



Financial Management

**ADMINISTRATION OF A BASE FINANCIAL
MANAGEMENT QUALITY ASSURANCE
PROGRAM**

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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The purpose of this instruction is to provide general guidance for the Quality Assurance Manager (QAM) to administer the Quality Assurance Program (QAP) in base level financial management operations. The program encourages a proactive approach by management to enhance quality of operations while ensuring adequate internal controls are in place to properly safeguard government resources. The instruction also implements the Chief Financial Officer Act of 1990 and the Federal Managers' Financial Integrity Act (FMFIA) of 1982 to prevent fraud, waste, and abuse in federal programs, functions, and activities. The program applies to, and requires the compliance of, all personnel at command and installation levels in financial management activities.

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Chapter 1

PURPOSE OF A QUALITY ASSURANCE PROGRAM

1.1. General. A Financial Management (FM) organization operates in dynamic surroundings. Conducting business in a “consolidated” environment, managing tight budgetary resources, and supporting worldwide deployments are examples of “real world” challenges faced at a typical base level organization. The FM and staff need continual assurance that despite these demands, the unit is performing at peak efficiency. The Quality Assurance Program (QAP) provides the FM with reasonable assurance that (1) Applicable laws, regulations, and policies are followed; (2) Assets and resources are effectively and efficiently managed; (3) Assets are safeguarded against fraud, waste, abuse and unauthorized use; and (4) Financial records and reports are reliable, accurate and timely.

1.2. Internal Controls.

1.2.1. Another important aspect of QA is to ensure internal controls are in place. According to the Committee on Sponsoring Organizations of the National Commission on Fraudulent Financial Reports, “Internal Control is a process...designed to provide reasonable assurance regarding the achievement of objectives” in the following categories:

1.2.1.1. Reliability of financial reporting.

1.2.1.2. Effectiveness and efficiency of operations.

1.2.1.3. Compliance with applicable laws and regulations.

1.2.2. The means to meet these overlapping objectives are outlined in this directive.

1.3. Records Disposition. Maintain and dispose of records created as a result of processes prescribed in this publication and in accordance with AFMAN 37-139, “Records Disposition Schedule.”

Chapter 2

RESPONSIBILITIES

2.1. Financial Manager and Staff. The FM is responsible for the overall management and control of the QAP. He/she will designate a highly competent person as the Quality Assurance Manager (QAM). The QAM reports directly to the FM. The FM staff (Financial Services Officer, Chief of Financial Analysis, etc.) complies with the spirit and intent of the QAP and motivates interest in the program among subordinates. The FM staff is encouraged to use the QAM for an independent review and analysis of operations. They also provide quality data for performance indicators, and if deficiencies are identified, advise the FM and QAM of the reasons for the discrepancies and the corrective actions taken to preclude recurrence.

2.2. QAM. The QAM is delegated primary functional responsibility for the QAP. The QAM promotes quality consciousness among personnel and provides technical assistance and advises the FM and staff. Subsequently, the QAM administers the QAP in accordance with this instruction and guidance from the base FM. The QAM periodically examines all areas to determine the effectiveness of procedures and also determines if supervisors are recording quality data upon which accurate management conclusions and decisions can be based. Suggested duties are outlined in Figure 2.1.

Figure 2.1. Suggested QAM Duties.

- Advise FM (and staff) on Quality Assurance matters
- Conduct various reviews to assess organizational performance
- Manage Self-Inspection Program
- Produce Discrepancy Tracking report
- Focal point for fraud prevention
- Conducts Electronic Funds Transfer (EFT) review for travel payments
- Perform post-audit voucher review of pay affecting and travel transactions
- Audit liaison (FM audits only)
- Congressional inquiry liaison
- Ensure a viable Comptroller “in-house” training program exists
- Produce Performance Indicators
- Conduct customer service surveys
- Access Air Force QA website and distribute information accordingly
- Manage local cross-feed program
- Facilitate monthly Quality Assurance meeting and prepare minutes
- Manage external recognition program
- Focal point for MAJCOM inspections and staff assistance visits
- Other duties assigned at the discretion of the FM

Chapter 3

CONCEPT OF OPERATIONS

3.1. General. Four general elements or methods exist for the QAM and staff to ensure adequate Quality Assurance and Internal Controls are in place at base level operations. Each of these elements is discussed in more detail in this instruction. By using these elements, the QAM will be able to ensure the unit is performing in accordance with established standards.

- 3.1.1. Process tools provided in the Quality Assurance Instruction.
- 3.1.2. Self-Inspection Checklist Program.
- 3.1.3. “Cross-feed” Program.
- 3.1.4. QAM Fraud Prevention Oversight

3.2. Scenarios. The four scenarios described below will be used as examples in dealing with specific issues at your operation.

- 3.2.1. Scenario 1. The QAM is “cross-fed” another base’s Audit report of the Accounting Liaison Office function that recommended to “establish validation and certification of outstanding orders and advances as a top priority.”
- 3.2.2. Scenario 2. Increasing number of negative customer surveys in Customer Service.
- 3.2.3. Scenario 3. FM’s concern over document flow problems with the Operating Location (DFAS FIELD SITE).
- 3.2.4. Scenario 4. An Audit visit finds several discrepancies in Basic Allowance for Housing and Dependency Verifications.

Chapter 4

PROCESS TOOLS

4.1. Processing Tools. Regardless of whether “problem” or “improvement opportunities” come from outside sources (auditors or customer feedback) or are recognized by the FM staff, the next step is for the QAM and FM to determine which processing tool(s) should be used. The processing tools described below help to identify root causes of discrepancies, a method to track discrepancies, and recommendations to fix problems.

4.1.1. Performance Indicators. Usually recurring in nature (monthly or quarterly), performance indicators measure actual performance in an area against a certain standard. The QA function gathers the data, prepares trend reports, and facilitates discussion with the personnel at an FM staff meeting (or QA meeting if the FM desires). Performance indicators provide management with the means to properly assess areas within the FM organization.

4.1.1.1. In scenario one, a performance indicator on timeliness of follow-up on outstanding orders and advances would have already provided information that a problem existed before Auditors identified any findings. Customer surveys (scenario two) could generate a monthly performance indicator that charts the trend of customer service.

4.1.1.2. Tracking a base’s lost discounts and interest payments are means to assess how inadequate document flow from the FSO to the DFAS Field Sites might be causing an increase in this area (scenario three). Finally, a performance indicator that charts whether all entitlement verifications are completed would ensure members are correctly paid (scenario four).

4.1.1.3. Performance indicators should be reviewed at least annually to determine if new ones should be added or any can be deleted. A sample list of indicators is shown in Figure 4.1.

Figure 4.1. Performance Indicators for Base FM (Sample List).

<u>Area</u>	<u>Focus</u>
Comptroller	Customer Service (through use of surveys)
Comptroller	Training Activity
Comptroller	Travel Card Delinquencies
Customer Support	Separation Indebtedness
Customer Support	Entitlement Verification
Accounting Liaison	Follow-up on Outstanding Orders/Advances
Accounting Liaison	Merged Accountability and Fund Reporting Accuracy
Accounting Liaison	Lost Discounts (provided by the DFAS Field Sites)
Accounting Liaison	Interest Payments (provided by the DFAS Field Sites)
Financial Analysis	Resource Advisor Visits/Training
Financial Analysis	Fund Status

4.2. Discrepancy Tracking. As discrepancies are identified, they must be tracked. It is up to each base/MAJCOM to determine the medium for tracking deficiencies. The processing center chief determines the estimated completion date (ECD) and appropriate corrective action, and the QAM assigns the tracking number and ensures the ECD is reasonable. Tracking is initiated for discrepancies or problems identified from numerous sources: self-inspection questions, quality assurance reviews, compliance reviews, and

cross-feed items (audit reports, Inspector General reports, etc.). See [attachment 2](#) for minimum information required to be tracked.

4.2.1. Various MAJCOMs have command specific discrepancy tracking forms. If one is designated at your installation, use that form and follow your command guidance in how to open and track local discrepancies.

4.3. Discrepancy Tracking Report. A top priority must be given to ensuring all open discrepancies are aggressively worked until completion. A Discrepancy Tracking Report (See Figure 4.2.) is compiled monthly and provided to management for review. This report provides the FM with a quick summary of problem “tracking efforts”.

Figure 4.2. Example of Discrepancy Tracking Report.

(EXAMPLE) DISCREPANCY TRACKING REPORT (NOV 98)						
<u>Source</u>	<u>Area</u>	<u>Discrepancies</u>	<u># Open</u>	<u># Past ECD</u>	<u>CR Results</u>	
<i>OARs:</i>						
Document Flow	ALO	1	1	0	Satisfactory	
Customer Service	C Svc					
<i>CRs:</i>						
ATRAS listings	C Spt	1	1	0		
FM Policy ltr (advances)	C Svc	1	1	0		
Crossfeed #2	ALO	1	1	0	Unsatisfactory	
<i>SELF-INSPS:</i>						
Customer Support		6	6	0		
FMA		3	2	1		
ALO		8	4	2		
<i>LOCAL AUDITS:</i>						
97053014						
Military Pay	C Spt	1	0	0		
Totals		22	16	3		

4.4. Quality Assurance Review (QAR). The QAR is a means to provide the FM with an independent review of an area. The QAR meets three objectives: (1) determines if a problem exists, (2) if a problem exists, examines the root cause of the problem, and (3) makes recommendations to correct the problem.

4.4.1. The suggested format of the completed QAR report is shown in [figure 4.3](#). Note that the QAR report is presented in a concise and clear manner for the FM and staff.

Figure 4.3. Example of a Quality Assurance Review Memo.

17 October 1998

MEMORANDUM FOR FM

FROM: QA

SUBJECT: Quality Assurance Review FY99-01: Document Flow to the DFAS Field Site

Background: FM is concerned with increasing amount of interest penalties and lost discounts.**Area Reviewed:** Accounting Liaison**Period of Study:** 1 October 1998 to 15 October 1998 **Actual Hours Spent on Study:** 32**Documentation Reviewed:** Daily submission of documents mailed to the DFAS Field Site (October 7, 9, 10)**Conclusion:** A problem does exist with document flow to the DFAS Field Site.**Root Causes:** (1) Documents are not being “pre-sorted” by the Accounting Liaison office as requested by the DFAS Field Site. This makes it difficult for the DFAS Field Site to determine what branch it should go to. (2) Routine invoices are being routed through the ALO first and then to the DFAS Field Site. Since the ALO merely forwards the documents to the DFAS Field Site, this causes an unnecessary delay in payment processing. (3) Finally, although documents are delivered to the base distribution center to be sent by priority mail, they are not going out daily. The distribution center accumulates several packages before placing in a single FEDEX shipment. They said they are doing this to save shipping expenses.**Findings/Recommendations:**

1. Follow the document flow instructions provided by the DFAS Field Site. **Finding:** The ALO staff is not following the DFAS Field Site’s document flow guidebook. I talked to the mailroom staff at the DFAS Field Site and they indicated that FSOs who use the guidebook are achieving good results.
2. Inform vendors to send invoices directly to the DFAS Field Site. Many vendors are still sending their routine invoices to the ALO for payment. They do not realize that unlike “the good old days” we cannot make their final payment; that is a DFAS Field Site’s responsibility. Suggest Contracting Squadron publicize this information in their correspondence with local vendors and we also place this info on our website.
3. Coordinate with the Information Management (IM) Staff to ensure FEDEX packages are sent daily. Although the IM staff thinks they are saving money through weekly FEDEX Financial shipments, they are actually costing the base more money. Suggest the FM send a letter to the Support Group Commander requesting an immediate change to this practice.

Number of Findings: 2

/s/

EDDIE POPE, SSgt, USAF

Quality Assurance Manager

4.4.2. Who can recommend a QAR? Recommendations to conduct a QAR can be made by the FM, staff or QAM. SAF/FM, AFAFO, and/or MAJCOM can direct QARs for high interest areas.

4.4.3. QAR In-Brief. Each QAR begins with an in-brief between the QAM, FM, flight chief, and applicable section chief whose area will be reviewed. The purpose of the in-brief is to agree on what specific area(s) will be reviewed, and to determine the time period of the analysis.

4.4.4. QAR Final Report. Allow the section and flight chief an opportunity to review your report before “going final”. The QAR final report will also include any Findings or Observations noted by QA while conducting the study due to any lack of compliance with applicable directives. A formal out-brief to the same group “in-briefed” completes the formal QAR study. A copy of the final report should be maintained in the QA Manager’s handbook for quick reference.

4.5. Compliance Review. “Trust but verify” sums up the purpose of using a Compliance Review (CR). The CR serves as a quick method of providing a “safety net” around FM operations. Unlike the more formal QAR study, the CR is a tool for the QAM to quickly determine if a problem exists or not. The QAM only needs to review a small sample size because the problem, root cause(s), and recommendations have already been identified through other sources (Quality Assurance Review, Self-Inspection checklist, Audit findings, etc.). Thus, a CR can be completed in minimal time, perhaps only an hour or two. A CR can also determine if procedures established by policy letters, local Operating Instructions (OIs), or incoming messages are being adhered to.

4.5.1. Since the purpose of conducting a CR is to ensure agreed upon procedures are in place, the timing of the CR is critical. Use the following matrix (Figure 4.4.) in scheduling CRs. It will assist you in managing this important tasking. Remember that a CR takes a short time to conduct since the QAM relies on a very small sample size to determine if corrective actions are firmly in place.

Figure 4.4. Compliance Review Schedule Matrix.

Compliance Review Schedule	
<u>If the source is</u>	<u>Conduct the CR</u>
Discrepancy Tracking Medium	CR 1: 60 days after close-out date CR 2: 180 days after close-out date
A finding from a local audit report	R 1: 30 days after date of management comments CR 2: 180 days after date of management comments
A cross-fed item from higher headquarters	R 1: immediately
Local policy letters	R 1: 90 days after date of policy letter
FM discretion	CR 1: when directed by the Comptroller

4.6. Compliance Review based on an audit finding. Figure 4.5. is an example of a CR conducted in the ALO to determine if the findings noted in an Audit at another FSO apply to the local operation (scenario one).

4.7. Compliance Review based on a QAR. Figure 4.6. shows a CR completed on the findings discovered during a QA Review on document flow to the DFAS Field Site (scenario three).

Figure 4.5. Example of a CR Conducted in the ALO Based on Audit Finding.

10 Nov 98

MEMORANDUM FOR FM

FROM: QA

SUBJECT: Compliance Review 99-01: Travel Orders, Obligations, and Advances

Area(s) Reviewed: Accounting Liaison Office**Reason:** To determine if same problems exist locally as identified in Air Force Crossfeed #2 (Audit Report ER098063).**Documentation Reviewed:** Reviewed October 1998 NHGGOO ("GOO") listings.**Analysis:** The technicians are not properly annotating and signing the product to indicate reconciliation is being accomplished. Therefore, I can only assume proper follow-up is not occurring.**Recommendation:** Conduct training and open a Discrepancy on this subject.

/s/

JOHN WOFFARD, MSgt, USAF

Quality Assurance Manager

Figure 4.6. Example of a Completed CR Based on a QAR Finding.

17 December 1998

MEMORANDUM FOR FM

FROM: QA

SUBJECT: Compliance Review 99-02: Document Flow to the DFAS FIELD SITE

Area(s) Reviewed: Accounting Liaison**Reason:** To validate corrective actions identified in QAR 99-01**Documentation Reviewed:** Reviewed two document shipments to the DFAS Field Site (3-4 December)**Analysis:** Corrective actions appear to be working. Items were pre-sorted per DFAS Field Site guidance.**Recommendations:** None.

/s/

DEBBIE JEWELL, TSgt, USAF

Quality Assurance Manager

4.8. Process Action Team (PAT) Studies. Another method to improve operations is the use of a Process Action Team. Even if standards are being met, the PAT process breaks down the existing procedures and looks for ways to streamline or improve the overall process. Discussions during QA or other staff meetings are ideal times to initiate a PAT review. In scenario two (negative customer surveys), a PAT may be an option to pursue if the complaints involve other agencies or a process is too time consuming for the customers. The team's composition may include members from other agencies that are involved in the study (i.e. personnel, transportation, contracting, etc.).

4.9. Quality Assurance Meetings. A QA meeting is a monthly event. The meeting is a means to focus on QA efforts at the comptroller organization. It allows the processing center chiefs an opportunity to state the "health" of their operations directly to the FM. The meeting is also a good forum to see what is going on in the other areas.

4.9.1. The QAM ensures that any problems or disagreements with tools, such as performance indicator charts, discrepancy tracking reports, and training reports are resolved before the meeting. The QAM serves as facilitator for the meeting and the FM is the chairman. Suggested topics to cover include, but are not limited to, the following areas:

4.9.1.1. Process center chiefs address each performance indicator they are responsible for. They note root causes for problem areas and provide recommendations to reverse negative trends.

4.9.1.2. Action items should be developed for each below standard indicator to include scheduling training.

4.9.1.3. The QAM should review training efforts and QA reviews conducted or planned that month.

4.9.1.4. Finally, open discrepancies should be reviewed to ensure all are being worked until completion.

4.10. QA Meeting Minutes. Minutes of the QA meeting should be written and published within two business days of the meeting and distributed to the FM and staff. Minutes should include action items identified at the meeting, responsible parties, and estimated completion dates.

4.11. QA Manager Handbook. The QA Manager handbook is a mandatory requirement for all base-level QAMs. The handbook is a means to assist the QAM in their important duties. It allows them to store associated QA products in an organized manner. Updates to the handbook are provided via the AFAFO website where it is also electronically maintained.

Chapter 5

SELF-INSPECTION PROGRAM

5.1. General. A comprehensive Self-Inspection Program is another important element of internal controls and Quality Assurance. The checklists will be conducted within all areas to evaluate the effectiveness of existing procedures and internal controls and to determine compliance with regulatory requirements.

5.2. Who Conducts Reviews. The FM decides which personnel conduct the actual checklist reviews. The reviews give processing center chiefs first-hand knowledge of their operations, although they may not necessarily conduct the review. However, the QAM will not be tasked to perform the inspection checklists.

5.3. When is it Due. Reviews will be conducted semi-annually by using Air Force prepared checklists. The FM determines what months they will be due unless local installation policy directs otherwise.

5.4. QAM Role. The QAM oversees the progress for completing the self-inspection checklists and ensures that responses adequately reflect the actual health of each processing center. The QAM should encourage “truthful” answers even if problems are identified.

5.5. Substitution of Responses. If there are recent responses to an earlier review (i.e. a cross-feed item, a Quality Assurance Review, or Audit, etc.), that response can be substituted for a self-inspection checklist response.

5.6. Validation of Self-Inspection Responses. The QAM validates 10% of inspection checklist responses. Validation provides reasonable assurance that the reviews were conducted properly. Validation can also provide additional focus to a high interest item designated by the FM staff. The QAM validation of self-inspection checklists is accomplished through the use of Compliance Reviews ([chapter 4](#)).

Chapter 6

CROSS-FEED PROGRAM

6.1. General. In today's environment of electronic communications (websites, email, etc.), exporting information throughout the financial management community is enhanced. The QAM will be cross-fed various reports and bulletins on a routine basis through electronic means. In turn, the QAM takes action or distributes the information accordingly.

6.1.1. Findings from other locations. In the operational world, an aircraft accident generates a "one-time investigation" at other installations to see if a similar problem exists. In the same manner, the financial community must share information when things go wrong. For example, if an audit visit at one Comptroller organization identifies discrepancies that degrade the reliability of financial reporting, effectiveness or efficiency of operations, or compliance with applicable laws and regulations, then internal controls may be lacking. The ability to cross-feed problem areas is an important element of the overall Quality Assurance Program and enhances effective internal controls.

6.1.1.1. Upon receipt of a negative cross-feed report, the QAM does the following:

6.1.1.1.1. Conducts a Compliance Review IAW instructions found in this AFI.

6.1.1.1.2. If the problem does not exist locally, then reports the CR normally.

6.1.1.1.3. If a problem does exist, the QAM notifies the FM, Flight Chief and applicable processing center chief who opens a discrepancy.

6.1.1.1.4. The QAM then tracks the discrepancy through the Discrepancy Tracking Report.

6.1.1.1.5. Report results of the CR if requested by higher headquarters.

6.2. Good Ideas and Initiatives. The financial management network consists of very talented individuals who come up with great ideas and initiatives to improve their local operations. "Positive" cross-feed items will, therefore, be provided to the QAM on a routine basis. The QAM role in this regard is three-fold.

6.2.1. Search for solutions from other sources.

6.2.2. Distribute the information to the right people.

6.2.3. Forward good ideas from your local operations so others can benefit.

6.3. Local Cross-Feed Program. The QAM is encouraged to develop a local cross-feed program independent from the Air Force distributed program. The way to do this is to search for reports or products that can be shared locally within the comptroller organization.

Chapter 7

FRAUD PREVENTION MEASURES

7.1. General. The QAM is the focal point for fraud and prevention in the FM organization. The following paragraphs describe these responsibilities and functions. See the QA Manager's Handbook for more specific details in how to actually perform these duties.

7.1.1. Education. There are several methods to use throughout the year in raising and maintaining fraud awareness.

7.1.1.1. Schedule FM newcomers for introductory briefings on local fraud prevention measures.

7.1.1.2. Ensure all personnel complete any Fraud Prevention tutorial programs available.

7.1.1.3. Schedule semi-annual Fraud, Waste, and Abuse briefings.

7.1.1.4. Distribute fraud newsletters or other cross-fed items relating to fraud.

7.2. Internal Reviews. Semi-annually, an audit will be performed and documented on all assigned FM personnel. The purpose is to ensure only authorized and proper payments are made. The Financial Services Officer performs the audit that includes the following.

7.2.1. A review of military pay data for all FM military personnel using Pay Record Accessibility procedures outline in DFAS-DEM 7073.1.

7.2.2. A review of civilian pay data for all FM civilian personnel.

7.2.3. A review of travel payments for all FM personnel to include their dependents and relatives.

7.2.4. A review of User Ids and passwords to ensure that following: personnel have only the authorized level of access; access to multiple systems is justified; passwords are changed timely; and user accounts for departing (reassignment, separation, or retirement) personnel are purged.

7.3. Electronic Funds Transfer (EFT) Review. Monthly, the QAM will compare manual changes (i.e. initiated for travel payments only) shown on the management report to the actual document signed by the customer. The QAM contacts a random sample of individuals to verify the change was authorized. Discrepancies are reported immediately to the Financial Services Officer.

7.4. Post Audit. The purpose of the post audit is to conduct a random sample of completed transactions to validate authenticity.

7.4.1. Pay Affecting Documents. Quarterly, the QAM will review 100 documents from outside sources (Housing Office, Unit Commanders, etc.) and 100 documents generated locally (over-the-counter entitlement starts, local payments, etc.). The QAM verifies supporting documentation and approving official signatures. A report is provided to the Financial Services Officer.

7.4.2. Travel Vouchers. Quarterly, the QAM reviews 100 paid travel vouchers. The QAM verifies authenticated and proper travel orders support the payment. A report is provided to the Financial Services Officer.

Chapter 8

“IN-HOUSE” TRAINING

8.1. General. QA identifies potential weaknesses or problems while training improves overall performance. QAMs should, therefore, also have the role of FM Training Managers. The training referred to in this chapter is not the “upgrade” or external type of training. Rather, the focus of this chapter is on the “in-house” training program. If the FM chooses not to appoint the QAM as in-house training manager, the requirements described below are still applicable.

8.2. Role of QAM in Training. The QAM should facilitate the identification of training requirements, ensure training is conducted and documented, and validate training sessions to ensure they are effective.

8.3. Determining what topics to train on. Determining training topics is a process based on several factors.

8.3.1. New Procedures. FM functions change over time. When those changes occur, training should be scheduled to ensure employees understand the changes and have an opportunity to ask questions in a less stressful environment.

8.3.2. Updated systems. “Upgrades” to financial automated systems are a fact of life. When these systems changes are brought on-line, a training session should be scheduled with a “dummy” database whenever possible. Workers learn better by making mistakes in a safe environment.

8.3.3. Computer application courses. Whenever possible, seek to schedule classes that improve general computer knowledge and skills. If an “in-house: systems office exists, they can supplement computer training.

8.3.4. Performance Deficiencies. A prime source for training topics are the discrepancies noted in various reviews (self-inspection checklists, QARs, etc.). The QAM should ensure that as discrepancies are identified a corresponding training session should be conducted. Note that training classes were conducted for all four-example scenarios ([figure 8.3](#). sample training report).

8.3.5. Orientation training. QA will provide newcomers with a short orientation to the FM mission, organizational structure, responsibilities of the different sections, and an overview of the QA and Training programs.

8.3.6. Use of self-inspection checklists. Another valuable source for training topics is the area’s self-inspection review checklists. A checklist question or two can be given to personnel in the work areas (especially young enlisted technicians). Task them to assist in preparing and presenting a training class on that specific area of the checklist.

8.4. Building a Training Plan. Based on inputs received, the QAM prepares a monthly training plan that summarizes what topics are scheduled for in-house training ([figure 8.1](#)). The plan should be provided to the FM and staff for review and an opportunity to suggest any additional training topics.

Figure 8.1. Sample November Training Plan.

<u>Date/Time</u>	<u>Training Topic</u>	<u>Area</u>	<u>Trainer(s)</u>
Nov 2/0800	Initial Distribution	FMA	Mr. Docktor
Nov 3/0700	Verification of Qtrs Assignment	C Spt	MSgt Robles
Nov 4/0900	Voucher Balancing	C Spt	Ms. Mader
Nov 5/0700	Fraud Prevention briefing	C Spt	MSgt Robles
Nov 9/0700	For Others	C Spt	TSgt Ordonez
Nov 10/1400	EOD Processing	C Spt	MSgt Robles
Nov 17/0800	Remissions	C Svc	Amn German
Nov 18/1000	Actual Expense Allowance	C Svc	TSgt Schaefer
Nov 19/0900	Retired Pay	C Svc	Amn German
Nov 20/1000	Daily Record of Transactions	C Spt	SrA Martinez
Nov 23/0800	Customer Service	C Svc	SrA Polk
Nov 24/1500	AF Form 9 and AF Form 616	ALO	Ms. Trantham
Nov 25/0700	Tri-Annual ODL Review	ALO	MSgt Chambers
Nov 27/0800	Daily Audits List	ALO	Ms. Mebane

8.5. Producing a Training Report. Also, the QAM produces a monthly training report that confirms what training sessions indeed took place ([figure 8.2.](#)). It should be compared to the training plan to determine if scheduled training is occurring.

Figure 8.2. Sample November Training Report.

<u>Date/Time</u>	<u>Training Topic</u>	<u>Area</u>	<u>Trainer(s)</u>	<u>Status</u>
Nov 2/0800	Initial Distribution	FMA	Mr. Docktor	completed
Nov 3/0700	Verification of Qtrs Assignment	C Spt	MSgt Robles	completed
Nov 4/0900	Voucher Balancing	C Spt	Ms. Mader	completed
Nov 5/0700	Fraud Prevention briefing	FM	MSgt Robles	completed
Nov 6/0900	Squadron contin- gency plan	FMF	Lt Schliesman	completed
Nov 9/0700	For Others	C Spt	TSgt Ordonez	postponed
Nov 10/1400	EOD Processing	C spt	MSgt Robles	completed
Nov 12/1500	Taxes (W-2)	C Svc	SrA Wyman	completed
Nov 13/0700	Advances	ALO	A1C Zambito	completed
Nov 16/1400	ATRAS Mgt Prod- ucts	C Spt	A1C Zambito	completed
Nov 17/0800	Remissions	C Svc	Amn German	completed
Nov 18/1000	Actual Expense Allowance	C Svc	TSgt Schaefer	completed
Nov 19/0900	Retired Pay	C Svc	Amn German	postponed
Nov 20/1000	Daily Record of Transactions	C Spt	SrA Martinez	completed
Nov 23/0800	Customer Service	C Svc	SrA Polk	completed
Nov 24/1500	AF Form 9 and AF Form 616	ALO	Ms. Trantham	completed
Nov 25/0700	Tri-Annual ODL Review	ALO	MSgt Chambers	completed
Nov 30/0900	Document Flow/ Receiving Reports	ALO	SrA Robertson	completed
<u>Summary for November 1997</u>				
14 training classes originally scheduled				
16 training classes actually completed				

8.6. Where to Conduct Training. Whenever possible, training should be conducted away from the work environment. A training room should be designated that is neat, conducive to a professional training environment, and has adequate resources to conduct a training session (marker board, overhead projector, etc.).

8.7. Who Trains. Experienced personnel who are able to effectively communicate with other co-workers should teach training sessions.

8.8. Documentation. The following documentation should be turned in to the QAM upon completion of the training session, Attendance sheet signed by all that attended the session, topic overview sheet that lists objectives, and lesson plans developed.

8.9. Validating Training Effectiveness. The last step in ensuring that training is effective is for the QAM to “validate” training sessions on a random basis. Why is this important? Too often, training pro-

grams fail to meet their objectives. As the “eyes and ears” for the Comptroller, the QAM randomly selects and attends training sessions to determine that (1) training sessions are in fact occurring, and (2) that the sessions are productive.

8.9.1. The QAM makes an objective assessment on the effectiveness of training sessions through the use of a training validation sheet (**figure 8.3**). The validation “closes the loop” on the training program for the FM.

Figure 8.3. Sample Training Validation Worksheet.

Training Session: Receiving Reports – Requirements for Proper Payments

Date/Time: 30 Nov 98/0900

Trainer: SrA Robertson

Overall Evaluation: Excellent Fair Marginal Unsatisfactory

Comments: I sat in on the training sessions on receiving report requirements for proper payments. The session was scheduled at a convenient time for personnel and was conducted in the training room. SrA Robertson gave a concise training session on the subject. He distributed copies of the message, which stated the seven requirements for a proper receiving report. He went over each item and gave examples of proper and improper documentation. SrA Robertson then ended his session with numerous examples and asked the class to determine if the receiving report was proper or not. Well done!

/s/

JOHN SELBY, SSgt, USAF

QA/Training Manager

Chapter 9

THE QUALITY ASSURANCE PLAN

9.1. General. A Quality Assurance plan becomes the means to capture many of the elements of the QA Program itself. Prepared annually, the QAM and FM staff chart out what areas will be covered during the fiscal year. The QA plan is frequently modified, however, as the “process tools” capture and record any problems, discrepancies, or improvement opportunities. The plan should be reviewed monthly with management to ensure all planned activities are carried out. Planned items should not “slip” indefinitely. See Figure 9.1. for an example of a QA plan.

Figure 9.1. Example of a QA Plan.

<p>October Cash Verification QAR (Entitlements verification) Compliance Reviews Post-Audit Voucher Review</p>	<p>April Operational Readiness Inspection QAR (To be determined) Compliance Reviews Post-Audit Voucher Review</p>
<p>November QAR (Outstanding orders/advances) Compliance Reviews Mail out customer surveys Post-Audit Voucher Review DFAS Field Site FM Conference (need agenda items) Self-Inspections Due PRA audit completed</p>	<p>May QAR (New travel card) Compliance Reviews Cash verification Customer surveys Validate training sessions PRA audit completed Self-Inspection due</p>
<p>December Safety walk-through Awards packages due to MAJCOM HQ Compliance Reviews</p>	<p>June Compliance Reviews Validate training sessions Post-Audit Voucher Review</p>
<p>January Fraud Prevention Briefing Cash Verification Compliance Reviews Post-Audit Voucher Review Validate training sessions</p>	<p>July Compliance Reviews Validate training sessions QAR (MAFR Accuracy)</p>
<p>February QAR (Resource Advisor training) Compliance Reviews Post-Audit Voucher Review Validate training sessions MAJCOM QA Workshop</p>	<p>August End of Year guidance distributed Prepare annual award packages</p>
<p>March Compliance Reviews QAR (To be determined)</p>	<p>September QAR (To be determined) Compliance Reviews Validate training sessions Draft QA Plan for next fiscal year Re-evaluate performance indicators</p>

Chapter 10

RECOGNITION

10.1. General. Use the data produced by QA to recognize your top performers! Performance tracking through indicators or reviews provides the opportunity to recognize “good work”. The QAMs assist the FMs in nominating comptroller personnel for as many awards as possible when warranted.

10.1.1. Develop internal recognition programs too. A monthly “team of the month” award or “exceptional performer” recognition for individuals boosts morale since management takes the time to notice good performance. Whenever possible, cash incentives for civilian employees or time off for military should be presented at staff or QA meetings.

10.2. Annual Financial Management Awards. The QAM will be responsible for ensuring nomination packages are completed and forwarded to MAJCOM/FOA/DRU FMs IAW AFI 36-2846.

ROBERT F. HALE
Assistant Secretary of the Air Force for
Financial Management and Comptroller

Attachment 1**GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION*****References***

The White Paper, Journal of the Association of Certified Fraud Examiners, September/October 1998
AFMAN 37-139, Records Disposition Schedule

Abbreviations and Acronyms

ALO—Accounting Liaison Office

ATRAS—Automated Travel Accounting System

CR—Compliance Review

DFAS—Defense Finance and Accounting Services

DODFMR—Department of Defense Financial Management Regulation

DTR—Discrepancy Tracking Report

ECD—Estimated Completion Date

EFT—Electronic Funds Transfer

FM—Financial Management

FMA—Financial Analysis

FSO—Financial Services Office

FSO(I)—Financial Services Officer

MAJCOM—Major Command

DFAS FIELD SITE—Operating Location

PRA—Pay Record Accessibility

QAB—Quality Assurance Bulletin

QAM—Quality Assurance Manager

QAP—Quality Assurance Program

QAR—Quality Assurance Report

Terms

Audit—An independent review of operations from an audit staff to determine compliance with applicable laws and regulations. Normally, the auditors will schedule an in brief with the appropriate staff to announce the scope of their audits. The actual review may be divided into several stages; the first stage to determine what should be occurring per laws and regulations; and the second stage to evaluate if it is in fact taking place. The auditors will usually provide at least an informal evaluation of any findings and recommendations when they leave and send out a final report. Significant audit reports that take place at other installations will be “cross-fed” to all the QAMs to determine if a similar problem exists at their

organization.

Compliance Review (CR)—A “processing tool” that a QAM can use to quickly determine if a problem exists in a processing center using a small sample size of data.

Compliance Review Schedule—A suggested timeframe when to conduct a CR.

Cross-feed Program—Program to distribute both “problem” cases and good initiatives throughout the Air Force Accounting and Finance network to all installations.

Discrepancy Tracking—The method of capturing “problems” or “discrepancies” and ensuring they are worked until a resolution is in place.

Discrepancy Tracking Medium—Any number of methods (i.e., spreadsheets, databases, word processing documents, MAJCOM forms, etc.) used to record the discrepancy, the processing center where the discrepancy exists, the root cause of the problem and the corrective action to fix the problem or discrepancy. Each discrepancy is numbered by the QAM but the section chiefs are responsible for ensuring corrective actions are implemented.

Discrepancy Tracking Report—A monthly report given to the Comptroller and key staff that summarizes all discrepancies in the Comptroller organization. The purpose of the report is to provide the Comptroller a management tool of how many discrepancies have been opened, closed, or remain open past the estimated completion date.

Flight Chief—Normally the Chief of Financial Management Analysis (FMA) or the Financial Services Officer.

Fraud Prevention—Efforts to prevent fraud from occurring in either the Comptroller organization or on the base community itself.

Internal Controls—A process designed to provide reasonable assurance regarding the achievement of objectives in (1) reliability of financial reporting, (2) effectiveness and efficiency of operations, and (3) compliance with applicable laws and regulations.

Performance Indicators—A means (usually graphic) of displaying actual performance in a critical area against a certain goal and standard. The indicators are usually color coded to quickly determine if goals and standards are being met or not (green, yellow, and red). Performance indicators are reviewed at QA meeting or staff meeting. Higher headquarters may also request performance indicators be tracked and reported.

Process Action Team (PAT)—A means of identifying “improvement opportunities” to a work process. The team is comprised of various members that are part of the process itself. A facilitator ensures that PAT meetings are scheduled and that the group stays focused to meet objectives in a timely manner.

Processing Center—A work section in the Comptroller organization (i.e. Customer Support, Customer Service, Accounting Liaison office, etc.).

Quality Assurance Bulletin (QAB)—A bulletin distributed by the Air Force Accounting and Finance Office (AFAFO) for the base Quality Assurance Managers and the comptroller organizations. The bulletins are a quick means to distribute pertinent information regarding the Quality Assurance Program. QABs are numbered sequentially and maintained on the QA website.

Quality Assurance Manager (QAM)—The person designated to provide administrative oversight of the Quality Assurance Program and to promote quality consciousness among unit personnel.

Organizationally, reports to the Comptroller.

Quality Assurance Plan—An annual tool to schedule routine and periodic Quality Assurance functions. The QA plan is produced at the beginning of each fiscal year and is approved by the base Comptroller. The plan should be reviewed monthly with the Comptroller too ensure scheduled reviews or tasking are being completed or amended as new requirements dictate.

Quality Assurance Program (QAP)—A comprehensive program designed to ensure effective and efficient financial management and strong internal controls.

Quality Assurance Review (QAR)—A review performed by the QA Manager or individual appointed by the FM to determine if a problem exists, what the root cause(s) of the problem are, and recommendations to correct the deficiency or problem. The QAR includes an in brief and out-brief with the Comptroller and the applicable processing center chief.

Quality Assurance Website—Site maintained by the AFAFO to distribute information and guidance to the base QAMs.

Training Program (In-house)—An ongoing effort to train Comptroller personnel through local resources. The QAM consolidates training topics received by the processing centers and produces a monthly training plan and training report.

Training Validation—The QAM determines that scheduled training sessions take place and are effective by actually attending training sessions.

Attachment 2

DISCREPANCY TRACKING INFORMATION

1. Unit:
2. Inspection Date:
3. Source of Discrepancy:
4. OPR:
5. Date Closed:
6. Discrepancy:
7. Proposed Corrective Action:
8. Corrective Action:
9. Date Reviewed:
10. ECD:
11. Tracking Number:
12. Compliance Review -- Date Performed:
13. Compliance Review Results (i.e., Unsatisfactory, Marginal, Satisfactory, or Excellent):
14. Compliance Review Performed by:
15. Date Training Session Completed: