroll for a sample of employees each pay period	25. Documentation evidencing the recalculation of gross-to-net payroll for a sample of employees each pay period.	N/A	N/A				
12. Select a sample of payroll-related undelivered orders & delivered orders (accrued payroll) recorded in the general ledger (see FIAR Guidance, Appendix D, Section D.4 "Tests of Supporting Documentation" for guidance on sample size). Obtain and review supporting documentation to verify amounts were appropriately calculated and recorded.	6. DCPS may not calculate or process gross to net payroll correctly	1.4.5	N/A (Substantive Test)	27. Documentation supporting undelivered orders and payroll accruals (e.g., prior pay period Gross Pay Files and support for calculations/adjustments for accrual)	N/A	N/A				
13. Select a sample of tri-annual obligation reviews, verify payroll obligations were reviewed and any stale obligations were removed timely (see FIAR Guidance, Appendix D, Section D.2.3 "Execute Tests of Controls" for guidance on sample size.	9. Stale obligations (undelivered orders or accrued delivered orders) may not be removed from the general ledger timely	1.3.4	9a. Manual Control: Triannual review of all open payroll obligations (undelivered orders and delivered orders/accounts payable (accruals))	28. Documentation evidencing triannual review of open payroll obligations	N/A	N/A				
Information System Controls (ITGCs & IS Application Controls)										

Discovery Procedures	Detailed Risk	FIP Task	Key Controls	Key Supporting Documents	FISCAM X-Reference	FISCAM Requirement/Control Techniques	Responsible Party	Start Date	End Date	Resources (FTEs)
For the systems listed below, perform the following steps regarding **IT General Controls (ITGCs):** 1. Identify and document ITGCs using the FIAR FISCAM Matrix. 2. Evaluate all controls to verify appropriateness of design. 3. Perform testing of all controls appropriately designed to ensure operating effectiveness. Leverage any existing SSAE 16 examinations by crosswalking SSAE 16 controls and test results to the FIAR FISCAM Matrix for the applicable system. Note: ITGCs must be identified at both the application level and entity level.		1.3.4	See FIAR FISCAM Matrix for listing of specific control activities and control techniques	N/A	N/A	N/A				
ITGCs for DCPDS	1a. ITGCs may not be appropriately designed or operating effectively over DCPDS									
ITGCs for DCPS	1b. ITGCs may not be appropriately designed or operating effectively over DCPS									
ITGCs for ATAAPS	1c. ITGCs may not be appropriately designed or operating effectively over T&A systems									
ITGCs for ODS	1d. ITGCs may not be appropriately designed or operating effectively over ODS									
ITGCs for ADS	1e. ITGCs may not be appropriately designed or operating effectively over ADS									
ITGCs for STANFINS	1f. ITGCs may not be appropriately designed or operating effectively over general ledger systems									
ITGCs for SOMARDS	1f. ITGCs may not be appropriately designed or operating effectively over general ledger systems									
ITGCs for GFEBS	1f. ITGCs may not be appropriately designed or operating effectively over general ledger systems									
For the systems listed below, perform the following steps regarding **IS Application Controls:** 1. Document all Automated controls using the FIAR FISCAM Matrix. 2. Evaluate all controls to verify appropriateness of designed. 3. For all controls appropriately designed, perform tests of operating effectiveness, using the FIAR FISCAM Matrix to document all results. Leverage any existing SSAE 16 examinations by crosswalking SSAE 16 controls and test results to the FIAR FISCAM Matrix for the applicable system.	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	1.3.4	2a2. IS Application Control: Personnel actions are not processed in DCPDS unless approved within DCPDS	N/A	BP-1.2.1	Procedures are established to provide reasonable assurance that all inputs into the application have been authorized, accepted for processing, and accounted for; and any missing or unaccounted for source documents or input files have been identified and investigated. Such procedures may include one or more of the following: • batch totals • sequence checking • reconciliations • control totals				
					BP-1.4.1	Documented approval procedures exist to validate input data before entering the system. Approval procedures are followed for data input.				
	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	1.3.4	2a3. IS Application Control: The approval role in DCPDS requires supervisory approval before it is granted and all individuals with an approval role are reviewed on a quarterly basis to determine whether the role is needed.	2. DD Form 2875, System Authorization Access Request (SAAR) evidencing supervisor approval of DCPDS role. 3. Documentation evidencing quarterly review of DCPDS roles.	AS-2.4.1	Before a user obtains a user account and password for the application, the user's level of access has been authorized by a manager and the application administrator.				
					AS-2.4.2	Owners periodically review access to ensure continued appropriateness.				
					AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.				
					AS-2.6.4	Owners periodically review access to sensitive transactions and activities to ensure continued appropriateness.				
	2a. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPDS	1.3.4	2a4. IS Application Control: DCPDS edit checks help ensure the accuracy of data input of personnel actions	N/A	BP-1.5.1	Appropriate edits are used to reasonably assure that data are valid and recorded in the proper format, including: • authorization or approval codes; • field format controls; • required field controls; • limit and reasonableness controls; • valid combination of related data field values; • range checks • mathematical accuracy • master file matching • duplicate processing controls; and • balancing controls.				
	2b. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPS	1.3.4	2b2. IS Application Control: Personnel actions cannot be recorded in DCPS, actions must be recorded in DCPDS and electronically interfaced in DCPS	N/A	IN-1.1.1	An interface strategy exists for each interface that includes the interface method, data fields being interfaced, controls to reasonably ensure a complete and accurate interface, schedule, assignment of responsibilities, system balancing requirements and security requirements.				
	2b. Incorrect personnel information (SSN, grade/step, locality, etc.) may be recorded in DCPS	1.3.4	2b3. IS Application Control: Personnel information interfaced from DCPDS to DCPS passes through a series of edit checks to ensure accuracy of personnel record updates posted to DCPS	N/A	IN-1.2.1	An interface design exists for each interface and includes appropriate specifications based on the business requirements, including: • validations and edits • ownership of the interface process • error correction and communication methods				
	2c. Incorrect payee or payment amount (name, address, dollar amount) may be recorded in ADS	1.3.4	2c3. IS Application Control: Disbursements are not processed in ADS unless approved within ADS.	N/A	BP-1.2.1	Procedures are established to provide reasonable assurance that all inputs into the application have been authorized, accepted for processing, and accounted for; and any missing or unaccounted for source documents or input files have been identified and investigated. Such procedures may include one or more of the following: • batch totals • sequence checking • reconciliations • control totals				
						Documented approval procedures exist to validate input data before entering the system. Approval procedures are followed for data input.				
	2c. Incorrect payee or payment amount (name, address, dollar amount) may be recorded in ADS	1.3.4	2c4. IS Application Control: The approval role in ADS requires supervisory approval before it is granted and all individuals with an approval role are reviewed on a quarterly basis to determine whether the role is needed.	7. DD Form 2875, SAAR evidencing supervisor approval of ADS role. 8. Documentation evidencing quarterly review of ADS roles.	AS-2.4.1	Before a user obtains a user account and password for the application, the user's level of access has been authorized by a manager and the application administrator.				
					AS-2.4.2	Owners periodically review access to ensure continued appropriateness.				
					AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.				

Discovery Procedures	Detailed Risk	FIP Task	Key Controls	Key Supporting Documents	FISCAM X-Reference	FISCAM Requirement/Control Techniques	Responsible Party	Start Date	End Date	Resources (FTEs)
					AS-2.6.4	Owners periodically review access to sensitive transactions and activities to ensure continued appropriateness.				
	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the T&A system.	1.3.4	4a2. IS Application Control: Time information is not submitted to DCPS unless electronically approved by reviewer	N/A	BP-1.2.1	Procedures are established to provide reasonable assurance that all inputs into the application have been authorized, accepted for processing, and accounted for; and any missing or unaccounted for source documents or input files have been identified and investigated. Such procedures may include one or more of the following: • batch totals • sequence checking • reconciliations • control totals				
					BP-1.4.1	Documented approval procedures exist to validate input data before entering the system. Approval procedures are followed for data input.				
	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the T&A system.	1.3.4	4a3. IS Application Control: The approval role in T&A systems requires supervisory approval before it is granted and all individuals with an approval role are reviewed on a quarterly basis to determine whether the role is needed.	13. DD Form 2875, SAAR evidencing supervisor approval of T&A system role. 14. Documentation evidencing quarterly review of T&A system roles.	AS-2.4.1	Before a user obtains a user account and password for the application, the user's level of access has been authorized by a manager and the application administrator.				
					AS-2.4.2	Owners periodically review access to ensure continued appropriateness.				
					AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.				
					AS-2.6.4	Owners periodically review access to sensitive transactions and activities to ensure continued appropriateness.				
	4a. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in the T&A system.	1.3.4	4a4. IS Application Control: T&A system edit checks help ensure the accuracy of data input of time information	N/A	BP-1.5.1	Appropriate edits are used to reasonably assure that data are valid and recorded in the proper format, including: • authorization or approval codes; • field format controls; • required field controls; • limit and reasonableness controls; • valid combination of related data field values; • range checks • mathematical accuracy • master file matching • duplicate processing controls; and • balancing controls.				
	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.3.4	4b2. IS Application Control: Time information is not submitted for pay processing within DCPS unless electronically approved by supervisor	N/A	BP-1.2.1	Procedures are established to provide reasonable assurance that all inputs into the application have been authorized, accepted for processing, and accounted for; and any missing or unaccounted for source documents or input files have been identified and investigated. Such procedures may include one or more of the following: • batch totals • sequence checking • reconciliations • control totals				
					BP-1.4.1	Documented approval procedures exist to validate input data before entering the system. Approval procedures are followed for data input.				
	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.3.4	4b3. IS Application Control: The approval role in DCPS requires supervisory approval before it is granted and all individuals with an approval role are reviewed on a quarterly basis to determine whether the role is needed.	16. DD Form 2875, SAAR evidencing supervisor approval of DCPS role. 17. Documentation evidencing quarterly review of DCPS roles.	AS-2.4.1	Before a user obtains a user account and password for the application, the user's level of access has been authorized by a manager and the application administrator.				
					AS-2.4.2	Owners periodically review access to ensure continued appropriateness.				
					AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.				
					AS-2.6.4	Owners periodically review access to sensitive transactions and activities to ensure continued appropriateness.				
	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.3.4	4b4. IS Application Control: Time information interfaced from T&A system(s) to DCPS passes through a series of edit checks to ensure accuracy of time information	N/A	IN-1.2.1	An interface design exists for each interface and includes appropriate specifications based on the business requirements, including: • validations and edits • ownership of the interface process • error correction and communication methods				
	4b. Incorrect T&A information (number of hours, OT, leave, differential) may be recorded in DCPS.	1.3.4	4b5. IS Application Control: DCPS edit checks help ensure the accuracy of data input of time information directly into DCPS	N/A	BP-1.5.1	Appropriate edits are used to reasonably assure that data are valid and recorded in the proper format, including: • authorization or approval codes; • field format controls; • required field controls; • limit and reasonableness controls; • valid combination of related data field values; • range checks • mathematical accuracy • master file matching • duplicate processing controls; and • balancing controls.				
		1.3.4	6a. IS Application Control: Review and approval of any changes to pay rates in DCPS	21. Documentation evidencing review and approval of DCPS pay tables changes	BP-4.2.2	Changes to the master data design are approved by appropriate personnel				
					BP-4.6.2	Data owners monitor master data design changes, and approve and monitor master data creation, deletion and changes to master data on a regular basis.				
	6. DCPS may not calculate or process gross to net payroll correctly	1.3.4	6c. IS Application Control: DCPS limits users ability to change grade/step and pay rate information (through the use of roles)	N/A	AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.				
	6. DCPS may not calculate or process gross to net payroll correctly	1.3.4	6d. IS Application Control: Roles needed to adjust grade/step and pay rate information within DCPS are approved by a supervisor and reviewed on a quarterly basis to determine whether the role is needed.	16. DD Form 2875, SAAR evidencing supervisor approval of DCPS role. 17. Documentation evidencing quarterly review of DCPS roles.	AS-2.4.1	Before a user obtains a user account and password for the application, the user's level of access has been authorized by a manager and the application administrator.				
					AS-2.4.2	Owners periodically review access to ensure continued appropriateness.				

Appendix D									
Discovery Procedures									
Discovery Procedures	Detailed Risk	FIP Task	Key Controls	Key Supporting Documents	FISCAM X-Reference	FISCAM Requirement/Control Techniques	Responsible Party	Start Date	End Date	Resources (FTEs)
					AS-2.6.2	Owners authorize users to have access to sensitive transactions or activities.			
					AS-2.6.4	Owners periodically review access to sensitive transactions and activities to ensure continued appropriateness.			
ITGCs for DCPDS							Military Service		
ITGCs for DCPS							DFAS		
ITGCs for ATAAPS							Military Service		
ITGCs for ODS							DFAS		
ITGCs for ADS							Military Service		
ITGCs for STANFINS							DFAS		
ITGCs for SOMARDS							DFAS		
ITGCs for GFEBS							DFAS		

Note: If key controls prove to be inadequately designed or operating ineffectively, Reporting Entities may need to perform additional/expanded substantive testing to demonstrate low risk of material misstatement.

Appendix E. Audit Readiness Communication Key Tasks, Activities & Deliverables

Audit Readiness Communication & Monitoring					
Key Tasks	**Activities**	**Deliverables**	**Responsible Party**	**Start Date**	**End Date**
Financial Improvement Plan (FIP) updates	Review FIP tasks assigned to DFAS and update the FIP.	Monthly FIP updates	DFAS	Performed monthly	
	Review FIP tasks assigned to Military Service and update the FIP.	Monthly FIP updates	Military Service	Performed monthly	
	Submit the updated FIP to FIAR on a monthly basis.	Monthly FIP updates	Military Service	Performed monthly	
MOU Updates for Document Development and Retention Agreement	Develop and agree on rules for the development, completion, and retention of supporting documentation for transactions affected by the service provider. Mutually decide what supporting documentation will be retained, who will retain it, and clearly define responsibilities for providing auditor with documentation upon request.	MOU Update	Military Service and DFAS	XX/XX/11	XX/XX/11
Validation of Audit Readiness Progress	Identify key FIP milestone dates for CivPay (i.e. completion of "pilot" reconciliation).	Identification of key FIP milestones and estimated completion dates.	Military Service	XX/XX/11	XX/XX/11
	When FIP milestones are achieved, validate audit readiness progress through inspection of supporting documentation and discussions with key personnel.	Make final determination of whether FIP milestone is achieved and update FIP, if needed.	Military Service	As needed	
Issue Tracking	Develop and maintain a "parking lot" of issues and risks raised during audit readiness efforts.	"Parking lot" of issues and risks identified during audit readiness efforts	Military Service	XX/XX/11	ongoing
	Develop Plans of Action and Milestones (or similar document) for each issue/risk identified that assigns appropriate resources and lays out a clear action plan to resolve the issue and/or mitigate the risk.	Plans of Action and Milestones for each issue/risk	Military Service	XX/XX/11	ongoing
	Identify any issues and/or risks that may impact audit readiness efforts and provide listing to Military Service with potential FIP tasks that may be impacted.	Issue/Risk Listing	DFAS	XX/XX/11	ongoing
Issue Resolution	Coordinate with FIAR and the appropriate Military Service and OSD accounting policy offices to ensure all key accounting issues are centrally tracked, solutions are developed and vetted, and policy changes are adopted to resolve accounting issues that will impact Military Service CivPay.	Develop solutions to accounting issues and policy changes, if needed	Military Service	XX/XX/11	ongoing
	For issues and risks that do not have a clear plan and timelines developed within 3 months, raise issue to ASA FM&C and DFAS Site Director for resolution.	N/A	Military Service/DFAS	As needed	
Monitoring IT Systems	Develop a listing of all system remediation efforts and upcoming system implementations, to include major deliverable dates.	Listing of all system remediation efforts and upcoming implementations	Military Service	XX/XX/11	XX/XX/11
	Participate in system implementation meetings, incorporating any changes in approach, timing, and circumstances of implementations into the overall audit readiness schedule.	N/A	Military Service	Ongoing	
	Provide monthly updates to the Military Service regarding system implementations that could affect Military Service CivPay.	Monthly updates for system implementations	DFAS	Performed monthly	

Appendix F. Audit Sustainment Key Tasks, Activities & Deliverables

Key Tasks	Activities	Deliverables	Responsible Party	Start Date	End Date
Audit Sustainment					
Infrastructure	Develop audit infrastructure and organization structure to manage supporting documentation requests to include best practices for: • Receiving requests from auditors and tracking status of requests; • Coordinating with field personnel to collect and submit documentation to the auditors; and • Responding to auditor questions about documentation.	Written plan for development of infrastructure for managing supporting documentation requests	Military Service	XX/XX/11	XX/XX/11
	Development of a database that will house all supporting documentation provided to the auditors that will allow for quick retrieval by auditors (i.e. SharePoint)	Database for supporting documentation retention	Military Service	XX/XX/11	XX/XX/11
	Identify appropriate POCs for potential auditor data requests. Also, ensure POCs are familiar with the methodology and best practices for providing auditors with supporting documentation.	POC listing, updated as needed	DFAS	XX/XX/11	XX/XX/11
ICOFR Testing	In accordance with FIAR Methodology, perform activities for ICOFR on an annual basis.	Updated narratives/flowcharts, risk and control analyses, test plans, test results, corrective action plans, ICOFR SOA	Military Service/DFAS	Ongoing	
Issue Tracking	Develop and maintain a "parking lot" of issues and risks raised during the annual audit or ICOFR testing.	"Parking lot" of issues and risks	Military Service	XX/XX/11	Ongoing
	Develop Plans of Action and Milestones (or similar document) for each issue/risk identified that assigns appropriate resources and lays out a clear action plan to resolve the issue and/or mitigate the risk.	Plans of Action and Milestones for each issue/risk	Military Service	XX/XX/11	Ongoing
	Identify any issues and/or risks that may impact on the annual audit	Issue/Risk Listing	DFAS	XX/XX/11	Ongoing
Issue Resolution	Coordinate with FIAR and OSD accounting policy offices to ensure all key accounting issues are centrally tracked, solutions are developed and vetted, and policy changes are adopted to resolve accounting issues that will impact CivPay.	Develop solutions to accounting issues and policy changes, if needed	Military Service	XX/XX/11	Ongoing
	For issues and risks that do not have a clear plan and timelines developed within 3 months, raise issue to ASA FM&C and DFAS Site Director for resolution.	N/A	Military Service/DFAS	As needed	
Monitoring IT Systems	Maintain listing of all system remediation efforts and upcoming system implementations, to include major deliverable dates.	Listing of all system remediation efforts and upcoming implementations	Military Service	Ongoing	
	Participate in system implementation meetings, identifying potential effects on the annual audit.	None	Military Service	As needed	