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MANAGEMENT CONTROLS

B.1.PS - A. Internal Control Procedures Manual

Determine whether the FPD Office's internal controls procedures manual is up-to-date and comprehensive. Identify any missing elements.

Determine if the manual meets the minimum standards set forth in the Internal Controls Handbook for the Federal Courts and the Guide?

Determine if the manual accurately reflects the FPD Office operations.

B.2.PS - B. Evaluation of Internal Control Procedures

Determine if evaluations of internal control procedures are performed at least annually.

Determine if the individual who performs the evaluation has sufficient independence (i.e., someone other than the administrative officer).

Determine what is reviewed. Assess the adequacy of coverage. Review coverage for compliance with Administrative Office guidelines.

Determine whether the results of the evaluation of internal control procedures are adequately documented.

Determine if follow up action has been taken on deficiencies identified by the evaluation.

B.3.PS - C. Training

Determine whether someone is trained as back-up to maintain all financial records in the absence of the record keeper.

B.4.PS - D. Security Over Penalty Postage Meter

If the FPD Office uses a penalty postage meter determine that:

- a) Access to the penalty meter is limited to authorized users (employees designated to process outgoing mail).
- b) The penalty meter is locked during the day when not in use.
- c) The penalty postage meter key is secured in a safe or locked cabinet at night.

Source:

Volume XIII, Chapter XVII, Part C, 24.

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B.5.PS - E. Commercial Checking Accounts

Are there any commercial bank accounts maintained by the FPD Office?

Document purpose and account balance and report to the Office of Audit immediately.

B.6.PS - F. Automated Financial Systems

Internal Controls Environment

Identify all automated financial recordkeeping systems used in FPD Office operations.

Determine the following:

- a) Name of software (FAST).
- b) Is the system password protected?
- c) Is there a daily back-up of data?
- d) Are the operating procedures in writing?
- e) Is there off-site storage of data?
- f) Who has access to each program and subsystem?
- g) Are the internal controls for the automated system included in the internal control procedures manual?
- h) Has the court unit assigned responsibility for the development and implementation of computer security policies and procedures? (IRM Bulletin 98-9)

B.7.PS - G. FAS4T Audit Tests User Authorization

Are roles and privileges properly assigned within the FAS₄T system?

Are all FAS₄T User Profile forms filled out completely and signed by the supervising authority, the Federal Public Defender, and the Security Administrator?

Are the profiles reviewed for internal control conflicts? Are the profiles signed or initialed indicating that such a review has been performed?

Are the system privileges outlined in the User Profile Form accurately recorded in the FAS₄T system?

- a) Are the FAS₄T security reports compared to the User Profile Forms on a periodic basis (e.g., annually)?
- b) Are discrepancies noted and reported to the proper authority?
- c) Are discrepancies resolved? That is, if a user has security privileges not noted on the security profile are they removed?

Are separated employees removed (inactivated) from the FAS₄T system in a timely fashion?

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B.8.PS - H. Petty Cash Fund

If the FPD Office has a fund, identify the Class A or B cashier and alternate custodian.

Determine if the fund is used properly:

- a) Are individual payments from the fund limited to a maximum of \$25?
- b) Are fund payment authorizations written in ink or typed to prevent alterations?
- c) Is the Class A or B cashier or alternate required to reconcile the fund each time a reimbursement payment authorization is prepared?

Determine whether the fund is secured in a locked receptacle during the day and in the vault or safe at night.

B.9.PS - I. Stewardship Training

Determine if the unit executive has attended Stewardship training within the audit period.

If yes, when?

If not, why?

What if anything have they changed or improved as a result of attending the class.

Were findings that occurred prior to attending training were corrected after attendance.

FUND CONTROL

C.1.PS - A. Status of Funds Report

Review the Status of Funds Report:

- a) Determine whether the Status of Funds Report is prepared properly, i.e., does it reflect allotments, obligations, expenditures, and reprogrammed funds. Are fund balances current? Do the amounts on the report agree with FAS4T?
- b) Verify that the unliquidated obligations on the Status of Funds Report agree with outstanding purchase orders.
- c) Verify that unliquidated obligations are reviewed and closed on a timely basis.
- d) Verify that the outstanding purchase orders were signed and issued to the vendors.
- e) Check prior end-of-year obligations to ensure their validity (i.e., that the FPD's Office is not using prior-year or old obligations to reserve funds for future expenditures.)
- f) Verify that prior-year total obligations do not exceed prior-year total net allotments.

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Verify each allotment transaction total at the fund level for the current and prior fiscal year. Determine that the allotment balances are in agreement with the budget reports from the AO, including supplementals.

Determine whether obligations are recorded promptly. For purchase orders, RWAs, and other documented orders, this should be immediately upon issuance of the document. For monthly accruals such as shipping charges, GSA car rentals, and any other obligations which must be estimated, this should be monthly before the last business day of the month. (AO held allotments should be accrued quarterly.)

Determine whether the basis for estimated obligation accruals (i.e., the method of computing the estimate) has been documented.

Determine if there are any BOCs where all the funds are immediately obligated in the beginning of the fiscal year (blanket purchase agreements, etc.).

Verify that payroll actual expenditures and payroll accruals are being recorded in FAST on a monthly basis.

Who is authorized to obligate funds?

How are the obligations approved and recorded?

Who follows-up on outstanding purchase orders?

Verify that the FPD's Office requires written travel authorizations to be prepared in advance for all official travel.

PAYMENT AUTHORIZATION PROCESSING

D.1.PS - A. Internal Controls

Verify if there is adequate separation of duties between the individuals responsible for authorizing purchases, issuing purchase orders, receiving goods and services, and approving and certifying payment authorizations for payment.

Determine if Approving Officers review invoices for accuracy and verify that goods or services billed were actually received prior to approving payment authorizations.

Determine if the FPD office has a procedure to prevent duplicate invoices from being sent to district court for payment (e.g., is the invoice number entered into FAS4T?).

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Does the FPD office expedite payment authorization approval to take advantage of prompt payment discounts?

Verify that expenses were paid from funds of the fiscal year in which the obligation was incurred.

Prior to issuing payment authorizations for payment, all invoices should be reconciled to inventories of equipment, purchases orders, etc., to ensure the accuracy of billing. When invoices are received, who ensures that the goods and services billed were actually received? Evaluate the procedures.

D.2.PS - B. Questions for Administrative Officers

Have you been directed to process any financial transactions that you felt uncomfortable about processing? If yes, please explain the situation and identify the specific transactions. (Auditor - Review the transactions for propriety.)

Do you have any concerns regarding any transactions that you have processed during the audit period? If yes, please explain your concerns and identify the specific transactions. (Auditor - Review the transactions for propriety.)

Provide the Administrative Officers with a complete list of "Prohibited Items" from Acquisition Bulletin 2002-1 (dated November 2001) and ask if any items on the list have been purchased. If yes, have them identify the specific transactions. (Auditor - Review the transactions for propriety.)

Have you or any other employees received any gifts from any vendors? (such as briefcases, clothing, TVs, etc.)

Verify that the outstanding purchase orders were signed and issued to the vendors.

Are you aware of any non-monetary awards that have been given to several or all employees? (This may constitute gifts to employees if proper criteria are not met.)

Are you related to any vendors?

Have you socialized with any vendors outside of the office?

Has the Office received any rebates from vendors and if so, how are they handled?

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D.3.PS - C. Audit Tests

Select a random sample of 30 disbursement payment authorizations prepared during the audit period. Fifteen samples must be exceed \$5,000, where the remaining samples have no minimal dollar range.

Note: All 30 payment authorizations will be tested in Payment authorization Processing and the 15 samples over \$5,000 will also be tested in the Procurement section. See section IV.1.5 for Procurement testing.

- 1) The payment authorization was authorized by an authorized approving officer.
- 2) The payment authorization was paid in a timely manner to ensure that allowable discounts were taken (where applicable).
- 3) Payment authorizations were processed in a timely manner.
- 4) The items purchased appear to be reasonable. If certifying officers legislation has been implemented in the court unit, include the following additional attribute in the payment authorization test:
- 5) The payment authorization has adequate supporting documentation (e.g. purchase orders, original bills or invoices, receiving reports, etc. Note: For all travel payment authorizations verify that a travel authorization is attached to the payment authorization.)

PROCUREMENT

E.1.PS - Procurement

- A. Verify that the Federal Public Defender has delegated the procurement authority by developing a written re-delegation of procurement authority for the Procurement Liaison Officer (PLO).
- B. Verify that the Procurement Liaison Officer (PLO) has developed written delegations of authority for persons named as Contracting Officers (COs).
- C. Verify that the Procurement Liaison Officer (PLO) and all Contracting Officers (COs) have taken the required training and are listed on the InfoWeb listing provided by the Procurement Management Division (PMD).

Source:

- A. The Guide, Volume 1, Chapter 8, Part A, Exhibit A-4
- B. The Guide, Volume 1, Chapter 8, Part A, Exhibit A-5

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Refer to the 15 samples selected (in excess of \$5,000) in the Payment authorization Processing step III.C.1. Test 15 payment authorizations that exceeded \$5,000 in step IV.2.

Select a random sample (no less than ten) of open market procurement actions that exceed \$5,000 in aggregate from the purchase order log or allotment control ledger.

- a) Determine whether adequate competition was sought and documented.
- b) Where lowest price was not the basis of selection, determine whether the factors used for selection were approved by the Procurement Management Division.
- c) Determine whether the purchase appears to be reasonable.

Review purchase order log for repeated purchases from a single vendor. Determine whether adequate competition was documented to justify repeated acquisition from one vendor. Look for evidence of split purchases. (Pay particular attention to orders issued during the months of August and September).

Select a random sample (no less than five) of GSA Schedule orders exceeding \$2,500. Verify that three bids or price quotes were obtained for each purchase.

Select a random sample (no less than ten) from the purchase order log or allotment control ledger for open market procurement actions in excess of \$25,000. If found:

- a) Verify that a specific written delegation of authority from AO is on file for the procurement, or that the procurement was made under a delegated procurement program.
- b) Determine whether adequate competition was sought and documented.
- c) Determine that the purchase appears reasonable.

Review the purchase order log for GSA Schedule automation procurement actions in excess of \$50,000. If found, verify that a specific written delegation of authority from the AO is on file for the procurement. Determine that the purchase appears reasonable.

Review the purchase order log and allotment control ledger for any procurements just under the threshold for AO required approvals.

- a) Does it appear that an effort was made to circumvent the required procurement procedures?
- b) Does the cost appear reasonable for the items purchased?
- c) Is the equipment or software currently being used? If not, determine the reason and verify that the equipment or software is actually in the court unit's possession.

Verify that the cyclical replacement policy for personal computers is every three years. (Any shorter replacement cycle is considered to be wasteful.)

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TENANT ALTERATIONS

F.1.PS - Tenant Alteration Payment authorizations

Automatically include 100% of all "large" (>\$25,000) 2515 transactions in the list of transactions to be tested and verified.

Review twenty 2515 (tenant alterations) payment authorizations. Determine that the work was ordered through and paid to GSA as the vendor. (exception: Until 7/2001 2515 transactions under \$2,000 were not required to adhere to this standard.)

Review twenty 2510 (cyclical repair and maintenance) payment authorizations. Verify that no transactions were for tenant alterations.

PROPERTY MANAGEMENT & DISPOSAL

G.1.PS - Property Management and Disposal

Determine whether the FPD has appointed a Property Custodial Officer and a Property Disposal Officer for property items in the custody of the FPD Office.

Determine whether there is adequate separation of duties between the Procurement Liaison Officer; the Custodial Officer; and the Disposal Officer.

Determine whether property items are entered on a Master Personal Property Record upon receipt.

Determine whether the FPD Office maintains an up-to-date Accountable Property List. This must include cell phones and PDAs.

Determine whether the FPD Office has conducted a physical sighting and reconciliation of all Accountable Property items within the last 24 months.

Review Allotment Control Ledger and/or Purchase Order log (Fund 51140X, BOC 3101) and randomly select not fewer than 10 lap-top computers for physical sighting by audit team member. Verify that items were placed on the Accountable Property List. If items have been removed from the work place, verify the existence of a charge-out document which recorded the transaction. Then verify by physical sighting the make, model, and serial number for each by comparing with acquisition documents.

Determine whether the FPD Office has documented receipts for property items transferred to a judiciary entity, another government agency or a state government agency or subsidiary.

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Determine whether judiciary-owned property items (especially automation equipment) has been removed from the workplace for official purposes. (IRM Bulletin 96-11). IF so;

- a) does documentation exist to show the identity of the caretaker, the physical location, and appropriate supervisory approvals?
- b) is there a control system in place to ensure that equipment is returned to the office place?

Determine whether a documented justification exists for any property items which have been abandoned?

Select a random sample of ten items, other than laptops, from the Accountable Property List. Verify each item by physical sighting.

SMALL PURCHASE CREDIT CARD

H.1.PS - Small Purchase Credit Card

Secure from the defender, a copy of the FPD Office's internal operating procedures relative to use of the small purchase credit card. Ensure that those named in the document are still serving in the assigned capacities.

Select a sample of 5 completed credit card payment authorization packages. Ascertain whether only the cardholder of record is placing orders using the card. Review the payment authorization packages for reasonableness of purchases.

Review the payment authorization packages to determine whether the card has been used to secure items or services that are prohibited by the terms of the contract (i.e., personal use, official travel expenses, rental or lease of land or buildings and cash advances).

CRIMINAL JUSTICE ACT

I.1.PS - A. Pre-Audit Steps

Note to auditor: If CJA is executed in FPD, perform testing and conclusion for the following audit steps in the District Courts CJA section:

Use Office of Audit CJA Report Request Form to request CJA Payments Report and CJA Security Profile Report from the AO.

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Use the reports obtained above in Step 1 to select a sample of 30 CJA payment authorizations to examine.

Obtain the Incorrect CJA Payments List from the Accounting and Financial Systems Division. Research the reasons for the incorrect payments. Determine whether there is a systemic weakness in the internal control procedures for processing CJA payments.

I.2.PS - B. On-Site Audit Internal Controls

Note to auditor: If CJA is executed in FPD, perform testing and conclusion for the following audit steps in the District Courts CJA section:

- a) Are CJA procedures included in the internal control procedures manual?
- b) Determine who has first level and second level approval authority. What functions does the first level approver perform and what functions does the second level approver perform. What items does the second level approver actually review in the system?
- c) Verify that all employees that have passwords for the replacement system are employed by the court and still performing those duties. Has the AO been notified promptly to terminate access to the system when duties change or an employee leaves?
- d) How does the FPD office verify hours, rates, dates, etc., submitted on payment authorizations? How is it ensured that unallowable expenses are not paid? Is a checklist used? What types of supporting documentation are required?

Note to auditor: If CJA is executed in FPD, perform testing and conclusion for the following audit steps in the District Courts CJA section:

Monthly Reconciliation

- a) Does the court generate a monthly "CJA Claims Paid Report"?
- b) Is the monthly "CJA Claim Paid Report" filed with the paid payment authorizations?
- c) How current are payments? What is the normal payment cycle?

Procedure Step: VIII.B.3 - CJA Payment authorization Test

Note to auditor: If CJA is executed in FPD, perform testing and conclusion for the following audit steps in the District Courts CJA section:

CJA Payment authorization Test

- a) Set up a data sheet for the sample of 30 CJA payment authorizations Form 20 "Compensation of Counsel", 21's "Expert Witness", CJA Form 30 and 31's "Death Penalty Cases" and Form 24. Test for the following attributes:

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- b) Are all necessary signatures on the payment authorization, including appointing judge, presiding judge, and chief circuit judge (if applicable)?
- c) Verify that the rates for all work performed are updated.
- d) Are out of pocket expenses such as mileage and actual travel expenses supported as required by Volume VII (note: per diem is not allowed); Actual expenses not to exceed 150% of per diem.
- e) Determine that unallowable expenses have not been paid for General Office Overhead (including secretarial services); items /Service of Personal Nature (new clothes, haircuts, cigarettes, meals purchased on behalf of person represented); or filing fees. e. Interim Payments to Counsel (non-death penalty):
 - (i) Was written approval obtained from the chief judge (or his/her designate) prior to issuance of order?
 - (ii) Are items 19 and 22 of the CJA Form 20 completed to indicate time period covered and whether it is for the final payment?
 - (iii) Verify that final payments were recorded as final in the system.Determine if the total of all interim payment authorizations exceed the maximum amount to be paid to a panel attorney on one case.

Source:

d) **Authority: Guide, Vol VII, Ch II, Part C**

e)(iv) **Authority: Guide, Vol. VII, Section A, Appendix E**

PHONE CARDS

J.1.PS - Phone Card Audit Steps

Ensure that a formal approval process exists in the court unit for the issuance of phone cards. Such authorizations should evince documented supervisory approvals.

Ensure that an up-to-date list is maintained of individuals in the FPD Office who have phone cards. In this regard, ensure that when a phone card is issued with no name that it is assigned for the exclusive use of a single individual. Alternatively, they could implement a policy that dictates that each phone card must display a specific name.

Ensure that a process is in place to ensure that phone cards are collected from terminating employees and that the returned phone cards are subsequently canceled.

Ensure that the phone cards and listing of phone card authorization numbers are kept **secured**.

Source:

Volume XIII, Chapter XV, Exhibit XV- 6

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CITIBANK VISA GOVERNMENT TRAVEL CARD

K.1.PS - CitiBank Visa Government Travel Card Program

Ensure that the CitiBank Visa Government Travel Cards (Individual Account or Central Billed Account) have been authorized by the court unit head or the unit head designee. Please note that a credit card is issued to the individual for the Individual Account and no credit card is issued for centrally billed accounts.

Verify that the court has established written internal policies and procedures for the CitiBank Visa Government Travel Card Program. The procedures should include penalties that will result if there is misuse by a card holder (including delinquency) of the government credit cards. [Please note that some courts may only have one CitiBank Credit Card Program for the entire court (generally small size courts) while other courts may have a program for each court unit.]

Verify that the court or court units, whichever apply, has a travel coordinator who is responsible for the administration of the program. This person should be the unit head (CUE) or the unit head may delegated the responsibility to a staff member.

Ensure that travel cards are being canceled for cardholders who are no longer employed by the judiciary.

Ensure that the General Travel Account (GTA), centrally billed account, is being used for transportation only.

Ensure that the General Travel Account (GTA), centrally billed account, is utilizing a GSA contract travel agency (Omega Travel and/or other GSA contract travel agency). Please note that the centrally billed account must use the GSA contract travel agencies.

On-site observations should include sampling of centrally paid bills for possible misuse.

Review a sample of at least five employee individual travel card transactions. Review the transactions for:

- a) Improper purchases (i.e. lunch at duty station site, local theater, local department store charges, local gas charges)
- b) Excessive travel advances

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INTERNET POLICIES AND ENFORCEMENT

L.1.PS - Internet Use Policies and Enforcement

Document whether the court unit has an Internet use policy no less restrictive than the model use policy adopted by the Judicial Conference.

Document and comment on the procedures used by the court to enforce its Internet use policy. Data should be sorted by the following classifications.

- a) The court unit restricts access to certain employees. (Describes policy and list names/ titles of employees with access).
- b) The court unit utilizes blocking and/or filtering software. (List name of software and a brief description of how it is used by the court).
- c) The court unit generates usage reports. (Describe reports and court's procedures for reviewing the reports, e.g., frequency).
- d) Does the court unit have a pop-up screen?
- e) Do employees acknowledge in writing that they have read and understand the internet usage policy?
- f) Other (Describe in detail).

TIME AND ATTENDANCE

M.1.PS - A. Pre-audit Steps:

In advance of the audit, request the following reports from the court.

- a) A list of timekeepers for all court units
- b) List of payroll certifying officers (PCO) or alternates

M.2.PS - B. Automated / Manual Documentation

When at the court site, determine if the court has automated any reports or procedures relating to attendance.

If there is an automated personnel system in place what software is used?

Was it developed in-house or pre-purchased (like Lotus?)

If an automated system is used, verify that a security plan is included as part of an internal control procedures manual to document the following:

- a) All leave and T&A transactions, including leave requests, approvals, authorizations, payroll certifications, and leave balance inquiries, are protected by secure passwords.

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- b) Passwords are actively managed to ensure that they are not shared among employees; are of sufficient length and variation to minimize exposure; and are changed on a regular timetable and when staffing turnover occurs.
- c) All personnel with access to the system are identified and receive regular security training.
- d) Documentation is maintained for the internal flow of data from leave request through leave approval, authorization of a biweekly T&A report, certification of a biweekly payroll control list, and leave balance.
- e) All database activity is tracked and monitored so that any unauthorized database changes may be identified and investigated.
- f) Semi-annual reconciliations are performed and documented on random samples of biweekly T&A reports against leave requests, leave balances, biweekly payroll control lists, leave balances, and lump-sum annual leave payments.
- g) The database is available to be reviewed by auditors online, and the system also has the capacity to print copies of transactions and reports for audit review as needed.
- h) The database is backed up on a daily basis and backups are stored securely off-site.
- i) Database backups are tested after writing and samples are restored to a test area on a regular timetable to ensure that they are readable.
- j) The database maintains T&A records, leave reports, and work schedules for a period of six years or until audited by the AO, whichever comes later.
- k) If a leave tracking and T&A system is installed on a network, the network host implements security policies to control database access.

M.3.PS - C. Hours of Work / Tour of Duty / Location of duty

What is the length of the workday?

Does everyone work the same hours or are they staggered?

Verify that all employees in the court unit are working an 80-hour pay period excluding lunch.

Verify that paid breaks are not combined to extend a lunch period.

Verify that any alternative work schedules (e.g., compressed time or flex-time) have been approved by an appointing officer.

Do any employees telecommute? If so:

- a) Verify that there is a formal written telecommuting policy as required by the *Guide*.
- b) Verify that court reporters who earn leave work “a regular tour of duty of a set number of hours per week in the courthouse.”

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M.4.PS - D. Authorized Leave, Holidays or Compensatory Time

In addition to annual and sick leave, what other kinds of leave or other paid absence is permitted in the court?

- a) Holidays?
 - a. Verify approval by the chief judge for any holidays provided as administrative leave (excused absence) in addition to federal holidays adopted by the Judicial Conference.
 - b. Verify that leave is not charged on a holiday (e.g., when a holiday falls on an employee's nine or ten-hour day).

- b) Excused absence? If yes: (Continuation of XII.D.1)
 - a. Is excused absence generally limited to situations described by *Guide* policy, e.g., emergency or weather conditions, blood donation, voting and voter registration, military funeral, EEO or employee assistance counseling?
 - b. Is the use of excused absence limited to short periods of time not generally exceeding 3 consecutive work days in a single period of excused absence, up to a maximum of 40 hours in a calendar year?

- c) Compensatory time? If yes: (Continuation of XII.D.1)
 - a. Is there a formal written policy on the administration, accrual and use of compensatory time, in accordance with the *Guide*, Volume I, Chapter 10, Subchapter 1550.2?
 - b. Is all compensatory time used within six months or forfeited?
 - c. How much compensatory time is granted for religious observances? (Should coincide with religious holidays.)

(Continuation of XII.D.1)

- d) Absence without leave?
- e) Bone marrow and organ donor leave?
- f) Military leave?
- g) Court leave?
- h) Leave without pay?
- i) Funeral leave?
 - a. Verify that "funeral leave" is provided only for a family member's military (combat) funeral, and that administrative leave is not provided for a family member's funeral. (Employees may use annual leave, available sick leave for family care, or leave-without-pay to attend or make arrangements for a funeral.)

Verify that no unauthorized leave is provided, e.g., birthday leave, personal leave, shopping days, or other (except for a time-off award for documented performance based on an approved employee recognition program).

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Do court reporters earn leave? Verify that Leave Act coverage is applied consistently across all reporters assigned to a duty station.

Determine whether there are law clerks who are covered under the Leave Act. For any law clerk earning leave, has a judge authorized Leave Act coverage on an AO 75 "Law Clerk Appointment Checklist and Leave Act Certification?"

M.5.PS - E. Payroll Certification

Who has authority for certifying the Payroll Certification Control Lists?

a) Are all employees' cash awards processed through the Human Resources Division of the Administrative Office? If no, contact the Office of Audit immediately.

Are non-monetary award items and related expenses charged to BOC 2602?

Has authority for certifying the Payroll Certification Control Lists been subdelegated to anyone else for review? If so:

a) Does the individual in charge of division offices have the signature authority for certifying the Payroll Certification Control Lists?

b) Has a memo or letter bearing signatures of both parties been sent to the Administrative Office?

Determine whether the person performing PCO duties also performs duties related to payroll functions. Verify that the person who monitors leave records is prohibited from certifying the T&A.

Determine whether the Clerk's Office receives payroll certification statements from all judges covering all judges' chamber staff covered under the Leave Act Verify the certifications and put one example from each judge in the work papers..

Do the supervisors provide the PCO with written verification of biweekly hours of each employee? If not, how is the PCO notified of the hours worked for each employee?

If not, what method is used to determine employee attendance? Do the supervisors maintain daily attendance logs?

M.6.PS - F. Tracking Leave Requests and Leave Use

Determine if time-sheets and leave slips (SF-71) are used by the court. (Courts may use automated systems or forms similar to the SF-71 if they choose.)

Do employees submit leave requests prior to taking leave, or upon return to duty following an illness, emergency or other extenuating circumstance?

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Is leave approved before an employee takes leave (or a notation included on the leave slip that leave was used based on an illness, emergency, or other extenuating circumstance, or was requested and approved by email or telephone)?

Is a year-to-date system in place for monitoring annual leave, sick leave, compensatory time, and donated leave?

Determine whether the Clerk's office has approved sick leave for family care or bereavement, adoption, bone marrow or organ donation, or to attend a funeral (law enforcement officer or firefighter). How is the leave monitored and tracked, and what records are maintained?

Is the court unit tracking leave to ensure regulations are adhered to regarding use of sick leave for general family care and bereavement, sick leave to care for a family member with a serious health condition, and unpaid leave under the Family and Medical Leave Act?

Determine if procedures exist to ensure that maximum hours of advanced sick leave (up to maximum of 240 hours for personal use or 40 hours for family care) and advanced annual leave (the amount an employee will accrue in the remainder of the leave year) are not exceeded.

Determine if employees are notified of their leave balances **at least monthly**?

M.7.PS - G. Annual Leave Forfeiture/Restoration

Determine if there are procedures in place to ensure that annual leave is not forfeited and that no more than 240 hours are carried over to the next year.

- a) Determine if unit head has restored any unused annual leave over the past 240-hour limit.
- b) Verify that annual leave was restored in compliance with *Guide* policy (based on administrative error, illness, or an exigency of court business).
- c) Verify that any exigency was determined by a chief judge or his/her designee but not by any employee whose leave would be affected by the decision, and that when restoration was based on illness or exigency, the annual leave was scheduled in writing prior to the third biweekly pay period before the end of the leave year.
- d) Verify that restored leave was credited to separately maintained leave accounts and used by the last day of the second full leave year after restoration.

M.8.PS - H. Voluntary Leave Transfer Program (Donated Leave)

Determine whether the office has a Voluntary Leave Transfer Program?

- a) Who administers the program?
- b) How is the transferred (donated) leave tracked and monitored and what records are maintained?

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- c) Verify that only employees covered under the Leave Act donate leave or receive donated leave.
- d) Is a separate leave account established for annual and sick leave while an employee is in a shared leave status?

M.9.PS - I. Reconciliation and Review

Determine how timekeepers record and reconcile leave balances. Verify that timekeepers reconcile T&A records and leave balances semi-annually. Verify that a timekeeper does not prepare or maintain his or her own T&A records.

Does a unit executive ensure that an annual reconciliation review of random samples of payroll certifications and lump-sum annual leave payments is performed, with the results maintained on file?

Question for Time and Attendance Clerk

Do you have any concerns regarding any time and attendance transactions that you have processed during the audit period? If yes, please explain your concerns and identify the specific transactions. (Auditor - Review the transactions for propriety.)

M.10.PS - J. Audit Samples:

Leave Reconciliation Test:

Reconcile 100% of the court unit executive and unit time keeper's leave slips for the entire audit period to the official leave balances. Verify that the court unit executive's leave slips are signed by the chief judge or authorized designee. Note: Alternative procedures if used must be documented and the actual supporting documentation must be reviewed for accuracy and completeness.

M.11.PS - Employee Recognition Program Criteria

If there are any findings for the Employee Recognition Program, use the attached file for Guide References.

TRAVEL

N.1.PS - A. General Travel Procedures

Verify that all travel is approved in advance using a written travel authorization.

Verify that no claimant is authorized to and/or has approved their own travel payment authorization for payment.

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Verify that any claimants asking for reimbursement for actual expenses in excess of per diem has documented the reasons for claiming actual expenses. Source: AO memorandum dated January 17, 2002 Subject: Changes to Supporting Personnel Travel Regulations. (Refer to the staff travel regulations Volume 1, Chapter 6, Part C, Section 5)

N.2.PS - B. Travel Advances

Determine that the person responsible for the disbursement of travel funds is maintaining ledgers or records of advances (i.e. SF 1038 "Application and Account for Advance of Funds").

Determine whether the Unit ensures that travel advances are paid as close to the anticipated travel date as is reasonably possible. Document payments made well in advance of anticipated travel.

Determine whether travel advances are fully liquidated within 30 days after completion of travel. Document travel advances outstanding over 30 days after completion of travel.

Determine whether collection action is taken in accordance with the Guide.

N.3.PS - C. Unit Executives Travel Payment authorizations

- 1.) Review 100% of all court unit executive travel payment authorizations for the entire audit period.
- 2.) Review the travel payment authorizations for unusual items such as weekend stays, rental of luxury vehicles and higher per diem locations. Determine the reasonableness of the amount of the travel reimbursements considering business purpose of travel and actual costs incurred.
- 3.) Review all travel advances associated with the travel payment authorizations. Determine if the amounts and timing of the advances appear to be necessary, reasonable and appropriate.
- 4.) Determine if the unit executive used a travel card to pay for the travel related expenses. If yes, determine whether the payments to the credit card company are timely or if the payments are delinquent.
- 5.) Review the travel card activity to determine if the charges to the travel card appear to be reasonable and appropriate. Identify and document any use of the travel card for non-business purposes.

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6.) Prepare data sheet listing each unit executive reviewed with the following:

The data sheet should include the following information summary for each unit executive.

- a) Audit period used.
- b) Number of payment authorizations reviewed
- c) List of Attributes reviewed which should include:
 - i) Does dollar value per payment authorization match the dollar value per auditor
 - ii) If discrepancies noted - number of discrepancies and dollar amounts
 - iii) Was travel advance from office taken, if so what amount?
 - iv) Was travel advance amount from travel card taken, if so what amount?
 - v) Date of advance, if applicable,
 - vi) Date of advance repaid, if applicable,
 - vii) Travel card used
 - viii) Travel Authorization attached
 - ix) Payment authorization approving official other than unit executive
- d) Notify Office of Audit immediately if any problems or discrepancies are identified for any unit executive's travel payment authorization.
- e) Certification statement by auditor performing the tests that all payment authorizations were reviewed for all attributes.