

APPENDIX F**Internal Control Review Checklist**

TASK: Financial Management

SUBTASK: Reserve Component Pay Activities

THIS CHECKLIST: Pay Procedures at the Unit Level

ASSESSABLE UNIT:

IMPLEMENTATION:

ORGANIZATION:

ACTION OFFICER:

REVIEWER:

DATE COMPLETED:

EVENT CYCLE: Inactive Duty Training Pay

STEP # 1: The soldier's DJMS-RC pay elections (SF 1199A) is prepared to submit the soldier's pay option to DJMS-RC through the Military Pay Section.

RISK: Establishment of erroneous mailing address and noncompliance with NGB directive that all personnel enlisted/appointed after 1 October 1987 will participate in the SURE-PAY program.

CONTROL OBJECTIVE:

1. Establish designated mailing addresses on the DJMS-RC Master Military Pay Account (MMPA).
2. Promote SURE PAY, Direct Deposit (DD)/Electronic Fund Transfer System (EFT) among current soldiers and ensure all personnel enlisted/appointed after 1 October 1987, and not exempted from participation by the State Adjutant General, are enrolled in SURE-PAY.

CONTROL TECHNIQUE:

1. Mailing addresses established on DJMS-RC are supported by a DA Form 3685 on file in the unit training file. A corrected mailing address, when necessitated by a change, is forwarded to SIDPERS. All SURE-PAY elections are supported by the required SF 1199A.

2. Advantages of SURE-PAY (DD/EFT) are discussed with each current soldier. It is mandatory that each soldier enlisted/appointed after 1 October 1987 be enrolled in the SURE-PAY program unless exempted in writing by the State Adjutant General.

TEST QUESTION:

1a. Are all mailing addresses supported by a DA Form 3685 signed by the soldier concerned?

RESPONSE:	YES	NO	NA
REMARKS:			

1b. Are all SURE-PAY (DD/EFT) elections supported by the necessary SF 1199A completed by the soldier and associated financial institution?

RESPONSE:	YES	NO	NA
REMARKS:			

1c. Are all current soldiers encouraged to participate in the SURE-PAY program?

RESPONSE:	YES	NO	NA
REMARKS:			

1d. Are all soldiers that were enlisted/appointed after 1 October 1987, and not exempted from participation by the State Adjutant General, enrolled in the SURE-PAY program?

RESPONSE:	YES	NO	NA
REMARKS:			

STEP # 2: Personnel accountability to eliminate unearned/incorrect payments for IDT/AD and improper status codes on the DA Forms 1379.

RISK: Soldiers will receive unearned/incorrect payments or soldiers will be coded incorrectly on the unit's DA Form 1379. The DAMPRE system will be provided erroneous drill attendance data and cannot be used as the management tool for which designed.

CONTROL OBJECTIVE: To totally eliminate improper status codes being placed on the unit's DA Form 1379, which can be accomplished by command emphasis on personnel accountability at the unit level.

CONTROL TECHNIQUE:

1. Controls are established to ensure a complete review of each soldier's status prior to a submission of an AD or AT payroll. No soldier may be authorized to perform IDT and AD/AT on the same calendar day. There is also a limited number/types of additional training periods that may be performed on the same day during IDT performance. (See ARNG Unit Level Finance Procedures Manual, table 3-3).
2. Controls are in place to ensure a final review of the working copy of the DA Form 1379 after the final attendance verification of the last period of the last day of IDT. This review must be accomplished with the unit commander, first sergeant, and the person responsible for typing the payroll copy of the DA Form 1379. This method should eliminate improper coding of personnel on the DA Form 1379. The chain of command must be aware of their responsibilities in the areas of personnel accountability.
3. Controls are established to ensure a rapid response to corrections to the DA Form 1379. Administrative personnel must know the proper procedure for submission of requests to change a status code on the unit's DA Form 1379. (See ARNG Unit Level Finance Procedures Manual, paragraph 3-10.)
4. Controls are in place to ensure rapid identification of the necessary collection actions required to adjust accounts of soldiers who have received overpayments.
5. Each Major headquarters will ensure that all the above are made routine items of review during each command inspection and staff visit.

TEST QUESTIONS:

1. Are rescheduled training assembly (RST) and equivalent training (ET) authorizations prepared prior to or during the IDT assembly and on hand prior to the final review of the working copy of the DA Form 1379? RST authorizations for duty performed prior to the scheduled assembly must have been prepared prior to the date of duty.

RESPONSE:	YES	NO	NA
REMARKS:			

2. Are the RST and ET authorizations, along with AD/ADSW/AT orders reviewed prior to coding of the DA Form 1379?

RESPONSE:	YES	NO	NA
REMARKS:			

3. Are IADT/IET orders reviewed prior to coding of the DA Form 1379?

RESPONSE:	YES	NO	NA
REMARKS:			

4. Is table 3-3 of ARNG Unit Level Finance Procedures Manual reviewed prior to authorizing the performance of an ATA, RMA, or other additional IDT drills on the same calendar day that other IDT training is scheduled?

RESPONSE:	YES	NO	NA
REMARKS:			

5. Are actual reviews made by the commander, first sergeant, and unit clerk prior to the close of the last training assembly of the month to verify all attendance codes on the working copy of the DA Form 1379 and preclude improper attendance status coding?

RESPONSE:	YES	NO	NA
REMARKS:			

6. Is Master Military Pay Accounting History Report reviewed to ensure correct payments for each soldier?
 (NOTE: MPS/HRO should be reviewing DJMS-AC LESSs for AGR soldiers.)

RESPONSE:	YES	NO	NA
REMARKS:			

7. Are unit administrative personnel knowledgeable of the proper procedures to change attendance codes on the DA Form 1379?

RESPONSE:	YES	NO	NA
REMARKS:			

8. Are these procedures reviewed by major headquarters during each command inspection/staff visit?

RESPONSE:	YES	NO	NA
REMARKS:			

STEP # 3: The necessary actions and controls are established to ensure that RST and ET are performed within the established windows (NGR 350-1).

RISK: Soldiers will be permitted to perform RSTs and/or ET outside the authorized window, which is in direct conflict with NGB 350-1 and Title 32, U.S.C.

CONTROL OBJECTIVE: To prevent RST and/or ET from being performed and paid outside the window.

CONTROL TECHNIQUE:

1. Each major command and unit will establish an adequate plan to prevent payment and performance for RST and/or ET performed outside the required windows.
2. Each command must be aware that the basic IDT assembly and all RSTs for that assembly must be completed within 90 consecutive days from the date of the assembly or the date the first element performs a RST, whichever is earlier.
3. Each command must also be aware that all ET must be performed within 60 calendar days after the missed period of duty.

4. Each command must also be aware that a RST is authorized for the welfare of the unit and not for the convenience of the soldier. ETs are scheduled due to unforeseen emergency situations of a personal nature and only four periods per training year may be authorized. A cumulative total of both RST and ET periods performed is listed on each soldier's DJMS-RC LES and MMPA History Report.

5. RSTs are always scheduled in advance, in writing, and prior to or on the date of the scheduled assembly. ET is also scheduled in advance, in writing, or during the scheduled assembly, as the personal situation dictates.

TEST QUESTIONS:

1. Has an adequate plan to prevent payment and performance outside the window been established?

RESPONSE:	YES	NO	NA
REMARKS:			

2. Do all personnel concerned understand the window on RSTs?

RESPONSE:	YES	NO	NA
REMARKS:			

3. Do all personnel concerned understand the window on ET?

RESPONSE:	YES	NO	NA
REMARKS:			

4. Does the commander only authorize a RST for the welfare of the unit?

RESPONSE:	YES	NO	NA
REMARKS:			

5. Does the commander only authorize ET as intended by NGR 350-1?

RESPONSE:	YES	NO	NA
REMARKS:			

6. Are RSTs scheduled in advance or during the drill and in writing?

RESPONSE:	YES	NO	NA
REMARKS:			

7. Is ET scheduled in advance or during the assembly and in writing?

RESPONSE:	YES	NO	NA
REMARKS:			

8. Is the scheduling of RSTs and ET an item of interest during all command inspections and staff visits?

RESPONSE:	YES	NO	NA
REMARKS:			

STEP # 4: Plans and controls are in place to ensure proper actions at the unit level to resolve pay inquiries and claims.

RISK: Incomplete, inaccurate, or inadequate responses to valid inquiries and claims will be made. Errors will not be corrected as required.

CONTROL OBJECTIVE:

1. Necessary controls are established to ensure that LESs, MMPAs and other documents available are reviewed to determine if any inquiry can and should be resolved at the unit level.

2. Existing procedures are followed in processing AD and AT claims for separated members.

TEST QUESTIONS:

1. Are all available resources utilized at the unit level to resolve and respond to pay inquiries?

RESPONSE:	YES	NO	NA
REMARKS:			

2. Are claims/collections for AD and AT forwarded to the MPS as soon as the discrepancy is identified?

RESPONSE:	YES	NO	NA
REMARKS:			

3. Do units receive a response from the MPS in regard to their inquiry?

RESPONSE:	YES	NO	NA
REMARKS:			

EVENT CYCLE: Payment of Basic Allowance for Housing

STEP #1: The soldier's DA Form 5960 is used to determine a soldier's dependents. A single soldier must have physical custody of a child to claim the child as a dependent for BAH purposes. A single soldier should receive BAH at the without rate and may receive BAH-DIFF if the amount of child support exceeds the BAH-DIFF rate.

RISK: Establishment of an erroneous dependency status can result in an overpayment of pay and allowances when a single soldier is performing active duty.

CONTROL OBJECTIVE:

1. Report the correct dependency status to DJMS-RC for single soldiers.
2. Ensure the correct rate of BAH is paid a single soldier while performing active duty.

CONTROL TECHNIQUE:

1. A soldier completes a DA Form 5960 to establish BAH dependency. The DA Form 5960 is forwarded to SIDPERS for input. DJMS-RC is updated through the SIDPERS interface file. A soldier must update the DA Form 5960 upon change of status. A soldier must re-certify his/her dependency status every three years.
2. Controls are in place to ensure the single soldier claiming support of a dependent is receiving the correct rate of BAH.

TEST QUESTIONS:

1. Are single soldiers claiming physical custody of the child on the DA Form 5960?

RESPONSE:	YES	NO	NA
REMARKS:			

2. Are single soldiers providing documentation requiring payment of support to the individual having physical custody of the child?

RESPONSE:	YES	NO	NA
REMARKS:			

3. Has the unit notified the USPFO, MPS that the soldier does not have physical custody of the child?

RESPONSE:	YES	NO	NA
REMARKS:			

4. Does the unit require soldiers to certify their dependency status every three years?

RESPONSE:	YES	NO	NA
REMARKS:			

I attest that the above listed internal controls provide reasonable assurance that Army National Guard resources are adequately safeguarded. I am satisfied that if the above controls are fully operational, the internal controls for this subtask throughout the ARNG are adequate.

/s/Larry R. Jones
LARRY R. JONES
Colonel, GS
Chief, Army Comptroller Division, NGB

I have reviewed this subfunction within my organization and have supplemented the prescribed internal control checklist when warranted by unique local operating conditions. The controls prescribed in this checklist, as amended, are in place and operational for my organization (except for the weaknesses described in the attached plan which includes schedules for correcting the weaknesses).*

(Operating manager's name and signature block)

*Line through parenthetical phrase if no weaknesses have been discovered.