The Library of Congress

Office of the Inspector General

Human Resources Services

HRS Is Responding to Performance Challenges, But Additional Controls and Oversight Are Needed

Audit Report No. 2003-PA-101

September 2003

UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Office of the Inspector General

TO: James H. Billington   September 30, 2003
                Librarian of Congress

FROM: Karl W. Schornagel
                Inspector General

SUBJECT: *HRS Is Responding To Performance Challenges,*
                But Additional Controls and Oversight Are Needed
                Final Audit Report No. 2003-PA-101

This transmits our final report on performance management and internal controls within Human Resources Services. The executive summary begins on page *i*. The HRS response to our draft report is briefly summarized in the executive summary and in more detail after individual recommendations appearing on pages 7, 9, 11, 13, 14, 15, and 16. For your convenience, a consolidated list of recommendations is contained in Appendix A on page 17. HRS' complete response to the draft report is included as Appendix B beginning on page 18.

We request that HRS provide an action plan addressing implementation of the recommendations, including implementation dates, within 30 calendar days. Based on HRS' response to the draft report, we consider all recommendations resolved except for I.A.2 and II.B. Accordingly, the action plan should address recommendations I.A.2 and II.B in accordance with LCR 1519-1, Section 4.B.

We appreciate the cooperation and courtesies extended by HRS staff during the audit.

cc: Deputy Librarian
      Director, Human Resources Services

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EXECUTIVE SUMMARY

This report presents the results of our audit of the Library's Human Resources Services (HRS) program. We limited the scope of our audit to evaluating the HRS internal performance management control systems. Specifically, we tested to determine if HRS is (1) providing quality performance plans with clear operational criteria, (2) tracking work-in progress and time-frames for completing service, (3) conducting supervisory reviews of the quality and timeliness of services, (4) obtaining feedback from customers, and (5) addressing and resolving performance issues.

Library of Congress Regulation (LCR) 212-1, *Functions and Organization of Human Resources*, dated July 16, 2003, describes the general functions and organization of HRS. The HRS Director is responsible for recommending, administering, and providing services relating to personnel policies, procedures, and programs; administering the labor relations program of the Library; and enforcing and interpreting applicable laws and regulations of the U.S. Office of Personnel Management and other Federal personnel agencies. In FY 2002, HRS reorganized into five offices: Strategic Planning and Automation; Workforce Acquisitions (staffing and classification); Workforce Management (labor relations issues); Work Life Services Center (new employee orientation, payroll, time and attendance, and oversight for processing Personnel Action Requests); and Workforce Diversity and Accommodations.[1]

Beginning with the reorganization in FY 2002, HRS has worked to improve its customer service and performance management. However, substantial opportunities exist for improvement, and we expect that HRS will continue to refine its goals and strategies by focusing on a more systematic, in-depth, and continuous effort to evaluate and improve human resource management within HRS. To support this long-term transformation, HRS management needs to strengthen its performance management, and improve internal control over processing of SF50s, manually submitted vacancy applications, garnishments, and donated leave. HRS management is taking aggressive steps to rectify these faults. Our findings and recommendations are summarized as follows:

HRS is Strengthening Performance Management, But Additional Effort is Needed

HRS has begun laying the groundwork for a fully effective performance management system, and we commend its efforts. However, significant additional actions are needed to continue improving management control to support this long-term transformation. Specifically, HRS needs to do more in three areas (1) establishing performance criteria, (2) monitoring performance and ensuring accuracy, and (3) ensuring timely submission and processing of Personnel Action Requests (PARs). By addressing these three issues, we believe HRS can substantially improve its efficiency and enhance its customer service.

The majority of internal individual performance reviews documented in the first half of FY 2003 used broad, vague statements that did not give a relatively clear indication of the quality or quantity of the employee's work. We found little focus on expected outcomes or outputs, such

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[1] Subsequently, the Office of Workforce Diversity was made an independent office (within the Office of the Librarian) separate from Human Resources Services.

as the number of activities an employee accomplished, for which the supervisor could more objectively assess or measure performance. Consequently, it is too difficult for HRS directors to effectively differentiate performance among staff and take action to address unsatisfactory performance. We recommend that HRS develop clearly defined, measurable, and consistently communicated performance expectations, and install a monitoring system to evaluate how well the supervisors have implemented the performance system (see page 6).

We also found that HRS management is not making full use of the information tracked in the Library Employee Automated Data System (LEADS) and by the National Finance Center (NFC) to effectively monitor workload and identify areas for improvement. We found significant differences among staff productivity, and the time to process the various personnel actions varied greatly. We recommend that HRS management more closely monitor processing times and error rates (see page 7).

Regarding timeliness, HRS processed only 16 percent (60 of 379) of the PARs on or before the proposed effective date during January and February 2003. Untimely PAR processing is attributable to both the Service Units and HRS. We recommend that HRS (1) require staff to report on actions held longer than ten days with an explanation for the delay, and (2) issue a memorandum to the Service Units emphasizing that PARs need to be submitted to HRS at least 10 days before the proposed effective date, whenever feasible (see page 10).

Stronger Internal Controls Are Required to Ensure Accuracy and Validity

In addition to the performance management issues discussed above, we found four areas where HRS needs to strengthen its internal controls, (1) separating duties, including distributing SF50s, (2) processing manually submitted vacancy applications, (3) processing garnishments, and (4) administering donated leave.

Three HRS staff have LEADS access rights that permit them to initiate and approve a personnel action. While the LEADS system will not permit a staff member to input an action for themselves, management may find it difficult to establish individual accountability if these users were to change or delete data either through mistake or malicious activity. We recommend that HRS management review any actions initiated by HRS staff that affect pay or benefits, and assign an employee without NFC access to distribute and validate SF50s (see page 13).

Current controls do not effectively ensure that HRS staffing specialists input manual vacancy applications into the AVUE system and forward all supporting documents to selecting officials. The effect is that HRS unnecessarily delays the hiring process and could exclude an eligible applicant from the interview process. We recommend that HRS management establish a checklist for manual applications to ensure supporting documents are forwarded to selecting officials (see page 14).

We also found that HRS needs better tracking controls to ensure that it submits valid pay garnishments to NFC on a timely basis. Our sample review of court ordered garnishments revealed that 4 out of 10 had irregularities. We recommend that the HRS Work Life Services Director obtain a listing of garnishments from the Office of General Counsel and follow up

periodically to ensure that HRS processes the approved garnishments in a timely manner (see page 15).

There is also a separation of duties issue involving the Donated Leave Program. HRS assigned a Library Services employee and former HRS payroll specialist sole responsibility for recording the transactions for the Donated Leave Program. This Library Services employee is the only person outside of HRS with access to NFC. We believe that the opportunity exits to falsify leave records without detection since no one in HRS reviews the transactions to ensure validity. We recommend that HRS management assign responsibility for the donated leave transactions to an HRS employee, as soon as practicable, and periodically sample donated leave transactions to validate accuracy and credibility (see page 16).

HRS Response and OIG Comments

In responding to the draft report, HRS agreed to implement 16 of the 17 recommendations, although it disagreed with one of the figures we used to demonstrate untimely processing.

HRS also disagreed with our finding that its controls do not effectively ensure that staffing specialists input all manually submitted job application documents into AVUE, or that the documents are forwarded to the selecting official, but offered no evidence that these applications are being accurately posted. HRS disagreed with our recommendation to use a checklist:

> "HRS does not consider such a checklist necessary as our current operating procedures dictate that interview panels receive applications, resumes, and copies of the standard guide booklet. These procedures govern applications received either manually or via the automated process."

While we agree that procedures are in place, our analysis indicated that additional controls are needed to ensure that staff follow the procedures because Service Units have reported cases where application documents were not forwarded to interview panels. We believe that a checklist would better ensure equity to those candidates who choose to apply manually. Use of the checklist would represent an insignificant increase in workload given the small number of manual applications received.

Our complete list of recommendations is included as Appendix A.

INTRODUCTION

This report presents the results of our audit of the Library's Human Resources Services (HRS) program. We limited the scope of our audit per the HRS Director's request. The Director made this request since HRS had recently reorganized and three new managers were hired in 2002. Specifically, we evaluated the HRS performance management system and internal control system. Both the GAO and the Library have identified performance management as a critical element to success. In January 2001, GAO designated strategic human capital management as a government-wide high-risk area concluding that most agencies lacked a consistent strategic approach to marshaling, managing, and maintaining the human capital needed to maximize government performance and ensure its accountability. Library senior management likewise recognizes the importance of performance management. The Library of Congress Strategic Plan for Fiscal Years 2004 through 2008 details objectives for HRS that include:

- Establishing meaningful and measurable performance baselines for all of the Library's programs and for the support functions performed by the enabling infrastructure.

- Making personnel administration responsive, efficient, and effective.

- Developing and embracing implementation of systems that reward staff for quality performance and customer service.

Library of Congress Regulation (LCR) 212-1, *Functions and Organization of Human Resources*, dated July 16, 2003, describes the general functions and organization of HRS. The HRS Director is responsible for recommending, administering, and providing services relating to personnel policies, procedures, and programs; administering the labor relations program of the Library; and enforcing and interpreting applicable laws and regulations of the U.S. Office of Personnel Management and other Federal agencies.

According to HRS, it is presently evolving from a paper processor/record keeper for personnel actions to a business partner working with Library managers to assist them in maximizing the use of the Library's human resources toward accomplishing the Library's goal to recruit, develop, and maintain a highly skilled and diverse workforce. HRS' intent is to become less hierarchical, process-oriented, stovepiped, and inwardly focused; and more flat, results-oriented, integrated, and externally focused. In support of this goal, its strategy is to streamline and automate staffing and personnel action processes. This audit report demonstrates that substantial opportunities exist for improvements, and we expect that HRS will continue to refine its goals and strategies by focusing on a more systematic, in-depth, and continuous effort to evaluate and improve its internal human resources management. HRS will need to follow up through effective implementation and assessment to determine whether its plans lead to improvements in human resources management and program outcomes.

BACKGROUND

HRS, in partnership with the service and infrastructure units, designs and implements the policies, procedures, and systems to build, develop, and manage the workforce in support of the Library's mission and priorities. In FY 2002, HRS reorganized to better serve its customers. All human resources functions were organized into five units including the Offices of (1) Strategic Planning and Automation, (2) Workforce Acquisitions (staffing and classification), (3) Workforce Management (labor relations issues), (4) Work Life Services (new employee orientation, oversight for processing PARs, payroll, and time and attendance), and (5) Workforce Diversity and Accommodations.[2] According to the HRS web page, it:

- Provides advice, assistance, and training to Library management officials and supervisors at all levels to carry out their personnel management responsibilities, and meets the needs of managers and supervisors arising from daily Library operations;

- Formulates policies and regulations in order to promote enlightened and advanced personnel and organizational management in the execution of the Library's mission;

- Develops, implements, and reviews the Library's personnel programs and labor/management activities;

- Advises or represents management on labor/management matters; and

- Counsels or otherwise assists staff to resolve work-related and other problems which may affect performance.

In FY 2002, HRS had 77 positions. The Library's ratio of total staff to HRS staff is 54 to 1. This is in line with other large government agencies. The Office of Personnel Management's FEDSCOPE reported that agencies with over 1,000 employees averaged 58.96. As the number of Library FTE positions has declined the past five years, the number of HRS staff has generally declined. The Library spends more than $2,000 per employee for HRS services annually based on the total HRS budget and the Library's actual full time equivalent employees, however, this does not include the cost of payroll processing by the United States Department of Agriculture's National Finance Center (NFC) and the cost of shadow personnel staff within the Service Units. We estimated that the Library spends an additional $2.5 million annually on 33 FTE shadow personnel staff, or approximately $600 per Library employee. Including these shadow staff personnel, the ratio of total Library staff to personnel staff diminishes to 37.7 to 1.

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[2] Subsequently, the Office of Workforce Diversity was made an independent office (within the Office of the Librarian) separate from Human Resources Services.

Table 1.   5-Year Library and HRS Staffing Levels, and HRS Costs

	Library Actual FTE	HRS FTE Positions Including AWF	Ratio of Library FTE/HRS FTE	HRS cost per Library employee
FY 1998	4,260	95	45	$1,900
FY 1999	4,223	90	47	$1,951
FY 2000	4,214	91	46	$2,026
FY 2001	4,163	86	48	$2,167
FY 2002	4,147	77	54	$2,146

HRS strategic plans include implementing an integrated Human Resources Management System. Presently, human resource data is maintained on several independent systems. The Library Employee Automated Data System (LEADS) helps Service Units create, route, and track all Personnel Action Requests (PARs) and provides instant access to personnel-management data (such as job series, grade, step, and service computation date). PARs cover many types of personnel actions, including promotions, reassignments, details, and data changes. LEADS features electronic PAR routing for Service Unit approvals and HRS processing, as well as online ad hoc reporting capabilities. HRS specialists check the PARs for correctness and compliance with laws and regulations. After this check, personnel actions are sent electronically via LEADS to the Library's payroll agent for processing (LEADS interfaces with the automated payroll system).

The Library's payroll processing is conducted through a fee-for-service contract with the NFC. NFC offers cross-servicing (also known as franchising) of its administrative, financial, and management information systems to other Federal departments and agencies. NFC provides consolidated payroll/personnel to the Library. NFC's payroll/personnel system incorporates a fully integrated online database that maintains employee personnel records and time and attendance reports, and processes a biweekly payroll for over 450,000 employees government-wide.

OBJECTIVES, SCOPE, AND METHODOLOGY

We limited our objectives to evaluating HRS' performance management systems and internal controls over specific functions including:

- Providing quality performance plans with clear operational criteria;

- Tracking work-in-progress and timeframes for completing services;

- Conducting supervisory reviews of the quality and timeliness of services;

- Obtaining feedback from customers; and

- Addressing and resolving performance issues.

To address these objectives, we reviewed documents related to HRS' performance management systems and discussed the systems with the officials responsible for developing and implementing them. We interviewed each of the HRS Directors plus other key personnel. We performed a content analysis of the FY 2003 written performance evaluations for HRS staff. We conducted walk-throughs of the various processing systems and tested samples of transactions to ensure that the established controls were effective and working as intended. Based on preliminary evaluation and interviews, we focused our testing on the work handled by the Office of Work Life Services. Work Life Services is responsible for areas that most affect Library staff (PAR processing, payroll, and time and attendance). Within Work Life Services, we performed quantitative analyses of quantity, timeliness, and accuracy of the information input into the LEADS and NFC systems.

The audit was conducted in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States and LCR 1519.1, *Audits and Reviews by the Office of Inspector General*, October 18, 1999. We accepted the quantitative data (number of transactions processed) in LEADS and by NFC as accurate. We conducted our fieldwork between January and April 2003. We held an exit conference with the HRS Director and management staff on June 30, 2003.

FINDINGS AND RECOMMENDATIONS

Beginning with the reorganization in FY 2002, HRS has worked to improve its customer service and performance management and we expect that HRS will continue to refine its goals and strategies, and focus on a more systematic, in-depth, and continuous effort to evaluate and improve its human resources management. Initiatives during FY 2002 and FY 2003 included:

- Reorganizing to better structure its workload and to serve the Library;

- Making better use of the LEADS system to monitor workload and assess timeliness;

- Conducting employee appraisals for all HRS staff in FY 2003 (appraisals prior to this had been sporadic);

- Creating a Performance Management Specialist position to develop performance measures for HRS staff, as well as Library-wide staff; and

- Seeking Executive Committee approval to purchase a human resource management system.

Notwithstanding these efforts, substantial opportunities exist for improvements in internal performance management and internal control. At the time of our fieldwork, HRS had not developed quality performance plans with clear operational criteria for its employees. HRS management informed us that they are taking aggressive steps to rectify this fault. Also, HRS managers need to make better use of management information. A new integrated system should provide its managers with better and timelier information. However, a new system alone is not the solution. Existing HRS automated systems provide useful management information concerning whether personnel actions and payroll actions are input accurately, and in a timely manner, but HRS is not effectively using this information.

In addition to the performance management issues, we found four areas where HRS needs to strengthen its internal controls, (1) distributing SF50s, (2) processing manually submitted vacancy applications, (3) processing garnishments, and (4) administering the donated leave program.

I.   HRS is Strengthening Performance
Management, But Additional Effort is Needed

HRS has begun laying the groundwork for a fully effective performance management system, and we commend the effort. However, additional changes are needed to improve management control to support this long-term transformation. Specifically, HRS needs to focus on (1) establishing performance criteria, (2) monitoring performance and ensuring accuracy, and (3) ensuring timely submission and processing of PARs. By addressing these three issues, we believe HRS can considerably improve its efficiency and enhance its customer service.

A. *Specific and Measurable Standards Are
     Vital for Effective Performance Appraisals*

HRS management has not developed performance plans for its employees that are specific, measurable, and output oriented. More importantly, ratings do not meaningfully differentiate among performance levels and provide a basis for effective performance incentives. Consequently, performance appraisals are overly subjective and based on an undefined number of actions processed, number of errors, or reasonable timeframe. The lack of specific and measurable performance criteria makes it difficult for supervisors to identify and reward top performers and effectively take action to address unsatisfactory performers. Most work lends itself to specific measurable goals, however, we recognize that some tasks do not. For these tasks, the use of customer surveys, focus groups, or peer ratings provides an objective basis for appraisal. According to the Office of Personnel Management's (OPM) *A Handbook for Measuring Employee Performance: Aligning Employee Performance Plans with Organizational Goals,* September 2001, "Developing elements and standards that are understandable, measurable, attainable, fair, and challenging is vital to the effectiveness of the performance appraisal process…"

The majority of performance reviews conducted during the first half of FY 2003 were broad, vague statements that did not give a relatively clear indication of the quality or quantity of the actions performed, and did not include relevant information such as the frequency of the action or what should be accomplished. For example, the appraisals mentioned that employees performed at "commendable level," "satisfactory level," "effectively performed work," "worked diligently," or "performed at a good sound level." There was little focus on expected outcomes or outputs, such as the number of activities an employee accomplished. Focusing on outcomes and outputs allows supervisors to more objectively assess or measure the employee's performance. OPM provides examples of measurable performance standards:

- No more than 8% errors per quarter, as determined by the supervisor.

- At least 60% of customers agree that the employee is willing to assist and that the information they receive is helpful.

- Employee initially responds to customer requests for assistance within eight working hours from receipt of request.

A properly functioning performance management process necessitates cooperation and coordination between supervisor and employee. In addition to rating staff, the HRS Director needs a process to evaluate how well the supervisors have (1) developed performance expectations, (2) implemented the performance process, and (3) followed HRS' processes for evaluating employees. This process could include, for example, an employee survey to obtain information on whether supervisors are involved in the development of their subordinates' performance goals, whether they are giving appropriate emphasis to each of the critical job responsibilities and supporting behaviors, and whether they are providing useful feedback. Active monitoring could give HRS management a sense of how the systems are working in

practice and whether any modifications are needed to provide more useful feedback to managers
and employees about performance, and better align the systems with HRS' strategic goals.

The HRS Director said that until recently, she did not have the staff or the time to achieve
effective planning and directing. Instead, the office was busy responding to requests for service.
She further attributed the shortcomings to the lack of an integrated system to track all HRS-
related functions.

Recommendations:

We recommend that HRS:

1.   Develop clearly defined, measurable, and consistently communicated performance
        expectations addressing a range of results/customer/employee issues that are required to
        rate, reward, and hold employees accountable.

2.   Implement a monitoring process to evaluate how well the managers/supervisors have
        implemented and monitored the performance system.

HRS Response and OIG Comments

HRS concurred with the recommendations and has hired a Performance Management Specialist.
The specialist developed new performance plans and included universal performance standards
for customer service for all positions. HRS expected to conclude all discussions between
supervisors and staff on performance plans by September 30, 2003.

> B. *More Detailed Analysis of PAR Processing Will*
>   *Identify Inefficiencies and Ensure Better Accuracy*

HRS management is not making full use of the information in LEADS and provided by NFC to
effectively monitor workload and identify areas for improvement. The Work Life Services
Director tracks the number of actions processed by each specialist, and the average processing
time, however, he does not calculate and monitor the (1) processing time by the Technical
Services Assistants, (2) processing time by type of personnel action, or (3) error rate for each
staffer processing personnel actions. The effect is that the Work Life Services Director lacks the
data necessary to effectively evaluate PAR processing. Increased monitoring is necessary to
ensure that staff are performing to their potential. Our testing revealed significant productivity
differences (addressed in finding I.B.3 below) among staff. Title 5 U.S.C.2301 (b) mandates
that:

    "(5) The Federal workforce should be used efficiently and effectively."

    "(6) Employees should be retained on the basis of the adequacy of their performance,
    inadequate performance should be corrected, and employees should be separated who cannot
    or will not improve their performance to meet required standards."

1. *Individual staff productivity*

LEADS reports prepared for HRS management combine the time the Technical Services Assistant and the Technical Services Specialist holds the action. To better identify processing inefficiencies, it is important for the Work Life Services Director to segregate the processing times for these two positions so that individual staff member performance can be isolated. Processing times varied significantly among the staff. For example, one Technical Services Specialist processed PARs twice as fast as another Specialist. Similarly, the processing time by the Technical Services Assistants varied significantly. One Assistant processed actions three times faster than the other.

As noted in finding I.A., HRS has not established measurable performance criteria for processing PARs, although its strategic plan includes a goal of processing PARs within 10 days of receipt. This is less than half of the present processing time (for February 2003, HRS averaged 26 days to process a PAR). To accomplish its goal, performance trends will have to be monitored more closely. By monitoring continually, supervisors can identify unacceptable performance at any time during the appraisal period and provide assistance to address performance issues rather than waiting until the end of the period when the supervisor prepares the annual performance appraisal.

2. *Processing time by type of personnel action*

HRS does not track processing time by type of action. This information is especially useful when tracked over time to observe trends and identify types of actions that require management attention to improve processing efficiency. Our analysis found that the time to process the various personnel actions varied greatly. For example, during February 2003, Excepted Appointment NTE (not to exceed) and management requests required twice the time to process as a change in work schedule or a temporary promotion NTE as shown in Table 2 at the end of this finding.

3. *Error rate*

The NFC Entry, Processing, Inquiry, and Correction System (EPIC) report lists personnel actions processed that resulted in a discrepancy that requires HRS attention. HRS management does not track the percentage of errors by staffer as a performance measure, nor monitor the timeliness in correcting the "less critical" errors. Our sample of records showed an error rate of about 8.5 percent. We could not determine how this rate compares with past years or with other agencies since NFC does not track federal agency's error rates. Nevertheless, we consider the 8.5 error percentage rate somewhat high. Based on our experience in evaluating various types of transaction processing, we believe HRS should monitor error rates and establish a goal of 5 percent or less. Correcting these errors results in additional work for the HRS staff and expense for the Library.

HRS managers closely monitor and correct errors shown on the NFC 99 error report (a report from NFC listing Library employees that are in danger of not getting paid unless the error is

corrected). For less critical errors, however, HRS managers have not closely monitored the NFC EPIC error reports to ensure that HRS staff are taking prompt action. We found that 50 percent of the errors remained uncorrected after 7 days, and 32 percent were still unresolved after 17 days. The Work Life Services Director and the Workforce Acquisitions Director have either not had the time to devote to this oversight or placed a low priority on correcting "non-critical" errors. The effect is that NFC and LEADS records do not agree and the potential for the Library improperly paying an employee increases.

We believe the number of errors and the delays in correcting the errors demand management attention. GAO standards require establishing and using internal controls to ensure accurate and timely recording of transactions and events. GAO recommends automated edit checks built into the computerized system to review the format, existence, and reasonableness of data. This category of control is designed to help ensure completeness, accuracy, authorization, and validity of all transactions during application processing. The NFC system has these built-in edit checks. However, HRS has not installed the controls necessary to ensure that staff identify and correct the errors.

Table 2.   February 2003 PARs Processed by HRS Technical Services

TYPE OF ACTION	NUMBER OF ACTIONS	AVERAGE DAYS HELD BY TECHNICAL SERVICES TECHNICIAN	AVERAGE DAYS HELD BY TECHNICAL SERVICES SPECIALIST	AVERAGE TOTAL DAYS IN HRS (HRS Goal is 10 Days)
Change in Work Schedule	15	4	14	18
Conversion to Excepted Appointment	30	4	17	21
End of Temporary Promotion	12	9	23	32
Excepted Appointment NTE	7	13	29	42
Extension of Appointment	12	6	17	23
Job Reclassification	31	4	20	24
Management Request	8	8	55	63
Normal Career Progression	40	9	20	29
Temporary Promotion NTE	8	10	7	17
Termination of Detail	17	7	15	22
Undescribed Duties	10	9	9	18
Other Types of Actions (5 or less in Feb.)	53	6	21	24
All Actions & Time Frames	**243**	**6.72**	**19.64**	**26.36**
HRS Time Frame Goal				**10.00**

Recommendations:

We recommend that HRS management:

1.   Calculate and monitor individual processing times for PAR processing.

2.   Compare individual actual average processing times and actual actions completed with standards, and take appropriate action when employees are consistently below the standard.

3.   Calculate and track the processing time for each type of action. For actions that take consistently longer than the average, investigate to disclose possible bottlenecks or inefficiencies in work processes or staffing shortages.

4.   Establish an error rate goal, such as 5 percent, and track progress toward meeting this goal.

5.   Track the percentage of errors for each staff member inputting actions into NFC. Compare the error rate with the established standard and take appropriate action whenever an individual is consistently higher than the standard.

6.   Monitor the NFC Epic report more closely and require staff to submit a report explaining why they have not resolved any errors over 10 days old.

HRS Response and OIG Comments

HRS concurred with the finding and replied that it has created additional PAR processing reports and has made those reports available to its management for review and action. Effective July 2003, the Work Life Services Director, or his designee, began reviewing reports on individual processing times for PARs and is investigating actions that take longer than average to determine the cause and initiate corrective action, if required. Additionally, the Work Life Services Director is establishing an accuracy goal, and on a weekly basis, will track progress toward meeting the goal.

> C. *HRS and Service Units Need to Take*
>   *Steps to Ensure Timely PAR Processing*

During January and February 2003, HRS processed 84 percent (319 of 379) of the PARs after the proposed effective date. Untimely PAR processing is attributable to both the Service Units and HRS. Service Units determine the proposed date based on when the action needs to be completed in order to take effect on time. Processing personnel actions after the proposed effective date adversely affects time sensitive payroll actions that cannot take effect until HRS processes and approves the PAR.

HRS has asked Service Units to submit personnel actions, such as transfers, promotions, reassignments, classification actions, and other actions resulting in changes in the payroll, at least ten days in advance of the proposed effective date. Only about one third of the PARs processed during January and February 2003 met this target. Service Units submitted 45 percent of the PARs to HRS on or after the proposed effective date. See Table 3.

Table 3.   Actions Processed January and February 2003 by Technical Services

Amount of Lead-time for HRS	HRS Processed PAR Before Proposed Effective Date	HRS Processed PAR After Proposed Effective Date	TOTAL
Service Units submitted PAR to HRS 10 or more days before effective date	52 (14%)	84 (22%)	136 (36%)
Service Units submitted PAR to HRS 1 to 9 days before effective date.	6 (1%)	67 (18%)	73 (19%)
Service Units submitted PAR on or after effective date.	0 (0%)	170 (45%)	170 (45%)
Total Actions	58 (15%)	321 (85%)	379 (100%)

Untimely submission of the PAR involved all types of personnel actions to varying degrees. For example, Service Units submitted approximately 80 percent of the "End of Temporary Promotions" and "Excepted Appointment NTE" personnel actions with some lead-time. However, less than 10 percent of the actions involving "Job Reclassifications" and "Undescribed Duties" were submitted to HRS with any lead-time.

When the Service Unit did submit the PAR to HRS at least 10-days in advance, HRS completed only 38 percent (52 of 136) before the proposed effective date. This statistic indicates that 10 days may not be sufficient and/or HRS is not processing the PARs timely. As discussed in our first finding, HRS averaged 26 days to process a PAR, with a range of same day processing to 140 days. During February 2003, HRS held approximately 24 percent (60 of 243) of the personnel actions for 30 days or more. One factor contributing to untimely processing is that some HRS Technical Services Specialists hold PARs until the end of the pay period rather than use the Future Date Function in NFC, and input the actions when first received. This makes the processing time much higher than it should be.

The HRS Director, in her response to our Notification of Audit Findings, replied that since the audit fieldwork, HRS has developed meaningful performance plans. The Director asked each supervisor to have individual discussions with staff and come to an agreement on the final plan by June 30, 2003.

Recommendations:

We recommend that HRS:

1.   Require staff to report on actions held longer than 10 days with an explanation for the delay.

2.   Issue a memorandum to the Service Unit Directors emphasizing that PARs need to be submitted to HRS at least 10 days before the proposed effective date to ensure that actions are processed by the effective date.

HRS Response and OIG Comments

HRS did not concur with the completion percentages cited in the finding, but did agree to implement the recommendations. HRS calculated that it processed 87 percent of the PARs on time when given the PAR at least 10-days in advance. HRS noted that five of the PARs that we included as not processed within the 10-day goal were intentionally held to ensure that the employees in question received their Cost of Living Adjustment. An additional nine PARs were delayed due to inadequate or conflicting documentation submitted by the Service Unit. According to HRS, "The evidence clearly indicates that HRS does a very good job processing PARs by the desired effective date when given adequate lead-time to meet our responsibilities. However, because we agree that the overall HRS processing time should not exceed 10 days, we concur with the overall recommendations related to this issue." Since the audit fieldwork, HRS began requiring staff to report on actions held longer than 10 days with an explanation for the delay. HRS also agreed to issue the memorandum to the Service Units.

We disagree with the HRS statement that when given a 10-day lead-time, it processed 87 percent of the PARs in a timely manner. Giving HRS the benefit of including the five PARs intentionally held and the nine received with inadequate documentation, we calculated the completion rate as 48.5 percent (66 of 136). At the exit conference, we provided HRS management with support for our calculations and asked them to meet with us to reconcile the differences. HRS management declined the invitation. Regardless of any differences, we believe that HRS will achieve improved processing time by implementing the controls we recommended.

**II.   Stronger Internal Controls Are Required
         to Ensure Accuracy and Validity**

GAO's *Government Auditing Standards* require that we obtain an understanding of the management controls relevant to the programs/operations that we audit. Management controls include the systems for measuring, reporting, and monitoring performance. In addition to the performance management issues discussed above, we found four areas where HRS needs to strengthen its internal controls including (1) distributing the Notification of Personnel Action (OPM Standard Form 50 or SF50), (2) processing manually submitted vacancy applications, (3) processing garnishments, and (4) administering the donated leave program.

> A. *An Employee Independent of PAR
>   Processing Should Distribute the SF50s*

Three HRS staff have LEADS and NFC access that permits them to initiate a personnel action and approve the same action. This lack of separation of duties is an even greater risk because HRS allows these same staff members to separate and distribute the SF50s to the Service Unit, the Division, the employee, and the official personnel folder. This four-part form acts as a

control to ensure the personnel action is valid and accurate. The affected employee and the Service Unit are given a copy of the SF50 to verify that HRS properly processed the PAR. While the LEADS system will not permit a staffer to input an action for themselves, the three employees with "super user" status could commit fraudulent acts for friends or each other. If these users were to change or delete data through either mistake or malicious activity, management may find it difficult to establish individual accountability. For example, an unauthorized pay raise for a friend may go undetected without an independent person verifying that the action is legitimate. We found that the HRS supervisors did not review the transactions affecting payroll initiated by their staff.

GAO's *Standards for Internal Control in the Federal Government,* (GAO/AIMD-00-21.3.1) states, "Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets. No one individual should control all key aspects of a transaction or event."

HRS management believes that a few staff need "super user" status to take care of unusual actions that may occur. If HRS needs to centralize this amount of authority to a few staff, it needs compensating controls to detect unauthorized actions. Assigning a person independent of the PAR processing to distribute the SF50s would sufficiently separate functions and increase control. In addition to weak control, the present process for distributing and filing the SF50s has resulted in delays in filing the SF50 in the official personnel folder, and misfilings. HRS may want to consider centralizing this under one or two employees to better ensure consistency. HRS management agreed with this finding and planned to implement our recommendations effective July 2003.

Recommendations:

We recommend that HRS management:

1. Review any actions initiated by HRS staff that affect pay.

2. Assign an employee without NFC access to distribute and validate the copies of the SF50 to the Service Unit, the Division, the employee, and the official personnel folder (OPF). The OPF copy should go to the HRS Specialist that processed the personnel action to permit comparison with the SF52 (Request for Personnel Action).

3. The employee distributing the SF50 should promptly file the copy for the official personnel folder and investigate any missing folder immediately.

HRS Response and OIG Comments:

HRS concurred with the finding and stated that it had implemented the recommendations effective July 2003.

      B. *Job Vacancy Applications Submitted*
         Manually Require Additional Controls

HRS controls do not effectively ensure that staffing specialists input completely into AVUE the job applications submitted manually and forward all supporting documents (submitted with the hard copy application) to the selecting official. Although this represents a very low percentage of job applicants, it is critical to the hiring process that all applicants receive the same opportunities. HRS should forward all supporting documents to selecting officials, regardless of method of application.

Most applicants for job vacancies submit their application electronically via AVUE. However, the Library allows persons without access to AVUE to submit a hard copy application. HRS scans these manual applications into AVUE, but supporting documentation is not input. Selecting officials reported problems involving manual applications for multiple grades under the same vacancy announcement. According to several selecting officials, this occurred because HRS input into AVUE the manual application for only one grade. Furthermore, selecting officials also reported delays in the selection process because they had to ask HRS for supporting documents. These problems occur for the manual applications because HRS lacks an effective control, such as a checklist, to ensure Staffing Specialists forward all eligible applications and supporting documentation to the interview panel.

Recommendation:

We recommend that HRS management establish a checklist for manual applications to ensure that staffing specialists forward the application and supporting documents to the selecting official.

HRS Response and OIG Comments:

HRS did not concur with this finding stating "HRS does not consider such a checklist necessary as our current operating procedures dictate that interview panels receive applications, resumes, and copies of the standard guide booklet. These procedures govern applications received either manually or via the automated process." We agree that the current procedures are properly designed to provide the same processing regardless of submission method. However, we determined that staff do not strictly comply with the procedures and accordingly, a compensating control is needed. As stated above, Service Units we interviewed cited isolated examples of missing materials for manual applications. Although this was not typical, we believe that a checklist would better ensure all materials are forwarded. Given the small number of manual applications, we think this would represent an insignificant increase in workload. Unless HRS can demonstrate that it can enforce compliance with internal processing procedures that are not functioning properly, then it should implement the recommended checklist.

C. *Tighter Controls Required for Pay Garnishments*

HRS needs better tracking controls to ensure that it submits valid pay garnishments to NFC on a timely basis. Our sample of 10 court ordered garnishments revealed that 4 of the 10 had irregularities including:

1. Request should have been sent to the Library of Congress Credit Union rather than to HRS,

2. Request arrived at HRS very late,

3. Person is not employed at the Library, and

4. HRS did not have any documentation to support the garnishment.

Monitoring the processing of garnishments is difficult for the supervisor since HRS does not receive the garnishment via LEADS (unlike PARs that are routed from the Service Units to HRS via LEADS). If not closely monitored, delays in processing can go undetected and payroll actions unnecessarily delayed. GAO's *Standards for Internal Control in the Federal Government,* (GAO/AIMD-00-21.3.1) states that control activities help to ensure that all transactions are completely and accurately recorded. Part of the Library's control over garnishments is a review by the Office of the General Counsel (OGC). OGC reviews the request to determine legal sufficiency then forwards the request to HRS for payroll action. OGC maintains a detailed record for each action including the date forwarded to HRS. This listing could be useful for HRS management to monitor internal processing of the garnishments.

Recommendation:

We recommend that the HRS Work Life Services Director obtain a listing of garnishments from OGC and follow up periodically to ensure that HRS processes the approved garnishments within established time frames.

HRS Response and OIG Comments:

HRS concurred with the finding and planned to implement the recommendation by September 1, 2003.

D. *HRS Management Should Periodically*
   Validate Donated Leave Transactions

A Library Services employee and former HRS payroll specialist is solely responsible for recording the transactions for the Donated Leave Program for the entire Library. HRS transferred this function to this employee because of her prior experience and because of an ongoing investigation of the HRS employee that previously handled this function. In our opinion, donated leave transactions are a human resources function and only HRS staff should process these transactions. We base our opinion on LCR 2011-4, *Approval of Personnel Action Recommendations by the Director of Personnel*. LCR 2011-4 Section 2.B, states "The Director

of Human Resources is authorized to redelegate approval of Personnel Action Recommendations to designated staff of the Human Resources Services Office." We recognize this regulation specifically mentions PARs. We believe the intent of the regulation regarding limiting delegation to designated HRS staff applies to all personnel actions, including donated leave transactions.

Notwithstanding the impropriety of delegating personnel functions outside of HRS, we believe the present system provides the opportunity to falsify leave records without detection. No one in HRS spot-checks or validates the donated leave transactions. This is particularly vital for this processing since this Library Services employee is the only person outside of HRS with access to NFC. The current internal controls generally ensure valid transactions. Separation of duties occurs for the approval of the recipient of the leave and the approval of the donation. Health Services must approve the recipient and the donors must submit a form to HRS for approval. However, staff are responsible for reviewing their own leave records. There is not an overall independent validation of these records.

GAO's *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 states "Key duties and responsibilities need to be divided or segregated among different people to reduce the risk of error or fraud. This should include separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets."

Recommendations:

We recommend that HRS management:

1.   Assign responsibility for the donated leave transactions to an HRS employee, as soon as possible.

2.   Periodically sample donated leave transactions to validate accuracy and credibility.

HRS Response and OIG Comments:

HRS concurred with the finding noting that since the audit fieldwork, it has returned responsibility for the Donated Leave Program to Work Life Services staff. HRS stated that "A Work Life Services supervisor will provide much closer oversight to ensure accuracy and program credibility, as well as to protect against potential fraud."

APPENDIX A

CONSOLIDATED LIST OF RECOMMENDATIONS

I. *A.* 1. Develop clearly defined, measurable, and consistently communicated performance expectations addressing a range of results/customer/employee issues that are required to rate, reward, and hold employees accountable.

2. Implement a monitoring process to evaluate how well the supervisors have implemented and monitored the performance system.

B. 1. Calculate and monitor individual processing times for PAR processing.

2. Compare individual actual average processing times and actual actions completed with standards, and take appropriate action when employees are consistently below the standard.

3. Calculate and track the processing time for each type of action. For actions that take consistently longer than the average, investigate to disclose possible bottlenecks or inefficiencies in work processes or staffing shortages.

4. Establish an error rate goal, such as 5 percent, and track progress toward meeting this goal.

5. Track the percentage of errors for each staffer inputting actions into the NFC. Compare the error rate with the established standard and take appropriate action whenever an individual is consistently higher than the standard.

6. Monitor the NFC Epic report more closely and require staff to submit a report explaining why they have not resolved any errors over 10 days old.

C. 1. Require staff to report on actions held longer than 10 days with an explanation for the delay.

2. Issue a memorandum to the Service Unit Directors emphasizing that PARs need to be submitted to HRS at least ten days before the proposed effective date to ensure that actions are processed by the effective date.

II. *A.* 1. Review any actions initiated by HRS staff that affect pay.

2. Assign an employee without NFC access to distribute and validate the copies of the SF50 to the Service Unit, the division, the employee, and the OPF. The OPF copy should go to the HRS Specialist that processed the personnel action to permit comparison with the SF52 (Request for Personnel Action).

3. The employee distributing the SF50 should promptly file the copy for the Official Personnel Folder and investigate any missing folder immediately.

B. Establish a checklist for manual applications to ensure that staffing specialists forward the application and supporting documents to the selecting official.

C. Obtain a listing of garnishments from OGC and follow up periodically to ensure that HRS processes the approved garnishments within established time frames.

D. 1. Assign responsibility for the donated leave transactions to an HRS employee, as soon as possible.

2. Periodically sample donated leave transactions to validate accuracy and credibility.

Human Resources Services Response to the Draft Report

United States Government

Human Resources Services
Director for Human Resources

Memorandum
Library of Congress

TO   :   Karl W. Schornagel   Date: August 22, 2003
              Inspector General

FROM   :   Teresa A. Smith
              Director for Human Resources

SUBJECT   :   Human Resources Services (HRS) Comments on Draft Audit Report

     Thank you for the opportunity to comment on Draft Audit Report No. 2003-PA-101, *HRS is Responding to Performance Challenges, But Additional Controls and Oversight are Needed.* We are pleased that the report recognizes the substantial progress that HRS has made to serve its customers better. As noted, these efforts included implementing a more strategically-focused organization; utilizing LEADS to monitor workload and assess timeliness; ensuring performance appraisals for all staff; and developing performance measures for all staff.

     HRS concurs with most of the audit's findings but takes issue with the assertions that we have not been timely in processing Personnel Action Recommendations (PARs) and that applications submitted manually require additional controls. We regard most of the recommendations as reasonable actions that will help strengthen our operations.

     Our detailed comments are as follows:

1) FINDINGS

I. A. Specific and Measurable Standards are Vital for Effective Performance Appraisals.
HRS Response - Concur. HRS has hired a Performance Management Specialist. This Specialist has developed new performance plans for all positions within HRS. The performance plans are outcome and behavior based. Performance standards use clear and objective measures; many of which are self-monitoring for staff. Where work does not lend itself to counting activities, observable outcomes are incorporated into the performance standards. Additionally, universal performance standards for Customer Service have been added to HRS performance plans.

I. B. More Detailed Analysis of PAR Processing will Identify Inefficiencies and Ensure Better Accuracy.
HRS Response - Concur. As described below under "Recommendations", HRS has created additional PAR processing reports and has made those reports available to its management for review and action.

I. C. Both HRS and Service Units Need to Take Steps to Ensure Timely PAR Processing.
HRS Response - Do not concur. When provided with adequate processing time by the service units, HRS usually ensures that PARs are processed by the desired effective date. Of the 243 PARs comprising the audit sample, HRS received only 67 of them (28 percent) at least 10 days before the effective date–the lead-time we have requested to meet timely processing. Of these 67, HRS processed 53 by the desired effective date. HRS intentionally held five additional PARs to ensure the employees in question received their Cost of Living Adjustment. Thus, 58 of the 67 PARs (87 percent) were processed in a timely manner. We analyzed the remaining nine PARs and found these were delayed due to the following:

- Four actions were delayed as a result of the PARs being received with inadequate documentation. In order to process these actions, the minimal qualifications of each employee first had to be verified to ensure compliance with Merit System Principles. Documentation necessary to verify minimal qualifications was not initially provided. Therefore, it was necessary for staff to coordinate with appropriate stakeholders and conduct research in order to obtain the requisite information prior to processing these four actions

- Two actions (both disciplinary) were delayed to await appropriate supporting documentation. Action has already been taken to change the process for these types of actions to increase efficiency and to avoid delays.

- One action was delayed because the PAR was submitted with conflicting data elements. In this case, there was a discrepancy between the proposed effective date and the effective date listed in the justification. It was necessary for staff to resolve the discrepancy and to verify the value of the data element prior to processing.

- One action was received without prerequisite coordination with classification. The action was held while staff coordinated this action, a career-ladder promotion, with classification to ensure the validity of the career promotion.

- Finally, one action dropped out of the normal system workflow for a reason that cannot now be determined. As soon they became aware the action was dropped from the normal workflow, the staff expeditiously retrieved and processed the action.

Beyond the 58 PARs cited above, HRS timely processed an additional 48 PARs in the audit sample, even though these were received less than ten days before the effective date.

The evidence clearly indicates HRS does a very good job of processing PARs by the desired effective date when given adequate lead-time to meet our responsibilities. However, because we agree that overall HRS processing time should not exceed 10 days, we **concur** with the overall recommendations related to this issue.

II. A. An Employee Independent of PAR Processing Should Distribute the SF50s.
HRS Response - Concur. Effective July 2003, the Director of WorkLife Services, or his designee, has named an employee without NFC access to carry out these tasks in a manner consistent with efficient business practices.

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II. B. <u>Job Vacancy Applications Submitted Manually Require Additional Controls</u>.
HRS Response - <u>Do not concur</u>. Consistent with our standard operating procedures, HRS
Staffing Specialists currently provide interview panels with the following materials of candidates
who applied outside of the automated process: 1) the applications; 2) resumes; and 3) copies of
the standard interview guide booklet. These are the identical materials that the panels receive for
candidates applying through the automated process.

II. C. <u>Tighter Controls Required for Garnishments of Pay</u>.
HRS Response - <u>Concur</u>. Effective September 1, 2003, the Director of WorkLife Services, or
his designee, will coordinate with the Office of the General Counsel and review transaction
reports related to garnishments to ensure both timeliness and accuracy.

II. D. <u>HRS Management Should Periodically Validate Donated Leave Transactions</u>.
HRS Response - <u>Concur</u>. However, management wishes to note that actions have been taken
since the audit transpired to reassume control of the Donated Leave Program. Recently, HRS
returned this function to the Worklife Services staff. Added to the center staff is another
supervisor who is physically co-located with the staff performing the function and will provide
much closer oversight to ensure accuracy and program credibility, as well as to protect against
potential fraud.

2) RECOMMENDATIONS

I. A. 1. <u>Develop clearly defined, measurable, and consistently communicated performance</u>
<u>expectations addressing a range of results/customer/employee issues that are required to</u>
<u>rate, reward, and hold employees accountable</u>.
HRS Response - Each supervisor has been asked to review the performance plans for his staff.
The supervisor will then have individual discussions with staff members and come to agreement
on the final performance plan. Both supervisor and staff member will indicate agreement with a
signature on the performance plan. The discussion will focus on the standards for the job, not the
person in the position. (How individuals are meeting the standards will be a separate
conversation.) Like positions will have like standards. The Performance Management Specialist
will be providing oversight to ensure that this consistency occurs. It is expected that all
discussions on performance plans will be concluded by September 30, 2003.

I. A. 2. <u>Implement a monitoring process to evaluate how well the supervisors have</u>
<u>implemented and monitored the performance system</u>.
HRS Response - This is an issue across the Library and not endemic to HRS. The HR Specialist
for LEADS has developed additional screens to track compliance with performance appraisal
requirements. Working with the Performance Management Specialist and senior members of
HRS, the tracking system is being tested now with a service unit.

The Performance Management Specialist is working on universal standards for all supervisors to
include in their performance plans. Anecdotally, it is the finding of the Office of Workforce
Management that where supervisors are evaluated on the completion of annual performance

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appraisals, compliance rates are close to 100%. Where there is no accountability, supervisors comply with annual performance appraisal requirements for less than 10% of their staff. HRS is committed to lead by example in the area.

It should be noted that the Office of Workforce Management is in the process of designing a customer satisfaction survey for its customers. This survey asks for responses based on the standards set forth in staff performance plans. Data collected will be shared with the staff in real time and will be included as input to the annual performance appraisal process. As customers identify opportunities for improvement, the Office of Workforce Management will implement changes as appropriate. If customer reaction to the survey is positive, HRS will initiate similar surveys for each of the HRS offices.

I. B. 1. Calculate and monitor individual processing times for PAR processing.
HRS Response - Effective July 2003, the Director of WorkLife Services, or his designee, is reviewing, on a monthly basis, a report that provides individual processing times for PAR processing.

I. B. 2. Compare individual actual average processing times and actual actions complete with standards and take appropriate action when employees are consistently below the standard.
HRS Response - Effective the beginning of the next performance rating period, the Director of WorkLife Services, or his designee, will effect objective and measurable performance standards that will take into account processing cycle time and accuracy rate, and will reward and offer assistance to employees, consistent with the appropriate LCRs.

I. B. 3. Calculate and track the processing time for each type of action. For actions that take consistently longer than average, investigate to disclose possible bottlenecks or inefficiencies in work processes or staffing shortages.
HRS Response - Effective July 2003, the Director of WorkLife Services, or his designee, is reviewing reports that track cycle time for all actions and is investigating actions that take longer than average to determine the cause and initiate corrective action, if required.

I. B. 4. Establish an error rate goal, such as 5 percent, and track progress toward meeting this goal.
HRS Response - Effective August 2003, the Director of Worklife Services, or his designee, will establish an accuracy goal, and on a weekly basis, will track progress toward meeting the accuracy goal.

I. B. 5. Track the percentage of errors for each staffer inputting actions into the NFC. Compare the error rate with the established standard and take appropriate action whenever an individual is consistently higher than the standard.
HRS Response - Effective the beginning of the next performance rating period, the Director of WorkLife Services, or his designee, will effect objective and measurable performance standards that will take into account processing cycle time and accuracy rate, and will reward and offer assistance to employees, consistent with the appropriate LCRs.

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I. B. 6. Monitor the NFC Epic report more closely and require staff to submit a report explaining why they have not resolved any errors over 10 days old.
HRS Response - Effective July 2003, the Director of Worklife Services, or his designee, is monitoring the NFC Epic report and is requiring staff to submit a report explaining errors that have not been corrected for more than 10 days.

I. C. 1. Require staff to report on actions held longer than 10 days with an explanation for the delay.
HRS Response - Effective July 2003, HRS is requiring staff to report on actions held longer than ten days with an explanation for the delay. The Director of Worklife Services, or his designee, is monitoring the delayed actions on a quarterly basis.

I. C. 2. Issue a memorandum to the Service Unit Directors emphasizing that PARs need to be submitted to HRS at least ten days before the proposed effective date to ensure that actions are processed by the effective date.
HRS Response - HRS will issue such a memorandum.

II. A. 1. Review any actions initiated by HRS staff that affects pay.
HRS Response - Effective July 2003, a weekly report is provided to the HRS Director, or her designee, detailing all instances in which HRS employees have initiated and approved a PAR. The Director, or her designee, meets with such employees and is informed of the reasons for such actions.

II. A. 2. Assign an employee without NFC access to distribute and validate the copies of the SF50 to the Service Unit, the division, the employee, and the OPF. The OPF copy should go to the HRS Specialist that processed the personnel action to permit comparison with the SF-52 (Request for Personnel Action).
HRS Response - Effective July 2003, the Director of Worklife Services, or his designee, has named an employee without NFC access to carry out these tasks in a manner consistent with efficient business practices.

II. A. 3. The employee distributing the SF50 should promptly file the copy for the Official Personnel Folder and investigate any missing folder immediately.
HRS Response - Effective July 2003, the Director of Worklife Services, or his designee, is conducting periodic reviews to ensure that SF-50 distribution and filing are being carried out efficiently and effectively. All missing OPFs are to be reported immediately.

II. B. Establish a checklist for manual applications to ensure that staffing specialists forward the application and supporting documents to the selecting official.
HRS Response - HRS does not consider such a checklist necessary as our current operating procedures dictate that interview panels receive applications, resumes, and copies of the standard interview guide booklet. These procedures govern applications received either manually or via the automated process.

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II. C. <u>Obtain a listing of garnishments from OGC and follow-up periodically to ensure that HRS processes the approved garnishments within established time frames.</u>
HRS Response - Effective September 1, 2003, the Director of WorkLife Services, or his designee, will coordinate with OGC and review on a regular basis transaction reports related to garnishments to ensure both timeliness and accuracy.

II. D. 1. <u>Assign responsibility for the donated leave transactions to an HRS employee, as soon as possible.</u>
HRS Response - As noted above, HRS returned this function to the Worklife Services staff. Added to the Worklife staff is another supervisor who is physically co-located with the staff performing the function and will provide much closer oversight to ensure accuracy and program credibility, as well as to protect against potential fraud.

II. D. 2. <u>Periodically sample donate leave transactions to validate accuracy and credibility.</u>
HRS Response - The Director of Worklife Services, or his designee, is performing regular sampling of donated leave transactions beginning with the period covering July 1, 2003 - September 30, 2003.

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