

March 2000

# HUMAN RESOURCES AND PAYROLL SYSTEMS REQUIREMENTS

## Checklist for Reviewing Systems Under the Federal Financial Management Improvement Act



G A O

Accountability \* Integrity \* Reliability



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## **PREFACE**

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B-284571

The Federal Financial Management Improvement Act (FFMIA) of 1996 requires, among other things, that agencies implement and maintain financial management systems that substantially comply with federal financial management systems requirements. These requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP) and in Office of Management and Budget (OMB) Circular A-127, Financial Management Systems, and OMB's Implementation Guidance for the Federal Financial Management Improvement Act (FFMIA) of 1996, issued September 9, 1997. JFMIP intends for the requirements to promote understanding of key financial management systems concepts and requirements, to provide a framework for establishing integrated financial management systems to support program and financial managers, and to describe specific requirements of individual types of financial management systems.

We are issuing this checklist that reflects JFMIP's revised Human Resources & Payroll Systems Requirements (April 1999) to assist (1) agencies in implementing and monitoring their human resources and payroll systems and (2) management and auditors in reviewing their human resources and payroll systems to determine if they substantially comply with FFMIA. This checklist is not required to be used in assessing the human resources and payroll systems. It is provided as a tool for use by experienced staff. This checklist, the JFMIP source document, and the two previously mentioned OMB documents should be used concurrently. Experienced judgment must be applied in the interpretation and application of this tool to enable a user to consider the impact of the completed checklist on the entire human resources and payroll systems and whether the systems, as a whole, substantially comply with requirements.

Additional copies of this checklist can be obtained from Room 1100, 700 4th St. NW, U.S. General Accounting Office, Washington, D.C. 20548, or by calling (202) 512-6000, or TDD (202) 512-2537. This checklist replaces our previously issued exposure draft of the Human Resources and Payroll Systems Checklist (October 1999) and is available on the Internet on GAO's Home Page ([www.gao.gov](http://www.gao.gov)) under "Special Publications."

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### Abbreviations

CFO	chief financial officer
COP	continuation of pay
COTS	commercial off-the-shelf
CPDF	central personnel data file
EEO	equal employment opportunity
FFMIA	Federal Financial Management Improvement Act
FIA	Federal Managers' Financial Integrity Act
FICA	Federal Insurance Compensation Act
FLSA	Fair Labor Standards Act
FMFIA	Federal Managers' Financial Integrity Act
FTE	full-time equivalent
HRTC	Human Resources Technology Council
ITMRA	Information Technology Management Reform Act
IRS	Internal Revenue Service
JFMIP	Joint Financial Management Improvement Program
KSA	knowledge, skills, and abilities
LWOP	leave without pay
M	mandatory requirement
NARA	National Archives and Records Administration
NPR	National Performance Review
OMB	Office of Management and Budget

(continued)

OPF	official personnel folder
OPM	Office of Personnel Management
OWCP	Office of Workers Compensation Program
RIF	reduction in force
T&A	time and attendance
TSP	Thrift Savings Plan
UCFE	unemployment compensation for federal employees
V	value added
WGI	within-grade increase

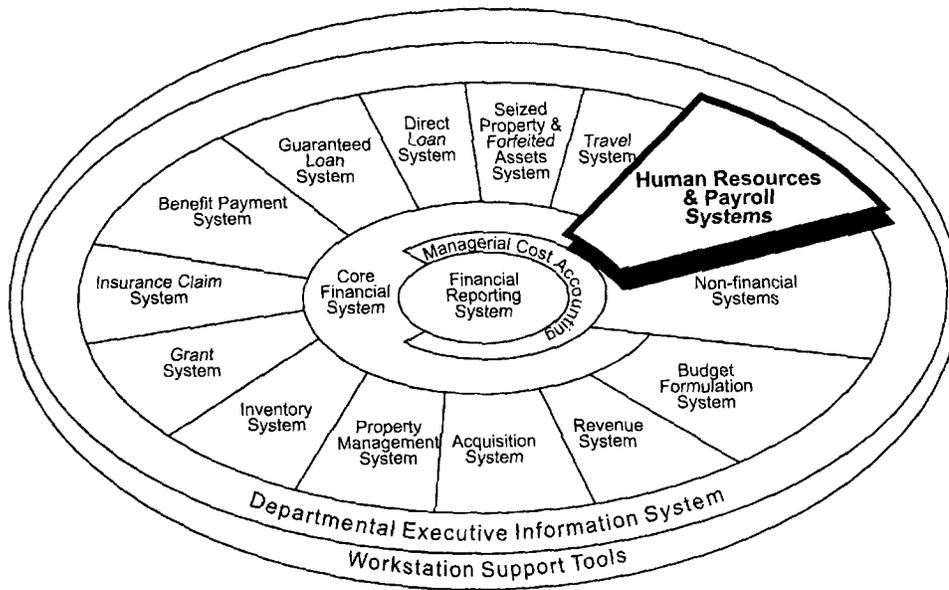
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## OVERVIEW

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The Federal Financial Management Improvement Act (FFMIA) of 1996 requires, among other things, that agencies implement and maintain financial management systems that substantially comply with federal financial management systems requirements. These system requirements are detailed in the Financial Management Systems Requirements series issued by the Joint Financial Management Improvement Program (JFMIP)<sup>1</sup> and Office of Management and Budget (OMB) Circular A-127, Financial Management Systems. JFMIP requirements documents identify (1) a framework for financial management systems, (2) core financial systems requirements, and (3) 16 other financial and mixed systems supporting agency operations, not all of which are applicable to all agencies. Figure 1 is the JFMIP model that illustrates how these systems interrelate in an agency's overall systems architecture.

Figure 1: Agency Systems Architecture



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Source: JFMIP Human Resources & Payroll Systems Requirements (April 1999).

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<sup>1</sup>JFMIP is a joint cooperative undertaking of the Office of Management and Budget, the General Accounting Office, the Department of the Treasury, and the Office of Personnel Management, working in cooperation with each other and with operating agencies to improve financial management practices throughout the government. The program was initiated in 1948 by the Secretary of the Treasury, the Director of the Bureau of the Budget (now OMB), and the Comptroller General and was given statutory authorization in the Budget and Accounting Procedures Act of 1950. The Civil Service Commission, now the Office of Personnel Management (OPM), joined JFMIP in 1966.

To date, JFMIP has issued the framework and systems requirements for the core financial system and 7 of the 16 systems identified in the architecture. (See figure 1.)<sup>2</sup>

We are issuing this checklist that reflects JFMIP's revised Human Resources & Payroll Systems Requirements (April 1999) to assist (1) agencies in implementing and monitoring their human resources and payroll systems and (2) management and auditors in reviewing their human resources and payroll systems to determine if they substantially comply with FFMIA. This checklist is not required to be used in assessing the human resources and payroll systems. It is provided as a tool for use by experienced staff. This checklist, the JFMIP source document, OMB Circular A-127, and OMB's Implementation Guidance for the Federal Financial Management Improvement Act (FFMIA) of 1996, issued September 9, 1997, should be used concurrently. Experienced judgment must be applied in the interpretation and application of this tool to enable a user to consider the impact of the completed checklist on the entire human resources and payroll systems and whether the systems, as a whole, substantially comply with requirements.

### **Authoritative Guidance**

OMB Circular A-127 and OMB's implementation guidance provide the basis for assessing compliance with the FFMIA requirements for agencies to implement and maintain financial management systems that comply substantially with federal requirements. The implementation guidance identifies various criteria that an agency must meet to substantially comply with these requirements. One of the criteria listed in the OMB guidance is the JFMIP systems requirements series.

The source of all the questions in this checklist is the JFMIP Human Resources & Payroll Systems Requirements (JFMIP-SR-99-5, April 1999). This JFMIP document is an update of the May 1990 JFMIP Personnel-Payroll System Requirements document. This update reflects changes in statutes, regulations, and technology (e.g., passage of the Chief Financial Officers (CFO) Act of 1990, FFMIA of 1996, and the Clinger-Cohen Act of 1996); changes in personnel practices brought about by the National Performance Review (NPR); and increased availability of commercial off-the-shelf (COTS) software packages). The checklist is based on existing published JFMIP standards. Changes in laws, regulations, and standards and practices since the standards were issued are not included in the checklist.

The JFMIP source document states that functional requirements of the federal government's human resources and payroll systems can be segregated into two general categories, mandatory and value added. Definitions of the two terms are found on page 9 of the source document. Human resources requirements in the source document are

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<sup>2</sup>Thus far, the series includes the (1) Framework for Federal Financial Management Systems, (2) Core Financial System Requirements, (3) Inventory System Requirements, (4) Seized/Forfeited Asset System Requirements, (5) Direct Loan System Requirements, (6) Guaranteed Loan System Requirements, (7) Travel System Requirements, (8) Human Resources & Payroll Systems Requirements, and (9) System Requirements for Managerial Cost Accounting. In early 1998, JFMIP decided to initiate projects to update system requirements documents that were not current with regulations and legislation. JFMIP also planned to initiate projects to complete the remaining systems requirements where none currently exist. As these projects are completed, we plan to issue related checklists. This is the second of these updated documents.

grouped by the functional areas commonly found as separate work units in human resources offices. These functional areas are further categorized under the headings **1. Primary Use or User** (Manager Self-Service, Personnel Action Processing, Personnel Action Tracking, Official Personnel Folder, Employee Self-Service, and Case Management and Administration), **2. Regulatory Compliance and Administration**, and **3. Functional Requirements**. Under the category **Primary Use or User**, the use of the word “must” in the JFMIP source document denotes that the item described is mandatory. The checklist uses “**(M)**” immediately following the question to indicate that it is mandatory for the system to do that. The word “should” indicates that the system would have increased functionality (i.e., “value added”) if these items were part of the system. The checklist uses “**(V)**” immediately following the question to indicate that the item is value added rather than mandatory. Requirements that are found under **Regulatory Compliance and Administration** all include the word “must” and are therefore required in any information system. **Functional Requirements** outline the subparts of the functional area with a description of what that subpart entails. This description is given to further enhance the reader’s understanding of the complexity of the system. These functional requirements must be present in human resources systems. However, the federal statutory and regulatory environment governing the human resource system supports increasingly flexible and variable management practices under broad guidelines. This human resources requirements environment is more fully presented in the Human Resources Technology Council’s (HRTC) Governmentwide Human Resources Information Systems Study that can be found on the OPM web page at [www.opm.gov/hrtc](http://www.opm.gov/hrtc). Recognizing that there are many statutory and regulatory requirements in the federal sector applicable to human resources systems and that the current statutory and regulatory environment permits a range of flexibility and experimentation, the agencies, in consultation with OPM, are responsible for identifying and exercising exceptions to mandatory requirements.

### **How to Use This Checklist**

OMB’s 1997 implementation guidance provides chief financial officers (CFO) and inspectors general with a means for determining whether their agencies’ financial management systems substantially comply with federal financial management systems requirements. The annual reporting required pursuant to section 4 of the Federal Managers’ Financial Integrity Act (FMFIA) is one of the means to assist agencies in the determination of substantial compliance. Agencies can also use this checklist as a tool to help determine annual compliance with section 4 of this act.<sup>3</sup>

Filling out this checklist will allow agencies to systematically determine whether specific system requirements are being met. In determining substantial compliance, agencies should assess the results of the completed checklist on the human resources and payroll systems requirements taken as a whole.

The checklist contains three columns with the first citing the question followed by either “**(M)**” for mandatory requirement or “**(V)**” for value added. Use the second column to answer each question “yes,” “no,” or “na.” Use the third column to explain your answer. A “yes” answer should indicate that the agency’s human resources and payroll systems

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<sup>3</sup>In addition, the CFO Council has charged the Financial Systems Committee with developing implementation guidance for performing FFMIA compliance reviews. The CFO Council and JFMIP plan to jointly issue the guidance.

provide for the capability described in the question. For each “yes” answer, the third column should contain a brief description of how the human resources and payroll systems contain that capability and should also refer to a source that explains or shows the capability.

A “no” answer indicates that the capability does not exist. For a “no” answer, the third column should provide an explanation and, where applicable, a reference to any related supporting documentation (e.g., the agency is working on modifying or implementing its human resource and payroll systems to have the capability available in subsequent years, management believes the capability is not cost-effective and will not enhance the human resources and payroll systems’ ability to manage operations). Cost-benefit studies or other reasoning that supports a “no” answer should be identified in the explanation column. If there are no cost-benefit studies or other support, a full explanation should be provided.

“No” answers should not be viewed individually or taken out of context. Rather, “no” answers should be assessed as to the impact on the overall human resources and payroll systems and the extent to which the “no” answers preclude the entire human resources and payroll systems from being substantially compliant.

Certain questions within the checklist may not be applicable to the agency. Answer such question(s) with “na” and explain why in the third column.

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## HUMAN RESOURCES AND PAYROLL SYSTEMS REQUIREMENTS

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The JFMIP Human Resources & Payroll Systems Requirements document provides agencies with high-level functional requirements for human resources and payroll systems that will provide the capability for financial managers and others to control and account for human resources and payroll salaries and expenses as defined in governmentwide and agency-specific statutes, regulations, and guidelines.

The twelve functions of the human resources and payroll systems are discussed below.

1. Position Management and Classification provides for position management and classification, including the collection and editing of data. (The checklist questions for this area are drawn from p. 12 of the source document.)
2. Recruitment and Staffing provides for recruitment and staffing. (The checklist questions for this area are drawn from p. 13 of the source document.)
3. Personnel Action Administration provides for personnel action administration. (The checklist questions for this area are drawn from pp. 14-15 of the source document.)
4. Benefits Administration provides for benefits administration. (The checklist questions for this area are drawn from p. 16 of the source document.)
5. Labor-Management and Employee Relations provides for labor management and employee relations matters. (The checklist questions for this area are drawn from p. 17 of the source document.)
6. Work Force Development provides for work force development. (The checklist questions for this area are drawn from p. 18 of the source document.)
7. Time and Attendance (T&A) Processing collects time and attendance and labor distribution data to be used with entitlement data on a pay period basis, as required. (The checklist questions for this area are drawn from p. 19 of the source document.)
8. Leave Processing processes and controls leave advances, accruals, conversions, transfers, usages, and forfeitures for each employee. (The checklist questions for this area are drawn from pp. 20-21 of the source document.)
9. Pay Processing calculates gross pay and allowances, deductions, employer contributions, and net pay for each employee. (The checklist questions for this area are drawn from pp. 22-24 of the source document.)
10. Labor Cost and Distribution provides for the collection, maintenance, and management of labor costs based on classifications and coding structures specified by the agency, for the purpose of reporting data to other systems, e.g., cost accounting systems. (The checklist questions for this area are drawn from

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## Human Resources and Payroll Systems Requirements

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- p. 25 of the source document.)
11. Reporting, Reconciliation, and Records Retention accesses, manipulates, and formats data as required to satisfy internal, external, and management requirements (e.g., payroll system data for comparison and reconciliation with disbursing and accounting systems to ensure accuracy and completeness). It also maintains current and historical personnel data for each employee (i.e., pay, leave, time and attendance, and retirement) and supports both payroll-related data and human resources-related data in logically integrated databases and/or interfaced systems. (The checklist questions for this area are drawn from pp. 26-29 of the source document.)
  12. General Systems Requirements include a variety of general data stewardship, interface requirements, and other hardware and software related requirements. (The checklist questions for this area are drawn from p. 30 of the source document.)

The checklist questions follow the JFMIP source document. It should be noted that not all questions will apply in all situations and, as with the use of any checklist, professional judgment should be exercised. Using the JFMIP source document, and appendix B of the source document which defines terms used, along with the two previously mentioned OMB documents, will help ensure that the user is cognizant of the background information necessary to fully understand the questions.

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## Human Resources and Payroll Systems Requirements

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<b>Position management and classification</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<b>Primary use or user-manager self-service</b>  1. Does the system facilitate full manager empowerment of delegated position classification authority? <b>(V)</b>		
2. Does the system allow managers to structure organizations under their control and quickly develop classification documents through the use of standard position descriptions or generation of new classification determinations through the use of expert or decision support systems as appropriate to their requirement? <b>(V)</b>		
3. Does the system provide the capability to produce pertinent information in response to classification appeals? <b>(M)</b>		
4. Does the system support the important aspect of full identification of position requirements? For example, managers should be able to annotate a position's unique requirements such as mobilization responsibilities, drug testing requirements, position sensitivity, financial disclosure obligations, position-based skill and competency requirements, and a wide variety of other position-based requirements that emerge and change over time. <b>(V)</b>		
5. Does the system automatically generate documents that		

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**Human Resources and Payroll Systems Requirements**

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<b>Position management and classification</b>	<b>Yes/no/na</b>	<b>Explanation</b>
facilitate related human resources management activities (e.g., recruitment, performance management, and training and development)? <b>(V)</b>		
6. Does the system provide the related functionality of organizational decision support for managers that will simplify their organization and position design decisions (e.g., budget and full-time equivalent (FTE) management, activity-based costing, and work effort as related to performance measures and indicators)? <b>(M)</b>		
7. Does the system provide sufficient flexibility to enable management to account for total workforce utilization that can encompass the efforts and associated costs of contractors, military members, and volunteers? <b>(V)</b>		
<p><b>Regulatory compliance and administration</b></p> <p>8. Is the system designed to comply with statutory and regulatory requirements when processing transactions and providing decision support capabilities for position management and classification activities? This includes documenting regulatory determinations that are derived from the position and applying appropriate classification standards (for example, the Fair Labor Standards Act (FLSA), competitive level, bargaining unit status, and applicable classification determinations</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Position management and classification</b>	<b>Yes/no/na</b>	<b>Explanation</b>
(title, series, and grade). Appendix A of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b>		
<b>Functional requirements</b>  9. Does the system provide the analysis, recommendations, and maintenance of position structures supporting an assigned task? <b>(M)</b>		
10. Does the system describe the work of a position and apply standards, policies, and guidelines to determine the type and level of work, to include identification of knowledge, skills, abilities, and competencies? <b>(M)</b>		
11. Does the system classify positions according to OPM standards? <b>(M)</b>		
12. Does the system update position and manpower information in the appropriate personnel files and produce the necessary documentation? <b>(M)</b>		

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## Human Resources and Payroll Systems Requirements

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<b>Recruitment and staffing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Primary use or user--manager self-service</b></p> <p>1. Does the system enable managers to electronically initiate the full range of recruitment-based actions (e.g., internal and external recruitment actions, reassignment actions, and details) and flow these actions to the appropriate individuals and offices for approvals and processing? <b>(V)</b></p>		
<p>2. Does the system, using position-based requirements, provide expert or decision support capabilities to generate documentation needed to complete the recruitment process? This includes preparation of vacancy announcements that contain specific selection criteria (e.g., knowledge, skills and abilities (KSAs) and competencies, and conditions of employment). <b>(V)</b></p>		
<p>3. Does the system have the flexibility to allow managers to electronically receive and act upon referral lists, and resumes that contain appropriate candidate qualification information, and fully take into account regulatory requirements? <b>(V)</b></p>		
<p>4. Does the system provide a means for applicants and employees to apply as either external or internal candidates for vacant positions? <b>(V)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Recruitment and staffing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p>5. Does the system provide the capability to process reduction-in-force actions including the determination of retention rights, issuance of notices, and generation of required documentation? <b>(V)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>6. Is the system designed to comply with statutory and regulatory requirements when processing transactions and providing decision support capabilities in accomplishing recruitment, staffing, and reduction-in-force activities? This includes, for example, priority placement entitlements, time-in-grade restrictions, and minimum qualification criteria for processing recruitment and staffing actions, veterans preference, type of appointment, length of service, and performance data for processing reduction-in-force actions. "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements</b></p> <p>7. Does the system, in conjunction with managers, process historical information to identify both short and long-term staffing needs? <b>(M)</b></p>		
<p>8. Does the system include all activities involved in acquiring applicants and recording them</p>		

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## Human Resources and Payroll Systems Requirements

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<b>Recruitment and staffing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
in an automated system? Major tasks include job analysis, soliciting applications, evaluating candidates, and notifying applicants of status. <b>(M)</b>		
9. Does the system include those actions necessary to process requests by management or the employee that affect employees during federal employment? This involves actions that promote, reassign, detail, and voluntarily separate employees. <b>(M)</b>		
10. Does the system issue referrals? This involves referring candidates to the selecting official, monitoring the status of the issued referrals, and documenting the entire process. <b>(M)</b>		
11. Does the system determine and apply the appropriate pay scale for the employee? <b>(M)</b>		
12. Does the system maintain historical files documenting the recruitment and staffing process, including delegated examining authority, in a manner that provides a complete audit trail of all actions? This is particularly important in responding to data calls associated with grievances, appeals, and equal employment opportunity complaints. <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Personnel action administration</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Primary use or user--personnel action processing</b></p> <p>1. Does the system preclude duplicate data entry by automatically accessing position and employee information already residing within the system? <b>(M)</b></p>		
<p>2. Does the system process (with both current and future effective dates) the full range of individual and mass personnel actions such as appointments, reinstatements, transfers, promotions, separations, retirements, terminations, furloughs, change to lower grades, reassignments, pay changes (including locality and national adjustments, allowances, differentials, premium pay, movement between pay plans or schedules, and pay and grade retention), and details? <b>(M)</b></p>		
<p>3. Does the system fully document the associated personnel action with all regulatory required information, such as legal authority and nature of action citations? <b>(M)</b></p>		
<p>4. Does the system record incumbent-related information, such as date of hire; service computation date; retirement service date; severance pay date; Civil Service Retirement System, Federal Employees Retirement System, Federal Employees Group Life Insurance and Thrift Savings Plan eligibility dates; Federal</p>		

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## Human Resources and Payroll Systems Requirements

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<b>Personnel action administration</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
Employee Health Benefits enrollment date; and step increase and prior military service information? There is also a need for the capability to correct or cancel these actions and provide the necessary audit trail. <b>(M)</b>		
<b>Personnel action tracking</b>		
5. Does the system enable managers and human resources staffs to track past, current, and pending personnel actions? <b>(M)</b>		
6. Does the system automatically generate personnel action reminders that will prompt management decisions on such actions as within-grade increases, completion of probationary period and temporary appointments, and any similar time-sensitive actions? <b>(M)</b>		
7. Does the system enable on-line approval or disapproval of such recurring actions? <b>(V)</b>		
<b>Official personnel folder</b>		
8. Does the system support the conversion of the paper Official Personnel Folder (OPF) to an electronic medium? <b>(V)</b>		
9. Does the agency have an electronic OPF system to help reduce the significant operational burden of maintaining paper OPFs while affording human resources professionals, managers, and		

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**Human Resources and Payroll Systems Requirements**

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<b>Personnel action administration</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
employees easier access to historical employment information? (V)		
<p><b>Regulatory compliance and administration</b></p> <p>10. Does the system ensure that statutory and regulatory authorities that authorize the processing of the actions are correctly cited and documented? This includes, for example, entering the prescribed remarks, retained grade expiration date, career-conditional conversion date, probationary period expiration date, and leave accrual category. "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. (M)</p>		
<p><b>Functional requirements-- finalize personnel actions</b></p> <p>11. Does the system finalize personnel actions? This involves the consummation of management and employee requested personnel actions by either the generation of a paper SF-50 or the electronic storage of data associated with the SF-50. Also included in this process are those actions ancillary to employment, such as requesting security investigations, arranging physical examinations and identifying drug testing requirements, requesting and providing SF-75 information, and the administration of the in-processing activities. (M)</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Personnel action administration</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Functional requirements-- records upkeep</b></p> <p>12. Does the system upkeep records? This includes all activities associated with establishing, updating, purging, storing, and disposing of a variety of human resources documents and records. Also included are miscellaneous record maintenance activities such as corrections, employee record validation, and recordkeeping personnel action processing. The requirements presently being developed in support of an electronic OPF by the interagency Digital OPF project must also be planned for and supported by agencies' information systems. <b>(M)</b></p>		

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## Human Resources and Payroll Systems Requirements

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<b>Benefits administration</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Primary use or user--employee self-service</b></p> <p>1. Does the system have the capability to enable maximum employee access to self-service personal benefits information and automated transaction processing? The intent of this requirement is to allow employees to manage their own benefits, such as requesting information and initiating actions, with a minimum exchange of forms or other paper documents. <b>(V)</b></p>		
<p>2. Does the system coverage include, for example</p> <ul style="list-style-type: none"> <li>• federal employees health benefits life event and open season elections,</li> <li>• thrift savings plan life event and open seasons elections,</li> <li>• federal employees group life insurance life event and open season elections,</li> <li>• retirement calculations for all categories of employees under all applicable retirement programs to the agency,</li> <li>• miscellaneous changes (e.g., address, name, and emergency contact information), and</li> <li>• alternative data and processing entry points for individuals with disabilities in compliance with the Americans with Disabilities Act of 1990? <b>(V)</b></li> </ul>		

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**Human Resources and Payroll Systems Requirements**

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<b>Benefits administration</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Regulatory compliance and administration</b></p> <p>3. Does the system ensure that employee initiated transactions are authorized by law or regulation, are accurately effected and documented, and are confirmed in a timely manner to the employee? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements--provide basic information</b></p> <p>4. Does the system explain requirements, benefits, and procedures related to employee benefits? <b>(M)</b></p>		
<p><b>Functional requirements--determine and process employee entitlements</b></p> <p>5. Does the system determine employee eligibility for entitlements and process and document the action? <b>(M)</b></p>		
<p><b>Functional requirements--flow of information</b></p> <p>6. Does any new information system have the capability to allow for the paperless flow of information directly from the system to benefit providers (i.e., health care and insurance providers)? <b>(M)</b></p>		

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## Human Resources and Payroll Systems Requirements

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<b>Labor-management and employee relations</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<b>Primary use or user--manager self-service</b>		
1. Does the system preclude duplicate data entry by electronically producing position-embedded performance criteria necessary to generate individual performance appraisal plans? <b>(M)</b>		
2. Is the system sufficiently flexible to allow for multiple performance rating configurations and evaluation methods? <b>(V)</b>		
3. Does the system provide for electronic routing, completion, approval and recording of the performance plan and resulting rating from management to the human resources office? <b>(V)</b>		
4. Does the system provide for support capabilities to electronically generate, approve, and process the full range of monetary and honorary awards for employees, and is it flexible enough to tailor to individual agency needs? <b>(V)</b>		
5. Does the system have the capability to create, monitor and maintain performance improvement plans? <b>(V)</b>		
<b>Case management and administration</b>		
6. Does the system provide the capability to track and record the full range of employee,		

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**Human Resources and Payroll Systems Requirements**

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<b>Labor-management and employee relations</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p>management, or third-party generated appeals and grievances? This includes events such as performance and conduct cases, Unfair Labor Practices, and labor contract administration. <b>(M)</b></p>		
<p>7. Does the system’s tracking functionality include such information as case nature, case date, case steps, and resolution? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>8. Do the labor-management and employee relations functional activities and processes performed by the system comply with statutory and regulatory requirements and the guidance provided by the Executive Order on Labor-Management Partnerships? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements-- administer incentive programs</b></p> <p>9. Does the system assure eligibility edits, obtain necessary approvals, and process necessary documentation for incentive awards? <b>(M)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Labor-management and employee relations</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Functional requirements--conduct employee relations</b></p> <p>10. Does the system track employee relations actions from initiation through completion? <b>(M)</b></p>		
<p><b>Functional requirements--administer performance management</b></p> <p>11. Does the system administer performance management? This includes all tasks involved in administering a system for evaluating employee performance and probationary periods. <b>(M)</b></p>		
<p><b>Functional requirements--administer labor relations</b></p> <p>12. Does the system gather and store data in support of negotiations or other labor-management discussions, contract administration and to resolve disputes? <b>(M)</b> Data on the dollar value of time spent by union employees on representational activities, including travel and per diem and the dollar value of services provided to unions (telephones, office space, computers, etc.), should also be tracked and reported by human resources or financial management systems. <b>(V)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Workforce development</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Primary use or user--manager and employee self-service</b></p> <p>1. Does the system provide the capability to use position and personal data already residing within the system to facilitate on-line initiation of the full range of workforce development activities? These activities include nomination, approval, enrollment, evaluation, and personnel record documentation. <b>(M)</b></p>		
<p>2. Does the system record essential data relative to the cost and source of developmental activities and enable analysis of such activities to determine future budget needs and return on investment? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>3. Do the workforce development functional activities and processes performed by the system comply with statutory and regulatory requirements? "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements--administer employee development program</b></p> <p>4. Does the system support the planning, development, and delivery of training and career</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Workforce development</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
development programs to meet agency and employee needs? <b>(M)</b>		
5. Does the system track completion of training by employees? <b>(M)</b>		
<b>Functional requirements-- develop training budget</b>		
6. Does the system support the preparation of financial projections and implementation of controls that maximize the utilization of training funds? <b>(M)</b>		
<b>Functional requirements-- evaluate development and training activities</b>		
7. Does the system support the evaluation of the effectiveness and quality of course design, program content, delivery methodology, and instructional value? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Time and attendance processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
1. Does the system capture time and attendance information on work schedule hours worked, units of pay, and leave taken that are necessary? <b>(M)</b>		
2. Does the system capture information on time, or units of measurement worked, to determine gross pay? <b>(M)</b>		
3. Is the system flexible enough to capture multiple types of work units and all types of leave earned and used? <b>(M)</b>		
<b>Regulatory compliance and administration</b>  4. Is the system designed to comply with statutory and regulatory requirements when processing transactions and providing decision support capabilities in accomplishing activities associated with the T&A function? "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b>		
<b>Functional requirements-- collect time and attendance data</b>  5. Does the system collect work and leave hours on an established tour of duty, including alternative work schedule and flexitime hours information? This requires preapproved or positive acknowledgement from the approving official that the employee worked the		

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**Human Resources and Payroll Systems Requirements**

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<b>Time and attendance processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
established tour and that T&A data are approved. <b>(M)</b>		
6. Does the system collect actual hours or days worked and other pay-related data, e.g., piecework, fee basis units/dollars, and differentials, for each employee? <b>(M)</b>		
7. Does the system collect T&A data on a pay period basis, e.g., daily, weekly, biweekly, semimonthly, and/or monthly basis? <b>(M)</b>		
8. Does the system capture T&A data in days, fractions of hours, or other units of measure as required? <b>(M)</b>		
9. Does the system collect T&A data on employees who work temporarily in other or multiple pay classifications? <b>(M)</b>		
10. Does the system accept T&A data through various processing modes, e.g., automated time entry or Internet? <b>(M)</b>		
11. Does the system calculate and adjust weekly, biweekly, or pay period hours based on FLSA, Title 5 United States Code, and other statutory and regulatory requirements? <b>(M)</b>		
12. Does the system determine premium pay entitlements based on scheduled tour, actual hours worked, and leave data? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Time and attendance processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Functional requirements--report and release T&amp;A data</b></p> <p>13. Does the system accept electronic, or other appropriately documented, approvals from authorized approving officials? <b>(M)</b></p>		
<p>14. Does the system release T&amp;A data for further system processing? <b>(M)</b></p>		
<p>15. Does the system generate reports to monitor T&amp;A data? <b>(M)</b></p>		
<p><b>Functional requirements--edit and correct T&amp;A data</b></p> <p>16. Does the system edit T&amp;A data at the earliest time to ensure that the data are complete, accurate, and in accordance with legal requirements? <b>(M)</b></p>		
<p>17. Does the system support the correction of current-pay period and prior-pay period T&amp;A records? <b>(M)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Leave processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Leave processing</b></p> <p>1. Does the system provide for the performance of all activities associated with determination of proper leave balances for all types of leave, leave advances, usages, accruals, forfeitures, limitations, and transfers? <b>(M)</b></p>		
<p>2. Does the system apply current period leave accruals and leave charges to each employee's available leave balances, leave transfers, donations to leave banks or individuals, and adjustments to leave balances for restored leave, equal employment opportunity (EEO) settlements, and similar after-the-fact situations? <b>(M)</b></p>		
<p>3. Does the system process leave forfeitures and carryovers for each employee? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>4. Is the system designed to comply with statutory and regulatory requirements when processing transactions and providing decision support capabilities in accomplishing leave transactions? "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements--accrue leave</b></p> <p>5. Does the system accrue each</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Leave processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
type of leave to which an employee is entitled, including partial accruals and carryovers? Special accrual rules for employees using donated leave, etc., must be accommodated. <b>(M)</b>		
6. Does the system accrue leave for part-time employees? Leave accruals for part-time employees are based on actual applicable hours in a pay status. <b>(M)</b>		
7. Does the system process leave accruals and units for special category employees, e.g., firefighters? <b>(M)</b>		
<b>Functional requirements-- process leave</b>  8. Does the system process leave for each reported leave type at the end of each effective pay period? <b>(M)</b>		
9. Does the system process advances, accruals, and restored leave before usages are applied to the appropriate available balance? <b>(M)</b>		
10. Does the system offset advanced sick leave balances against subsequent pay period accruals of sick leave? <b>(M)</b>		
11. Does the system process current period and prior-period leave transactions on an effective pay period basis? <b>(M)</b>		
12. Does the system determine compensatory time or credit		

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**Human Resources and Payroll Systems Requirements**

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<b>Leave processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
hours to be forfeited or paid as appropriate based on predetermined elapsed time limits, maximum carryover limits, and maximum earning ceilings? <b>(M)</b>		
13. Does the system maintain detailed audit trail and control data to ensure that all reported leave hours have been processed accurately and that the hours used in pay calculation are correct? <b>(M)</b>		
14. Does the system provide for fiscal year-end, leave year-end, and calendar year-end processing and forfeitures in accordance with established governmentwide and agency-specific guidelines? <b>(M)</b>		
15. Does the system ensure leave without pay (LWOP) or furloughs for retirement, Office of Workers Compensation Program (OWCP), education, and military purposes are separately designated and do not affect within grade increase (WGI), etc.? <b>(M)</b>		
<b>Functional requirements--adjust leave</b>  16. Does the system modify leave accruals, limits, and/or balances for employees who change either leave systems or work schedules (i.e., full-time to part-time, etc.)? <b>(M)</b>		
17. Does the system automatically convert leave taken in excess of available balance, based upon		

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**Human Resources and Payroll Systems Requirements**

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<b>Leave processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
an established leave priority policy? <b>(M)</b>		
18. Does the system provide for management review (e.g., to determine advance leave, LWOP, or absence without leave), when appropriate? <b>(M)</b>		
19. Does the system recompute leave balances due to prior-period hour adjustments or retroactive entitlement changes for each period subsequent to the effective period of the change (leave, benefits, and payments) in the following order: (1) retroactive entitlement changes and (2) prior-period hour adjustments? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Manager and employee self-service</b></p> <p>1. Does the system calculate gross pay, deductions, net pay, and employee and employer contributions for each employee on an effective pay period basis? <b>(M)</b></p>		
<p>2. Does the system compute gross pay as the sum of each rate of pay times the number of units related to it, minus retirement annuity offsets, if applicable, plus all appropriate allowances and/or other gross pay components, classify and total deductions, subtract total deductions from gross pay, and apply formulas or utilize tables to determine employer contributions required for certain payroll taxes and benefits? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>3. Is the system designed to comply with statutory and regulatory requirements when processing transactions and providing decision support capabilities in accomplishing activities associated with calculating and paying employees? "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<b>Functional requirements-- calculate gross pay</b>  4. Does the system calculate pay at the end of each pay period after properly authorized inputs have been received from the time and attendance processing function, and after personnel action processing is completed? <b>(M)</b>		
5. Does the system process prior-period, current-period, and future-period pay actions, based on effective dates? <b>(M)</b>		
6. Does the system process current-period and prior-period adjustments as an integral part of the payroll cycle? <b>(M)</b>		
7. Does the system make retroactive calculations based on prior-period hour adjustments, changes to an employee's entitlement (for earnings or deductions), or mass table changes? <b>(M)</b>		
8. Does the system compute various types of pay entitlements, e.g., foreign and nonforeign allowances, differentials, awards, and premium pay? <b>(M)</b>		
9. Does the system compute pay for various types of employees, e.g., firefighters, law enforcement officers, emergency medical technicians, and teachers? <b>(M)</b>		
10. Does the system compute earnings amounts or rates for		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
partial pay periods when entitlement dates do not coincide with pay period beginning and ending dates? <b>(M)</b>		
11. Does the system process earnings adjustments on a begin-date/end-date basis? <b>(M)</b>		
12. Does the system calculate overtime based on either FLSA or Title 5 United States Code, as appropriate? <b>(M)</b>		
13. Does the system calculate differentials based on applicable hours that are certified by an approving official? <b>(M)</b>		
14. Does the system accommodate information requirements to support supplemental pay actions and recertified checks? <b>(M)</b>		
15. Does the system calculate allowances, premiums, and differentials as defined by law or regulation? These may be set dollar amounts or computed as a percentage of pay, applying caps or other limitations when applicable. <b>(M)</b>		
16. Does the system process and compute pay and deductions for multiple positions under different appointment authorities and different pay, leave, and benefit entitlements? <b>(M)</b>		
17. Does the system perform statutory limit and		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
reasonableness tests on gross pay? <b>(M)</b>		
<p><b>Functional requirements-- calculate and apply deductions</b></p> <p>18. Does the system calculate the following deduction types for each employee:</p> <ul style="list-style-type: none"> <li>• mandatory deductions (e.g., retirement, federal, state, local, and Federal Insurance Compensation Act (FICA) taxes);</li> <li>• voluntary deductions (e.g., state and local taxes for multiple taxing authorities, life insurance, health insurance, thrift savings deductions, allotments, bonds, and pretax deductions for transportation benefits); and</li> <li>• involuntary deductions (e.g., Internal Revenue Service (IRS) levies, garnishments, and administrative debt collections)? <b>(M)</b></li> </ul>		
<p>19. Does the system provide for percentage computation of deductions that are subject to annual or regulatory limits (e.g., the current rate for federal taxes on supplemental payments, Thrift Savings Plan (TSP) contributions, and Social Security taxes)? <b>(M)</b></p>		
<p>20. Does the system provide the capability to process deductions that apply in various pay periods and/or have specified limitations, e.g., garnishment pay-off amount? <b>(M)</b></p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
21. Does the system prorate insurance premium deductions for part-time, seasonal, and applicable accessions and separating employees, using the daily proration rule? <b>(M)</b>		
22. Does the system accelerate deductions for employees paid an annual salary in less than 1 year (e.g., teachers)? <b>(M)</b>		
23. Does the system determine when a bond may be issued given its type, denomination, per pay deduction, and balance from previous pay deductions? <b>(M)</b>		
24. Does the system deduct some items in every pay period and others in selected pay periods only, e.g., discretionary allotments? <b>(M)</b>		
25. Does the system ensure that deductions do not exceed gross pay, as established by appropriate laws and regulations? <b>(M)</b>		
26. Does the system compute the maximum variable deductions for levies, garnishments, and/or offsets based on appropriate limitations of each type of deduction? <b>(M)</b>		
<b>Functional requirements--adjust pay calculations</b>  27. Does the system electronically compare leave, benefits, and payments for adjusted time and attendance data with prior period data and automatically		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
compute differences? <b>(M)</b>		
28. Does the system support payroll adjustments and regular calculations that cross fiscal and/or calendar years, and provide needed information to the core financial and other information systems? <b>(M)</b>		
29. Does the system subtract deductions calculated in the order of precedence specified by OPM or other laws or regulations, while ensuring that net pay is not negative? <b>(M)</b>		
30. Does the system follow appropriate rules for taking no deductions within a priority level or partial deductions, if allowed? <b>(M)</b>		
31. Does the system adjust taxable gross pay by deducting untaxed items (e.g., TSP deductions) and civil service retirement annuity offsets? <b>(M)</b>		
32. Does the system offset the dollar amount of advanced leave balances (computed at the rate of pay in effect when the leave was taken) against the dollar amount of earnings for pay period of separation and any unused annual leave (based on the current pay rate) on termination of an employee from federal employment? <b>(M)</b>		
33. Does the system calculate indebtedness for leave advances upon separation? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
34. Does the system accommodate requests for waiver of collections for leave advances? <b>(M)</b>		
35. Does the system offset the dollar amount of other receivables owed the agency against earnings for pay period of separation or, if applicable, lump sum payments? <b>(M)</b>		
<b>Functional requirements-- maintain data</b>  36. Does the system allow employees to update personal payroll information, at the employee's discretion, e.g., tax withholding information, savings bond information, electronic funds transfer information, and allotments? <b>(M)</b>		
37. Does the system maintain each pay record by the pay period in which it was calculated and by the pay period to which it applies (the effective pay period)? <b>(M)</b>		
38. Does the system record gross pay, deductions, and net pay, generating information to update other functions and other systems, as appropriate, including the Standard General Ledger maintained in the core financial system? <b>(M)</b>		
39. Does the system capture the overtime rate in effect when compensatory time is earned for possible future payout? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
40. Does the system maintain individual retirement data, including service history and fiscal history for each employee? <b>(M)</b>		
41. Does the system maintain separate records for military (post-1956) and civilian deposits? <b>(M)</b>		
42. Does the system maintain data to support preparation of notifications of employee indebtedness, e.g., health benefits? <b>(M)</b>		
<b>Functional requirements-- generate output</b>  43. Does the system support unemployment compensation for federal employees processing and responding to ES 931 Request for Wage and Separation Information– Unemployment Compensation for Federal Employees (UCFE) requests? <b>(M)</b>		
44. Does the system generate payment for severance pay, not exceeding the amount authorized for each employee, on a pay period basis, and provide for Department of Defense employees the option of a lump sum payment? <b>(M)</b>		
45. Does the system make electronic funds transfer payments as well as other methods of payments, including off-cycle and third-party payments? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/na</b>	<b>Explanation</b>
46. Does the system generate payment of unpaid compensation to beneficiaries? <b>(M)</b>		
47. Does the system accommodate information requirements for accounting transactions for accruals of pay and benefits during the year? This process is to provide for accruing and reversing accounting information relative to pay and benefits on other than a monthly basis. <b>(M)</b>		
48. Does the system provide a means for correcting accounting transactions for an employee for one or more past pay periods, and for generating adjusting accounting transactions to reverse the improper charges and record the correct ones? <b>(M)</b>		
49. Does the system make information available to other functions to generate internal and external payroll reports not created directly in the pay processing function? <b>(M)</b>		
50. Does the system use posted time, scheduled tours, and partial pay period computations for accrual processing? <b>(M)</b>		
51. Does the system provide the capability to track and report pay associated with job-related injury time (continuation of pay (COP))? <b>(M)</b>		
52. Does the system provide data to establish receivables or follow		

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**Human Resources and Payroll Systems Requirements**

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<b>Pay processing</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p>up on types of leave that may result in an employee's indebtedness, including health and life insurance premiums for employees on approved LWOP and certain jury duty fees while on court leave? <b>(M)</b></p>		
<p>53. Does the system provide information to analyze detailed pay transactions and establish each as either a disbursement or as a debt due the government? <b>(M)</b></p>		

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## Human Resources and Payroll Systems Requirements

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<b>Labor cost and distribution</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
<p><b>Cost accumulation</b></p> <p>1. Does the system accumulate cost information for use in budgeting and controlling costs, performance measurement, determining fees and prices for services, assessing programs, and management decision-making? Labor costs are an integral part of determining the cost of doing business. <b>(M)</b></p>		
<p>2. Does the system accumulate work units by cost object (e.g., organization and activity) and responsibility center and is this information provided to other systems performing cost accounting functions? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>3. Does the system support the collection of labor distribution hours based on the classification code structure defined in the JFMIP Core Requirements document? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements</b></p> <p>4. Does the system accumulate work units by predefined data elements? <b>(M)</b></p>		
<p>5. Does the system provide flexibility to update data elements driving the cost</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Labor cost and distribution</b>	<b>Yes/no/ na</b>	<b>Explanation</b>
accumulation process? <b>(M)</b>		
6. Does the system provide electronic output on distributed work units from the labor distribution process for use in other systems? <b>(M)</b>		
7. Does the system provide electronic output on undistributed employer contributions and benefits for use in other systems? <b>(M)</b>		

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## Human Resources and Payroll Systems Requirements

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Information management services</b></p> <p>1. Does the system provide for reporting, reconciling, and retaining records to accommodate the following requirements?</p> <ul style="list-style-type: none"> <li>• The report processing aspect accesses and formats data as required to satisfy regulatory, managerial, and accounting information requirements. <b>(M)</b></li> <li>• This includes the generation of reports at specific time intervals or upon request, including reports that span fiscal years, calendar years, or other time periods. <b>(M)</b></li> <li>• User outputs produced include all vouchers and reports necessary to recognize payroll expenses and authorize related disbursements. <b>(M)</b></li> <li>• External reports include those required by Treasury, OPM, the Department of Labor, the Federal Retirement Thrift Investment Board, and others. <b>(M)</b></li> <li>• Managerial reports include control reports used by human resources/payroll office staff members, as well as reports used by others such as supervisors. <b>(M)</b></li> <li>• The purpose of reconciliation is to compare and reconcile data between systems. <b>(M)</b></li> </ul>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Internal reporting</b></p> <p>2. Does the system provide employees and managers self-service capabilities in obtaining information pertinent to their needs? For example, employees should have access to their personal employment and earnings data and managers should have access to their organizational and subordinate workforce nonpersonal data. <b>(M)</b></p>		
<p>3. Are the human resources and financial personnel able to perform a wide range of organization and workforce analyses that will facilitate the strategic needs of their serviced managers and organizations? <b>(V)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>4. Do the system’s reporting services comply with statutory, regulatory, and security requirements? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements--preparing and evaluating human resources program plans</b></p> <p>5. Does the system support reviewing and issuing statistical and narrative human resources program plans based on goals and management objectives? Inquiries are normally complex</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
and cover all activities during periods of up to 1 year or longer when doing comparisons. <b>(M)</b>		
<p><b>Functional requirements--historical data</b></p> <p>6. Does the system maintain the following information in accordance with the statute of limitations:</p> <ul style="list-style-type: none"> <li>• an employment history of the employee with information comparable to that in the employee's OPF; <b>(M)</b></li> <li>• a pay history showing gross pay by type, deductions by type, and net pay for each pay period; <b>(M)</b></li> <li>• a time and attendance history showing hours or days worked by type of pay for each pay period; and <b>(M)</b></li> <li>• a leave history showing beginning balances, leave accruals, leave usages, and ending balances, by type for each period? <b>(M)</b></li> </ul>		
<p><b>Functional requirements--reporting requirements</b></p> <p>7. Does the system provide the capability to generate routine human resources and payroll reports that are prescribed by the functional users? The system must contain ad hoc reporting, and should also include data browsing tools with rapid-response, graphically-oriented, and user-friendly access to the system</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
database. <b>(M)</b>		
8. Does the system produce employee earnings statements detailing the composition of gross pay, deductions, and net pay for the pay period and year to date (electronic and paper copies)? <b>(M)</b>		
9. Does the system produce managerial reports to facilitate monitoring of human resources costs, leave authorization, and personnel actions by human resources/payroll staff members and by operational supervisors or managers? <b>(M)</b>		
10. Does the system produce all reports and vouchers necessary to recognize payroll expenses, establish related receivables, and disburse all related payments? <b>(M)</b>		
11. Does the system produce supporting detail registers or subsidiary ledgers? <b>(M)</b>		
12. Does the system provide an output matrix of reports that describes report by title, purpose, frequency, distribution level, and the media used to distribute? <b>(M)</b>		
<b>External reporting</b>  13. Does the system provide for automatic data conversion and electronic transfer of required data to OPM and other recipients of governmentwide reporting information? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p><b>Regulatory compliance and administration</b></p> <p>14. Do the external reports fulfill statutory and regulatory mandates, as well as management reporting requirements of executive branch and administrative leadership? Although agencies retain the ability to design systems and data structures to conform to their individual business strategies, information sharing and data transfer among agencies is essential to the modernization and efficiency of the human resources and payroll data collection processes. "Appendix A: References" of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Regulatory compliance and administration--reporting requirements</b></p> <p>15. Does the system produce data required by Treasury; IRS; the Social Security Administration; the Department of Labor; OPM; the Equal Employment Opportunity Commission; the Federal Retirement Thrift Investment Board; the Federal Reserve Banks; OMB; the Department of Health and Human Services; and state, local, and other taxing authorities. Examples include Central Personnel Data File (CPDF) submissions; Standard Form 113; W-2 reporting; retirement records; and reports on the use of various methods</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
of payments. <b>(M)</b>		
<p><b>Reconciliation</b></p> <p>16. Do agency systems provide for the reconciliation of human resources and payroll data within the systems, for comparison and reconciliation with that of disbursing, accounting, and other administrative systems/ subsystems/modules to ensure accuracy, completeness, and data integrity? <b>(M)</b></p>		
<p><b>Regulatory compliance and administration</b></p> <p>17. Are the systems designed to comply with all statutes, regulations, and guidelines that apply to hardware, software, telecommunications, and internal controls? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements</b></p> <p>18. Does the system reconcile disbursing data with payroll data to provide assurance that all disbursements authorized for payment by the payroll certifying officer were disbursed completely and accurately? <b>(M)</b></p>		
<p>19. Does the system reconcile human resource data to provide assurance that all employees on the payroll are bona fide and that all earnings, entitlements,</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
and benefits are being computed as authorized and recognized in the human resources system? <b>(M)</b>		
20. Does the system make health insurance enrollment data available to carriers so that payroll and carrier records can be verified? <b>(M)</b>		
21. Does the system maintain data that are reconciled to pass to the core financial system and cost accounting modules to update fund balances with Treasury and other assets, expense and liability accounts, appropriations, and other cost centers for the payroll, including employer contributions? <b>(M)</b>		
22. Does the system provide for tax deduction reporting, reconciling, and correction processing for each taxing authority? <b>(M)</b>		
23. Does the system derive summary totals of earnings, deductions, contributions, and paid hours for control purposes and to facilitate reconciliation? <b>(M)</b>		
24. Does the system provide for transfers for separating or transferring employees with the next regular payroll? <b>(M)</b>		
25. Does the system generate Monthly Employee Reports (SF 113A) and Monthly Full-Time Equivalent Reports (SF 113G) to OPM? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
26. Does the system provide disbursement voucher data for verification and certification of the payroll process? <b>(M)</b>		
27. Does the system generate reports of pay and benefit transactions required by the agency core financial system? <b>(M)</b>		
28. Does the system notify agency human resources and payroll office staff of incorrect or missing data? <b>(M)</b>		
29. Does the system compile employee data related to health insurance enrollment for validation purposes? <b>(M)</b>		
30. Does the system store audit trail data in the standard human resources/payroll data files? <b>(M)</b>		
31. Does the system generate detail registers or subsidiary ledgers that support all vouchers, accounting entries, and disbursements authorized by the payroll office? <b>(M)</b>		
32. Does the system provide a report for health benefits deductions not taken (e.g., for an employee on leave without pay)? <b>(M)</b>		
33. Does the system provide a report of employee debt, caused by prior-period adjustments or current-period computation, to be used in administrative collection? <b>(M)</b>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
<p>34. Does the system generate retention records for reduction-in-force (RIF) based on competitive position, tenure, and retention requirements? <b>(M)</b></p>		
<p><b>Records retention</b></p> <p>35. Do agency systems maintain, store, and permit ready retrieval of employment and payroll data? The time frames for varying pieces of this requirement differ depending on the subject matter, and the system must be sufficiently flexible to retain and purge data consistent with the varying recordkeeping requirements. <b>(M)</b></p>		
<p>36. Is the destruction of agency records created within the federal government approved by the National Archives and Records Administration (NARA), per 36 C.F.R. Part 1228? Basic payroll records are currently authorized for disposal by General Records Schedule 2, Payrolling and Pay Administration Records, and General Records Schedule 20, Electronic Records. (Copies may be obtained from agency's records officer or from NARA.) For payroll records not covered by this authority, or for any questions regarding the disposition of federal records, please contact National Archives and Records Administration, 7<sup>th</sup> Street and Pennsylvania Avenue, NW, Washington, D.C. 20408.</p>		

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**Human Resources and Payroll Systems Requirements**

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<b>Reporting, reconciliation, and records retention</b>	<b>Yes/no/na</b>	<b>Explanation</b>
The telephone number for the Life Cycle Management Division is (301) 713-7110. <b>(M)</b>		
<p><b>Regulatory compliance and administration</b></p> <p>37. Does the system comply with NARA and other specific statutes, regulations, and guidelines, applicable to all governmentwide, agency, and organization-specific programs? “Appendix A: References” of the JFMIP source document contains a list of relevant statutory and regulatory references. <b>(M)</b></p>		
<p><b>Functional requirements</b></p> <p>38. Does the system maintain and/or dispose of personnel and payroll records in accordance with governmentwide and agency-specific guidelines? <b>(M)</b></p>		

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## Human Resources and Payroll Systems Requirements

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General systems requirements	Yes/no/ na	Explanation
<b>System interfaces</b>		
1. Does the system, at the standard and/or agency level, accept, process, and report on transactions with other internal and external systems? <b>(M)</b>		
2. Does the system record and track such transactions and related information in order to provide the basis for central control? This may require a custom interface to properly identify and format the transactions. <b>(M)</b>		
3. Does the system provide flexibility in accepting data input from multiple media that recognizes the unique data input requirements of interface systems? <b>(M)</b>		
4. Does the system subject all transactions from interfacing systems to the standard human resources/payroll system edits, validations, and error-correction procedures? <b>(M)</b>		
5. Does the system provide the capability to customize data input, processing rules, and edit criteria? <b>(M)</b>		
6. Does the system provide flexibility in defining internal operational procedures and in supporting agency requirements? <b>(M)</b>		
7. Does the system provide the capability to identify and process transactions from other		

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**Human Resources and Payroll Systems Requirements**

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<b>General systems requirements</b>	<b>Yes/no/na</b>	<b>Explanation</b>
systems that enter and update the standard human resources/payroll system? <b>(M)</b>		
8. Does the system provide the capability to allow users to customize output for reporting and providing interfaces to other systems necessary to meet agency requirements for external processing (e.g., retirement processing, general ledger posting, budget formulation, budget reconciliation, and budget execution)? <b>(M)</b>		

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