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Auditing Series

GS-0511

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SERIES DEFINITION

This series includes all positions the duties of which are to advise on, supervise, or perform work consisting of a systematic examination and appraisal of financial records, financial and management reports, management controls, policies and practiced affecting or reflecting the financial condition and operating results of an activity; or analytical work related to the development and execution of audit policies and programs when such work requires the application of professional accounting knowledges, standards, and principles.

EXCLUSIONS

The following types of positions are excluded from this series:

1. Positions the duties of which consist of work requiring familiarity with certain accounting or auditing procedures and techniques or a knowledge of governmental fiscal procedures, or both, but not requiring a professional knowledge and application of accounting principles and procedures, are classified in the appropriate series in the Accounting and Budget Group, GS-0500 (e.g., the Cash Processing Series, GS-0530; the Payroll Series, GS-0501; the Accounting Technician Series, GS-0525; the Financial Administration and Program Series, GS-0501; the Financial Institution Examining Series, GS- 0570).

2. Positions the duties of which require less than full professional knowledge of accounting or auditing and have a subject matter field as the paramount qualification requirement. Such positions are classifiable to any of a wide variety of series including the Criminal Investigating Series, GS-1811; the Miscellaneous Administration and Program Series, GS-0301; the Financial Analysis Series, GS-1160; the Loan Specialist Series, GS-1165; the Contract and Procurement Series, GS-1102; and others, depending on the specific nature of each such position.

3. Positions the principal duties of which involve the determination of liability for taxes and which require, in addition to a knowledge of professional accounting, or auditing, a knowledge of tax laws, regulations, procedures, and related matters. Such positions are classifiable to the Internal Revenue Agent Series, GS-0512.

4. Positions the duties of which are to examine, evaluate, and report on efficiency and economy of operations, compliance with laws and regulations and effectiveness of program results where full professional accounting knowledges are not required. Such positions are classifiable to either other specific subject matter series or the Management Analysis Series, GS-0343.

SERIES COVERAGE

Two broad types of work are performed by auditors covered by this series. These are the financial audit and the operational audit. Both require professional accounting qualifications as described in the qualification standard for the Accounting Series, GS-0510.

The financial audit

The principal characteristic of this type of audit is examining accounts for the purpose of certifying or attesting that the financial statements fairly represent the financial position of the activity as of a certain date and that the results of operations for a stated period of time are valid in terms of assets, liabilities, net worth, income, and expenses. The audit emphasis includes (a) evaluating internal controls to determine the reliability of reported results; and (b) assuring that professional accounting principles have been consistently applied by the activity's accountants.

The operational audit

In addition to the financial audit most auditors employed by the Federal Government also examine and report on the financial management of the activities they audit. Working either from the functional operations to the financial records that reflect them or from the financial records to the functional operations they reflect, auditors evaluate such matters as: (a) the activities' degree of compliance with the principles of sound financial management; (b) the effectiveness of the activities' governing regulatory, management, and operating controls; (c) the degree of compliance with applicable laws and regulations; (d) efficiency and economy in the use of resources and; (d) the effective achievement, of prescribed results. They probe for and recommend correction of financial management weaknesses, errors, and inefficiencies that cannot be discovered through an examination of the accounting systems and records alone. While the auditor is not normally required to evaluate decisions requiring the specialized subject matter knowledges of a non-accounting occupation, auditors do determine whether or not these decisions were made in compliance with regulatory and operating controls and to determine if operating controls were consistent with sound financial management principles.

Conducting the operational audit often requires the performance of tasks which do not require traditional accounting knowledges. For example, (1) in reviewing labor costs, auditors examine manpower utilization by interviewing employees to assure that they are charging their time to the proper accounts and are being assigned in accordance with regulatory, contractual, or operating controls, and (2) in reviewing inventory accounting systems they examine related functions, e.g., property disposal, to determine whether material being scrapped could be economically repaired or profitably disposed of. These functional analyses are often essential to the comprehensive evaluation of the financial management condition of the subject organization.
In addition to conducting operational audits (which require professional accounting qualifications) many auditors perform program evaluations which usually do not require the specialized knowledges of accounting or of other professional or administrative occupations. Usually, such evaluations require knowledge of general management principles and evaluation techniques and

require the abilities common to many occupations, i.e., the ability to think logically, analyze problems, follow systematic procedures and develop comprehensive reports and recommendations. Generally, those auditors who conduct a mix of professional auditing assignments and other program evaluations are covered by this standard. However, when the higher level work of a mixed position does not require professional accounting knowledges other more appropriate standards may be used for grade evaluation.

SERIES DETERMINATION

When, as described above, auditors perform a mix of audits and program evaluations the positions should be classified to the Auditing Series, GS-0511 since normally the accounting knowledges constitute the paramount qualification requirement. In rare situations where, in addition to professional accounting knowledges, the specialized knowledges of another professional occupation are required, the position should be classified to the series that best meets the recruitment, placement, training, promotion, and reduction in force objectives established to meet primary program requirements.

THE WORK OF THE AUDITOR

There are several kinds of operational and financial audits performed by auditors. There are, for example: (a) internal audits, e.g., audits of an agency by auditors employed in that agency; (b) contract audits, e.g., audits of a private firm or institution with which the Government has or proposes to negotiate a contract to provide goods and services or to conduct research projects; (c) regulatory audits, e.g., audits of an industry or institution governed in whole or in part by Federal laws and regulations; (d) combination audits which include assignments to two or more of these kinds of work; (e) audits of Federal loan and grant programs; (f) audits of any or all Federal activities; (g) audits of business and financial institutions operating under Federal mortgage or other types of insurance or loan guaranty programs; (h) audits of or through the use of automated data processing systems.

With due allowance for the variations in specific detail the work common to all audit assignments consist of: (a) planning the audit, (b) conducting the audit, and (c) reporting the audit.

Planning the audit

As a general basis for planning the work to be performed, the auditor obtains comprehensive information about the organization or function scheduled for audit and determines the objectives. The auditor studies pertinent laws, legislative history, regulations, contracts, and management controls to as-certain: (a) the purpose, scope, and objectives of the organization or function; (b) the manner in which the organization or function is conducted and financed; and (c) the nature and extent of management authority and responsibility for the organization or function.

On the basis of the preliminary studies, the auditor decides what areas of examination are likely to produce the most valuable results. For example, operations may not comply with requirements, labor costs may seem exceptionally high, inventory figures too low, or depreciation reserves questionable. The auditor determines the methods of operation by getting advice from others, following previous audits, or devising new approaches.

In activities with automatic data processing systems the auditor has several courses of action available. For example, auditing around the system by checking the results of machine operations (e.g., payroll summaries) against source documents (e.g., payroll vouchers) or alternatively, auditing through the system. In auditing through the system, the auditor prepares test transactions, the results of which are known and processes those transactions through the system to determine if the system produces correct results.

Conducting the audit

The auditor examines and tests financial records and management controls to determine the degree of efficiency, economy, and effectiveness with which the activities audited discharge their financial responsibilities, and/or to determine that the financial records have been maintained in accordance with applicable regulations. Financial records include not only those journals and ledgers traditionally maintained in comptroller's offices, but also the records of such activities as production control, inventory management, maintenance, procurement, contract negotiations, and property disposal.

The auditor conducts the audit in accordance with generally accepted auditing standards which require both: (1) a sufficient study and evaluation of the existing system and procedures to establish a basis for determining system reliability and those audit procedures required to attain audit objectives; and (2) obtaining sufficient reliable evidence through inspection, observation, inquiries, confirmation, etc., to provide a reasonable basis for an opinion regarding the activity under examination.

The auditor evaluates the financial management of the activity in terms of: (a) adherence to prescribed policies; (b) accomplishment of intended purposes; (c) operational efficiency; (d) economical use of property and personnel; (e) effective control over expenditures, liabilities, revenues, and assets; (f) proper accounting for resources and financial transactions; (g) production and reporting of accurate, reliable, timely, and useful financial data; (h) compliance with applicable laws, regulations, and precedent decisions; and (i) whether agency accounting systems comply with the Comptroller General's principles and standards.

Although the same concepts, principles, and standards are applicable to all audit work included in this series, specific procedures vary somewhat depending on the activity audited. For example, the audit of an activity with an accounting system that seems reliable may begin with an examination of entries in financial records and proceed out to an evaluation of the operating controls and management decisions that resulted in those entries. Conversely, the audit of another

activity with an accounting system that seems unreliable or incomplete may begin with the physical observation of operations, e.g., stockpiles of equipment in warehouses, and turn inward to an examination of the financial records to determine if these stockpiles are properly accounted for and were acquired in compliance with regulatory and operating controls. These approaches are equally professional in nature provided the financial evaluation requires accounting knowledges to the degree characteristic of this series.

Reporting the audit

The auditor occasionally makes reports orally but more often they are made in writing to the management level having the authority and responsibility to take action on the audit findings. The auditor identifies noncompliance with regulations, inefficient or ineffectual operations, and describes improper practices and individual transactions. These are used to demonstrate the significance of faulty management and to promote the acceptance of recommendations. These include ways to reduce or avoid costs, avoid improper payments or losses, and promote future operational efficiency.

The auditor develops constructive recommendations for improvement based on the findings. This is as important as reporting on the accuracy of financial records. Audit reports may contain the traditional balance sheet, income and expense, financial and operating statements in addition to other material in narrative and chart form. Other audit reports may not contain these traditional statements. Audit reports may include only those findings resulting from an individual audit, e.g., an evaluation of the cost representations of a contractor before or after the time a contract has been awarded or during its execution. They may also include significant patterns or trends ascertained from summarizing the results of a number of individual audits, e.g., an analysis of the way regulated industries are tending to handle evaluation of assets.

TITLES

The titles authorized are *Auditor* and *Supervisory Auditor*.

SUPERVISORY POSITIONS

Positions which meet the criteria of the Supervisory Grade Evaluation Guide, Part II, are evaluated by that guide when the supervisory responsibilities are grade controlling.

QUALIFICATIONS REQUIRED

Following are the knowledges and skills required for positions covered by this standard. Not all audit positions require all of these knowledges and skills all of the time. Rather, these are the qualifications that characterize the profession and that are most common to most positions.

Knowledge required of:

a. Principles, theories, techniques, and practices of accounting, management, and auditing;

b. Precedents applicable to the assignments;

c. Basic trends and current developments in the auditing profession within the Government, in public accounting firms, and in industry;

d. Procedures and legislation controlling the activity audited;

e. Functions audited, e.g., storage, production, maintenance, banking, transportation, communications, and the like, as appropriate;

f. Generally accepted accounting principles and auditing standards;

g. Basic understanding of automatic data processing procedures and controls; and

h. Principles, concepts, and techniques of statistical sampling.

Skill in:

a. Applying the principles, theories, techniques, and practices of professional auditing to problems encountered;

b. Applying knowledge of the operations, procedures, and legislation characteristic of the activity under audit;

c. Selecting the principles, theories, techniques, and procedures of auditing best suited to the audit assignment;

d. Gathering, assembling, consolidating, and analyzing facts and drawing conclusions;

e. Devising solutions to problems encountered;

f. Acquiring quickly knowledge of the specialized procedures and subject matter encountered;

g. Making clear, concise, and effective oral and written reports and presentations;

h. Gaining cooperation of and cooperating with others;

i. Observing, recognizing, and distinguishing pertinent details;

j. Conducting interviews and establishing and maintaining effective relationships with supervisors, employees, program officials, and others;

k. Visualizing the effect of changes recommended; and

l. Exercising ingenuity and inventiveness.

EVALUATION OF POSITIONS

The factor level criteria provided in this standard apply to auditor positions wherever they may be established and may be used to classify jobs at grades GS-5 through GS-15. Benchmarks show representative auditor positions with illustrative assignments at grades GS-5 through GS-13. The audit subjects that illustrate the work described in the benchmarks cannot be automatically linked to a particular grade level or to a particular factor level. Care must be taken to look at what is done in conducting an assignment and how it relates to the concepts for each factor and level. Positions should be evaluated on a factor-by-factor basis using one of the benchmark job descriptions in its entirety or any of the appropriate point-rated factors in the benchmarks and/or factor level descriptions provided in this standard. Only the designated point values may be used.

More complete instructions for evaluating positions are found in the introductory material for the Factor Evaluation System which is contained in Section VII of the General Introduction, Background and Instructions to the Position Classification Standards. The absence of benchmarks for positions with different combinations of duties and responsibilities at any grade does not preclude evaluation of positions at those grades.

GRADE CONVERSION TABLE

Total points on all evaluation factors are converted to GS grade as follows:

GS Grade	Point Range
5	855-1100
6	1105-1350
7	1355-1600
8	1605-1850
9	1855-2100
10	2105-2350
11	2355-2750
12	2755-3150
13	3155-3600
14	3605-4050
15	4055- up

FACTOR LEVEL DESCRIPTIONS

FACTOR 1, KNOWLEDGE REQUIRED BY THE POSITIONS

Factor 1 measures the nature and extent of information or facts which the auditor must understand to do acceptable work (e.g., steps, procedures, practices, rules, policies, theories, principles, and concepts) and the nature and extent of the skills needed to apply those knowledges. To be used as a basis for selecting a level under the factor, a knowledge must be required and applied.

Level 1-5 -- 750 points

A professional knowledge of the concepts and principles of accounting and auditing needed to perform assignments designed to (1) provide experience in the practical application of accounting and auditing concepts, principles, procedures, and techniques; and (2) to develop familiarity with the practices, rules, regulations, decisions, or other requirements characterizing the functions of a Federal program or operation.

Level 1-6 -- 950 points

A professional knowledge of practices, methods, and techniques of accounting and auditing required to independently perform auditing assignments using methods and techniques that are conventional and apply to most situations encountered.

A general knowledge of agency programs and their governing statutes, regulations, practices, and procedures sufficient to determine degree of compliance, reasonableness of operations, and adherence to accepted accounting principles or management practices.

The assignments usually have characteristics such as the following:

-- The audit is performed periodically (such as to satisfy an annual reporting requirement) on a stable program where conditions are essentially the same from year to year; and where such differences as do occur are primarily of a factual nature.

-- The audit is a well defined portion of a larger audit requiring independent work where the data collected clearly reflects operations audited and is available from documents, reports, and ledgers, analysis is straightforward, and reports cover expected issues.

Illustrations:

-- Knowledge and skill to independently audit the operations of a club or restaurant where the auditor must: compare the contents of books of original entry, ledgers, journals, and inventories against receipts and records for food sales, bar sales, amusement machines, employee payrolls, purchase orders, etc.; inventory food storage and supply rooms; and assure that capital improvements and services were accomplished as reported and paid for. Identifies and reports findings such as improper reporting of income, performance of unauthorized services, charging operating costs to capital expenditure, improper storage of property, and improperly reporting employee meals.

-- Knowledge and skill to conduct an audit (as part of a larger audit) of a contractor's labor and materials costs when contract provisions are clear and the accounting system is straightforward and well maintained. The auditor verifies that the accounting system is set up and maintained, according to accepted accounting principles, that charges for materials and labor are reasonable and according to regulations and contract provisions, that materials and labor are actually expended on the product or service contracted for, and that credit is received for unused or defective materials. Work being contracted for is directly observable. The audit covers tangible and verifiable processes; and the records, documents, receipts, and ledgers apply and/or are related to transactions and processes audited.

Level 1-7 -- 1250 points

A professional knowledge of practices, methods, and techniques of accounting and auditing required to independently plan and conduct evaluations of agency operational programs, or industrial operations and their related accounting systems. Skill is required to develop or modify methods and techniques to resolve a variety of auditing problems.

The assignments usually have characteristics such as the following:

-- The governing regulations, laws, and practices allow considerable latitude in the way programs, processes, operations, and control systems are designed and implemented. Therefore, the auditor uses considerable skill in planning and developing the audit and interpreting findings.

-- The data or situations examined bear no obvious relationship to program conditions or requirements or financial management controls; therefore, considerable analysis or a wide range of audit techniques such as interviews, computer assisted audit techniques, statistical analysis, and questionnaires are required to structure data or surface significant findings.

-- A team effort is often required to complete assignments in a reasonable time frame.

Illustrations:

-- Knowledge and skill to evaluate compliance with regulations, the adequacy of controls, and the operational effectiveness of a social program, such as a food stamp or Medicaid program operating in a large city, a number of counties, one or more states, or throughout a region of a Federal department.

-- Knowledge and skill to audit the operations and accounts of contractors to determine the basis for cost setting under a variety of contracts, such as cost reimbursable, price determinable, fixed price and incentive type contracts.

-- Knowledge and skill to review the appropriation accounts of an organization (e.g., operating and maintenance; research, development, test, and evaluation; foreign military sales; and new construction) at an installation's finance and accounting office to identify overspending and propriety of obligations and expenditures.

-- Knowledge and skill to review inventory data concerning transfers of property and losses of property received and shipped at an organization, e.g., a national inventory control point.

-- Knowledge and skill to review the financial management aspects of a contractor's operations. The auditor identifies inefficient work flow, overstaffing and production bottlenecks; determines the financial impact of work processes; and recommends improvements that strengthen managerial controls and lower production costs.

-- Knowledge and skill to give advice to contracting officers at negotiation conferences on the reasonableness of contract provisions covering such items as economic price adjustments, cost estimating, overhead adjustments, and performance incentives.

-- Knowledge and skill to audit a contract with a university including a study of operations to determine an overhead rate considering a number of judgmental factors such as library use, faculty member work loads, depreciation of laboratory equipment, and other factors that are difficult to quantify.

Level 1-8 -- 1550 points

A professional knowledge of the theory, concepts, and practices of accounting and auditing and skill and ability to apply this knowledge to very broad assignments. Typically the auditor is a recognized expert in developing and applying auditing techniques and methodology or skilled in planning and executing audits of nationwide programs or diversified activities that use a number of different accounting and control systems.

Assignments have characteristics such as the following:

-- Evaluations require an integrated analysis of a number of different programs and accounting systems.

-- Evaluations require the auditor to apply audit theory in developing new approaches for the study of programs where there has been little experience in interpreting the data or success in surfacing meaningful findings.

-- The governing regulations and laws are highly interpretive and require the application of audit theory to the solution of controversial problems.

Illustrations

-- Knowledge and skill to serve as technical expert in a major area of an agency's audit program such as responsibility for interpreting Cost Accounting Standards where such interpretations are then uniformly applied throughout the organization.

-- Knowledge and skill to plan and coordinate an audit of phases (cost estimating, documentation, budget submissions, control practices, and budget execution) of a satellite navigation system by choosing and developing the areas of coverage, writing schedules and instructions for use by others located in a number of installations, and by consolidating reports and presenting findings.

-- Knowledge and skill to develop and revise audit standards and instructions covering broad audit areas, such as procurement, supply, automatic data processing (ADP), logistics support, and operational programs for the use of audit offices and to furnish advice on audit approach and areas of emphasis.

-- Knowledge and skill to develop performance specifications and standards for auditing programs and activities throughout an agency, covering such factors as staff days required, proper use of audit techniques, reasonableness of conclusions, tone, readability of reports, and direction, scope, and depth of factfinding.

-- Knowledge and skill to provide staff surveillance over the execution of the agency's annual audit plan objectives, over the effectiveness of overall operations and over the adequacy of centrally directed audits planned and controlled by designated regional offices. Provides advice to regional offices on resolving operational problems. Advises headquarters audit managers on audit program management by providing recommendations on the assignment of agencywide audits, fruitful areas for investigation, and the opening or closing of field audit offices.

Level 1-9 -- 1850 points

In addition to an expert knowledge to apply accounting theory to broad assignments as described in Level 1-8, a mastery of accounting theory and principles to develop new hypotheses and theories. Knowledges are applied in undertaking pioneering efforts in areas where no precedents exist and issues of governmentwide scope are a primary focus.

Illustration:

-- Knowledge and skill to develop new principles pertaining to broad financial concerns of the government or the accounting field; e.g., the treatment of costs.

FACTOR 2, SUPERVISORY CONTROLS

"Supervisory Controls" covers the nature and extent of direct or indirect controls exercised by the supervisor or another individual over the work performed, the auditor's responsibility, and the review of completed work. Controls are exercised by the supervisor in the way assignments are made, instructions are given to the auditor, priorities and deadlines are set and objectives and boundaries are defined. The auditor's responsibility depends on the extent to which the auditor is expected to develop the sequence and timing of the various aspects of the work, to modify or recommend modification of instructions, and to participate in establishing priorities and defining objectives. The degree of review of completed work depends upon the nature and extent of the review, e.g., close and detailed review of each phase of the assignment; detailed review of the finished assignment; spot check of finished work for accuracy; or review only for adherence to policy.

Level 2-1 -- 25 points

The supervisor makes assignments with specific directions that cover the methods to use what to look for, and what to bring to the supervisor's attention.

The auditor works as instructed and consults with the supervisor on all problems not specifically covered by the original instructions.

The work is closely reviewed while in progress and when completed to see that directions have been followed and the results are complete and accurate.

Level 2-2 -- 125 points

The supervisor makes assignments with general instructions as to the purpose of the assignment, limitations, expected deadlines, and priorities. The supervisor also gives advice on any peculiarities of the assignment such as type of accounting systems or management practices used or unusual transactions.

The auditor working independently conforms to established audit programs and prescribed procedures referring problems that arise to the supervisor for help or a decision.

Completed work is reviewed closely to verify accuracy and conformance to required procedures and any special instructions. Findings and conclusions are checked to insure they are supported by facts.

Level 2-3 -- 275 points

The supervisor makes assignments by outlining or discussing an audit plan and defining objectives, priorities, and deadlines.

The auditor independently plans and carries out the assignment based upon the provisions of the audit plan. Problems and deviations from the audit plan are handled in accordance with instructions, policies, guidelines, and accepted accounting and auditing practices. The bases for controversial findings are discussed with the supervisor before presentation to the activity audited.

Completed audit work is reviewed for technical soundness, appropriateness, and conformity to policy and requirements. Findings, conclusions, and recommendations are evaluated for proper documentation, reasonableness, and compatibility with an overall audit program. The methods used in arriving at the end results are not usually reviewed in detail.

Level 2-4 -- 450 points

The supervisor makes audit assignments outlining the overall objectives and the resources available. The auditor and supervisor discuss reasonable time frames, audit stages, and possible approaches.

The auditor, fully experienced in applying auditing concepts and methodologies and in working with the general characteristics of the assignment or job, is fully responsible for planning and carrying out the assignment; directing other auditors; resolving most of the conflicts that arise; coordinating the work with others; developing changes to the audit plan and audit methodology; and interpreting policy on own initiative in order to meet established objectives. The auditor keeps the supervisor informed of progress, potentially controversial matters, such as the possibility of fraud or items of major impact on other audit efforts or agency program areas.

Completed work is reviewed for soundness of overall approach, effectiveness in meeting requirements or expected results and workability of any recommendations.

Level 2-5 -- 650 points

The supervisor provides administrative direction in terms of broadly defined missions or functions of the agency.

The auditor defines objectives and coordinates the audits, assignments, or projects to be completed. Audit reports or other completed assignments are considered technically authoritative and the best possible analysis under the current conditions. They are normally accepted without significant changes.

Review of the work covers such matters as fulfillment of audit program objectives, and effect of advice and influence on the overall audit program. Recommendations for new projects and alterations of objectives are usually evaluated for such considerations as availability of funds and other resources or other priorities.

FACTOR 3, GUIDELINES

This factor covers the nature of the guidelines and the judgment needed to apply them. Individual assignments may vary in the specificity, applicability, and availability of guidelines, thus the judgment required by auditors similarly varies. The existence of detailed audit plans and other instructions may make innovation in planning and conducting audits unnecessary or undesirable; while in the absence of guidance provided by prior agency experience with an audit subject or when objectives are broadly stated, the auditor may use considerable judgment in developing an approach or planning the work.

For this factor, guidelines refer to the following:

- -- Audit plans covering frequently audited agency programs;
- -- Audit instructions covering one time special audits;
- -- The agency regulations describing operating program requirements and characteristics;
- -- Agency developed audit manuals and instructions;
- -- Standard texts covering the theory, concepts, and practices of accounting and auditing;
- -- Guidelines and regulations developed by other agencies and bodies such as the General Accounting Office (GAO), the Cost Accounting Standards Board (CASB), the Financial Accounting Standards Board (FASB) and regulations, such as the Defense Acquisitions Regulations.
- -- Files and records, such as previous audit reports;
- -- The governing policies and procedures of the agency; and
- -- Treatises on the state of the art of accounting theory or guidance for developing solutions to difficult auditing problems.

Level 3-1 -- 25 points

Specific detailed guidelines covering all aspects of the work are available to the auditor. Assignments involve transactions or problems, such as assembling information or data from a number of reports according to a prescribed format, or are otherwise structured as training assignments.

The auditor works in strict adherence to the guidelines. Deviations must be authorized by the supervisor.

Level 3-2 -- 125 points

A number of procedural guidelines are available to the auditor that specifically cover the assigned work. These guidelines include applicable portions of agency audit manuals and specific audit plans. Special instructions relate to the specific characteristics of the assigned work.

The auditor chooses the applicable guidelines and uses judgment in performing those aspects of the work not specifically prescribed. For example, judgment may be used in the way a sample is taken, in the way data is portrayed, or the procedure used in making reconciliations or comparing accounts. Situations not fitting the audit plan or other applicable guidelines are referred to the supervisor for resolution.

Level 3-3 -- 275 points

The guidelines that are available are not completely applicable to some of the work or have gaps in specificity. At this level guidelines include audit plans for commonly performed audits (often completed on a schedule) which provide a preferred approach or include accounting standards

that describe the generally accepted requirements for recording and reporting transactions rather than the specific accounting system in use.

The auditor interprets and adapts the guides, modifying the information presented to fit the situation at hand. Audit methods and techniques normally applied are inadequate in some respects and require adaptation to the peculiarities of the assignment. The auditor uses judgment in studying programs, operations, and systems, and in making recommendations.

Level 3-4 -- 450 points

Audit policies concerning the audit situation or assignment are consistent with past practice, but are stated in terms of goals to be accomplished rather than outlining the approach to be taken to achieve desired goals. Usually an audit assignment is not precedented by a previous similar effort. Available guidelines are stated in general terms, for example, agency regulations that prescribe only the purposes for which the subject program audits accounting systems have been set up; or accounting standards that present a number of principles any one of which may be reasonably interpreted as applying to broad subjects, e. g., depreciation allowances or inventory accounting; or audit objectives written in broad outline form where substantial work is required to develop specific objectives, devise methods, approaches and techniques, and present findings.

At this level some auditors develop new methods or criteria. For example, developing material to supplement or explain guidelines received from agency headquarters; or preparing specific guidance for audit field offices responsible for collecting data to support a centrally directed audit for which there is no previous experience; or developing guidance to cover broad audit situations or functional areas. Some auditors use initiative and resourcefulness in researching trends and patterns to develop new methods and techniques for acquiring information, for analyzing data, developing solutions or criteria, and presenting findings.

Level 3-3 -- 650 points

Guidelines consist of broad agency policy statements and basic legislation which requires extensive interpretation.

The auditor uses judgment and ingenuity in interpreting the intent of conflicting legislation or broad program objectives. At this level, typically, auditors develop extensive guidance. For example, developing guidelines on auditing contracts or auditing regulated industries or other comparable guidelines which normally apply governmentwide. The auditor is recognized as a technical authority in a field of auditing with responsibility for the development of policies, as well as standards and guidelines, for the use of other auditors in an agency or in a functional area across agency lines in order to meet new programs or legislative intent.

FACTOR 4, COMPLEXITY

This factor covers the nature, number, variety, and intricacy of tasks, steps, processes, or methods in the work performed; the difficulty in identifying what needs to be done; and the difficulty and originality involved in performing the work.

Level 4-2 -- 75 points -- Assignments usually consist of specific tasks designed to orient the auditor in the practical application of theory and basic principles of accounting and auditing in context with the regulations, organization, requirements, and other characteristics of a Federal program or operation.

Decisions regarding what needs to be done follow well accepted practices, in auditing and normal procedures for a given practice, such as in reconciling accounts.

Actions to be taken or responses to be made are based on factual differences such as the type and kind of information needed on balance sheets, the consistency of the entries on various ledgers with original documents and the portrayal of data in chart, table, or graph form to reflect specific facts.

Level 4-3 -- 150 points

At this level auditors complete audit assignments using established practices. The work includes performing any or all the various phases of auditing, e. g., planning, coordinating, conducting, and reporting for audit assignments that are well precedented.

Decisions regarding what needs to be done require an analysis of accounting and control systems and functions for programs that are stable, where pertinent issues are known, and where there are few conflicts in the interpretation of conditions observed. The auditor chooses a course of action from many alternatives in planning an approach, gathering data, and presenting findings depending upon the nature and extent of problems encountered.

The work involves comparing data found in records and documents or the results of observable conditions with what is expected according to regulations, prior experience, program requirements, and sound accounting or financial management practice. The auditor analyzes the data and reports findings.

Level 4-4 -- 225 points

At this level the work requires auditing programs, operations, accounting systems, and activities covering many different and unrelated processes and functions. The auditor plans, coordinates, and conducts audits and develops reports on work processes and accounting systems where there are numerous unknown factors to be identified and analyzed. Agency programs, operations, and systems are in a state of change; thus auditors continuously encounter new situations and conditions. Likewise, management's informational needs change, requiring evaluations of ongoing

programs from new perspectives. The auditor performs analyses such as: evaluating the current status of accounting or reporting systems or operating programs; evaluating the ability of accounting or reporting systems to generate meaningful and timely data; evaluating the rationale for determining costs; evaluating records, statements, and operating programs to determine the nature and extent of liabilities or deficiencies; or evaluating the methodology used in reevaluating assets.

Decisions regarding what needs to be done require an assessment of a variety of conditions such as incomplete records, the unreliability of available data, the resistance of program officials or participants to findings, and variability in the way programs and systems are set up and operated.

The work requires making decisions concerning such things as determining which aspects of program operations to evaluate and report on, the approaches to use in collecting and structuring data, the development of recommendations given a variety of possible solutions, and the effective presentation of critical findings.

Level 4-5 -- 325 points

Work at this level is characterized by: (a) intensive efforts in audit planning, coordination, or problem definition or (b) intensive efforts in problem solving or analysis for an area of accounting or auditing where the auditor functions as a designated authority. Audit assignments require auditors to develop audit plans and define problem areas for the comprehensive analyses of a great variety of functions and operations and coordinate the activities of a number of audit teams; or perform a comprehensive analysis of the overall operations of an organizational entity for the purpose of predicting the effects of proposed requirements and policies. Programs and systems under audit are broad in scope, complex, and interrelated thus requiring the auditor to perform work such as: (a) meeting with program and functional representatives to gather information needed to define issues and structure the audit for many discrete functional or program areas; (b) writing audit instructions for a number of teams, tailoring such instructions to each program or functional area and allowing for differences within each functional area such as may occur among different organizational elements or structures; (c) advising team leaders on a variety of technical problems such as interpreting data, surfacing significant findings, preferred approaches in data gathering, data organization and analysis and on resolving conflict situations; or (d) justifying the scope, depth, and timing of the audit to others who are concerned with balancing the significance of projected findings with other audit efforts considering the effective use of the agency's total audit resources. When functioning as a designated authority in a specialty area such as contract auditing, the auditor addresses problems that have been referred by other auditors, or otherwise functions in an advisory capacity.

Decisions regarding what needs to be done are complicated by the extreme diversity of functional programs and operations and their related accounting and control systems, the conflicting requirements inherent in issues such as balancing cost against requirements when addressing major agency programs having numerous goals or end products, or the need to establish criteria

when advising other auditors on the application of accounting principles and practices in a major area such as contract auditing.

The work requires the auditor to be adept at conceiving new strategies for the solution of auditing problems.

Level 4-6 -- 450 points

Work at this level is characterized by broad assignments. For example, assignments affecting the direction of an agency's audit program over a number of years or assignments that shape the accounting systems of regulated industries to facilitate accurate reporting of required information or facilitate auditing for compliance with new legislation.

Decisions regarding what needs to be done require extensive probing and analysis. For example, assessing the full cost of industrial compliance under a number of alternative accounting and reporting systems designed to provide a range of data required by a number of program elements within an agency or assessing audit program requirements for a major department over a number of years (manpower, staff distribution, specialized skill requirements, etc.) to support an expanded mission or where management has a vital need for information.

The work requires establishing programs central to the mission of the agency or resolving extremely stubborn problems of vital importance to the agency where, for example, there are conflicting demands from such conditions as economic interest, public interest, constitutional protections, or equivalent concerns.

FACTOR 5, SCOPE AND EFFECT

Scope and Effect covers the relationships between the nature of the work, i.e., the purpose, breadth and depth of the assignment, and the effect of work products or services both within and outside the organization.

In General Schedule occupations, effect measures such things as whether the work output facilitates the work of others, provides timely services of a personal nature, or impacts on the adequacy of research conclusions. The concept of effect alone does not provide sufficient information to properly understand and evaluate the impact of the position. The scope of the work completes the picture allowing consistent evaluations. Only the effect of properly performed work is to be considered.

Level 5-1 -- 25 points

The purpose of the work is to train the auditor in the application of accounting and auditing theories and concepts and to familiarize the auditor with the particular programs, functions, and organization of the agency.

The work of the auditor facilitates the work of other auditors within the immediate organizational unit.

Level 5-2 -- 75 points

The purpose of the work is to assist in executing an audit plan by completing a number of audit activities which follow transactions through the process such as comparing reports to source documents, checking transactions against authorizations, and assuring that operating instructions are appropriate for the desired results. The work usually serves as input to a broader audit assignment.

The work products affect the accuracy and completeness of audit reports.

Level 5-3 -- 150 points

The purpose of the work is to independently conduct a variety of audit processes using standard audit procedures. The audits conducted measure the degree of program and financial management compliance with regulations and adherence to accepted accounting principles and management practices.

The work affects the way systems and program operate by providing the information necessary for corrective actions.

Level 5-4 -- 225 points

The purpose of the work is to develop audit approaches to evaluate a variety of programs and accounting systems. Audit approaches vary widely because of the variability of subject programs and systems due to differences in organization or mission, technological advances, or changes in regulations. Audit reports provide information on program operations and identify causes of deficiencies or problems. The reports provide recommendations such as modifying financial management or accounting systems, work flow or lines of authority, or recommendations for withholding of funds or other corrective actions.

The work affects the way financial management accounting systems and programs are structured and operated throughout an organization and/or regulated industries or other organizations with which the agency conducts business or provides services.

Level 5-5 -- 325 points

The purpose of the work is to study and integrate the findings of a number of audit efforts to define unknown conditions or develop criteria or new approaches for use by other auditors. At this level, auditors provide expert advice to other auditors on the interpretation of accounting and auditing regulations and their application to controversial problems. The auditor may prepare audit plans or guidelines for comprehensive examination of an entire functional area such as an agency's automatic data processing system or a program area such as a complete public assistance system. The advice is used by auditors throughout the organization.

The work affects the work of other auditors and provides a definitive framework for the application of audit theories, concepts, and techniques.

Level 5-6 -- 450 points

The purpose of the work is to plan and direct assignments vital to the success of an agency's audit program or provide advice to top management that directly affects the overall characteristics and direction of programs that constitute the basic mission of the agency. Typically, assignments involving an analysis of major programs are initiated because management discerns major deficiencies in mission accomplishment. The assignments encompass all major financial management and operational aspects of the program under review and provide information and recommendations supporting realignment of authorities, or major reallocations of manpower, funds, and other agency resources. Typically, the assignments affect significant economies by devising more efficient systems. Assignments involving the conduct of an agency's audit program are similar in scope to the above. For example, the assignments develop and control the direction of the agency's audit plan over a number of years. The auditor identifies required audit areas and plans a compatible organization of audit resources that are located in field offices throughout the agency in order to use resources efficiently and effectively.

Assignments at this level affect the overall efficiency and economy of major agency programs.

FACTOR 6, PERSONAL CONTACTS

This factor includes face-to-face contacts and telephone and radio dialogue with persons not in the supervisory chain. (NOTE: Personal contacts with supervisors are under Factor 2, Supervisory Controls.) Levels described under this factor are based on what is required to make the initial contact, the difficulty of communicating with those contacted, and the setting in which the contact takes place (e.g., the degree to which the employee and those contacted recognize their relative roles and authorities).

Above the lowest level, points should be credited under this factor only for contacts which are essential for successful performance of the work and which have a demonstrable impact on the difficulty and responsibility of the work performed.

The relationship of Factors 6 and 7 presumes that the same contacts will be evaluated for both factors. Therefore, use the same personal contacts which serve as the basis for the level selected for Factor 7 as the basis for selecting a level for Factor 6.

Level 6-1 -- 10 points

Personal contacts are with other auditors and support personnel in the immediate office or related units within the agency.

Level 6-2 -- 25 points

Personal contacts are with employees in the agency, both inside and outside the immediate organization, and with individuals outside the agency at the audit site. Individuals interviewed are usually aware of the identity and role of the auditor. Contacts with individuals outside the agency are usually set up by others.

Level 6-3 -- 60 points

Personal contacts include officials, managers, professionals, and employees and executives of other agencies and outside organizations. Typical of these contacts are representatives of contractors; lawyers and accountants of business firms; administrators, professors, and staff of universities and hospitals; and representatives of state and local governments or other Federal agencies.

Level 6-4 -- 110 points

Personal contacts are with high ranking officials from outside the agency at national or international levels. Typical contacts at this level are those with members of Congress, presidents of large national or international firms, presidents of national unions, or mayors of large cities.

FACTOR 7, NATURE OF CONTACTS

In General Schedule occupations, purposes of contacts range from factual exchange of information to situations involving significant or controversial issues and differing viewpoints, goals, or objectives. The personal contacts which serve as the basis for the level selected for this factor must be the same as the contacts which are the basis for the level selected for Factor 6.

Level 7-1 -- 20 points

The purpose of contacts is to acquire information concerning the audit subject or information needed to complete an assignment.

Level 7-2 -- 50 points

The purpose of contacts is to plan, coordinate, or conduct audit assignments. The auditor arranges for interviews and meetings at the audit site and obtains information. The auditor discusses with others such matters as the significance of guidelines, the appropriateness of recommendations, the necessity for additional facts, and the preferred methods of data gathering. The auditor resolves problems related to assignment of audit responsibility, coordinates the technical support of subject-matter experts, and in general, resolves questions and clarifies problems. Though differences of opinion may exist, the persons contacted are usually working toward a common goal and generally are cooperative.

Level 7-3 -- 120 points

The purpose of contacts is to influence or persuade representatives of the organization audited to accept critical or controversial observations, findings, and recommendations. Representatives of audit subjects are often reluctant to agree that costly errors were made, that corrective action is required, or that suggestions for change will improve operations. Other contacts are to persuade managers and subject matter experts or other auditors within the agency on such matters as the use of alternative methods, the allocation of limited audit resources, or a particularly controversial interpretation of audit theory. Often the contacts are strong adherents of opposing views and are influential.

Level 7-4 -- 220 points

The purpose of the contacts is to justify, defend, negotiate, or settle matters involving significant or controversial issues. At this level, auditors typically attend meetings to accomplish such goals as giving overall direction to the organization's audit program, achieving major economies in agency programs, or developing standards and guides for auditing complex activities. The persons contacted have diverse viewpoints, goals, or objectives concerning the issue or problem requiring the auditor to achieve a common understanding of the problem and arrive at a compromise or develop suitable alternatives.

FACTOR 8, PHYSICAL DEMANDS

The "Physical Demands" factor covers the requirements and physical demands placed on the employee by the work assignment. This includes physical characteristics and abilities (e.g., specific agility and dexterity requirements) and the physical exertion involved in the work (e.g.,

climbing, lifting, pushing, balancing, stooping, kneeling, crouching, crawling, or reaching). To some extent the frequency or intensity of physical exertion must also be considered, e.g., a job requiring prolonged standing involves more physical exertion than a job requiring intermittent standing.

Factor 8-1 -- 5 points

The work is principally sedentary. There may be some walking in factories, warehouses, supply dumps, and similar areas to check on inventories and the existence of, or nature of, equipment and property.

FACTOR 9, WORK ENVIRONMENT

The "Work Environment" factor considers the risks and discomforts in the employee's physical surroundings or the nature of the work assigned and the safety regulations required. Although the use of safety precautions can practically eliminate a certain danger or discomfort, such situations typically place additional demands upon the employee in carrying out safety regulations and techniques.

Factor 9-1 -- 5 points

The work is usually performed in an office setting. There may be occasional exposure to uncomfortable conditions in factories, construction yards, supply yards, or other areas.

OPM BENCHMARK DESCRIPTIONS

AUDITOR, GS-0511-05, BMK #1

Duties

As a trainee auditor performs a variety of tasks assigned to provide experience in the practical application of accounting principles, procedures, and techniques.

-- Examines payrolls, purchase vouchers, cash receipts, ledgers, and other documents to determine if transactions were properly supported in accordance with pertinent laws or regulations, and are arithmetically correct.

-- Prepares working papers, recording in a prescribed format the information pertinent to the audit of records or conditions, and the findings.

-- Prepares charts, tables, graphs, and other exhibits to aid in the presentation of audit findings.

-- Studies functional and program manuals to gain a knowledge of the audit subjects under evaluation.

-- Attends entrance conferences and audit closeouts to learn presentation techniques.

Factor 1, Knowledge Required by the Position -- Level 1-5 -- 750 points

A professional knowledge of accounting and auditing principles, concepts, and practices to enable the employee to perform assignments designed to provide practical experience in auditing agency programs.

Factor 2, Supervisory Controls -- Level 2-1 -- 25 points

Assignments are made with specific, detailed instructions as to what work to do and what methods to use.

The auditor works as instructed and consults with the supervisor on all matters not covered by the instructions.

The work is closely reviewed both while in progress and when completed. The supervisor ensures that directions have been followed and that the results are complete and accurate.

Factor 3, Guidelines -- Level 3-1 -- 25 points

Specific detailed guidelines are available to the auditor who follows them exactly. Deviations must be authorized by the supervisor.

Factor 4, Complexity -- Level 4-2 -- 75 points

Assignments consist of specific tasks designed to orient the auditor while applying accounting and auditing principles to agency programs. Decisions regarding what needs to be done follow well-accepted practices. Actions to be taken are based on factual differences in records when comparing cash receipts with balance sheets or performing other routine work in support of other auditors.

Factor 5, Scope and Effect -- Level 5-1 -- 25 points

The purpose of the work primarily is to provide training in carrying out agency audit programs. The work facilitates the work of other auditors.

Factor 6, Personal Contacts -- Level 6-2 -- 25 points

Personal contacts include co-workers in the immediate office and employees of other organizations where audit work is to be carried out. Contacts with individuals outside the agency are usually set up by others.

Factor 7, Purpose of Contacts -- Level 7-1 -- 20 points

The purpose of contacts is to acquire information needed to complete assignments or to attend meetings to learn presentation techniques.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is performed in an office environment.

TOTAL POINTS -- 955

AUDITOR, GS-0511-07, BMK #1

Duties

Works as an audit team member in an audit field office of an agency. Works on specified audit assignments which facilitate the efforts of the team and provide experience toward independently planning and conducting complete audit assignments. The auditor applies conventional audit techniques to complete relatively uncomplicated evaluations. Examples of such assignments include auditing direct labor and material costs; or checking the treatment of costs as operating verses capital expenditures; or auditing methods used in recording various items drawn from inventories.

-- Checks reports, records, ledgers, and other documents against sales slips, receipts, payroll slips, and other source documents.

-- Inventories warehouses and store rooms to check on the condition and quantity of items and compares figures with balances on asset sheets and records of daily transactions.

-- Verifies the appropriateness of charges for labor and materials, that transactions were properly recorded, and that products or services were actually provided.

-- Compares the similarities and differences of accounting systems in categorizing and reporting particular types of transactions.

-- Calls the supervisor's attention to unusual or questionable transactions or when problems encountered to not fit instructions or guidelines.

-- Makes recommendations concerning changes when current accounting or control procedures do not achieve the desired results or are no longer appropriate for situations encountered.

-- Prepares briefing materials covering audit findings for use by team members conducting audit closeouts or giving presentations.

Factor 1, Knowledge Required by the Position -- Level 1-6 -- 950 points

Knowledge of professional accounting and auditing concepts and practices to perform audit assignments using conventional methods and techniques.

Factor 2, Supervisory Controls -- Level 2-2 -- 125 points

The supervisor assigns work with instructions covering any peculiarities in the systems or practices in use, the preferred methodology, and expected deadlines and priorities.\

The auditor works independently according to instructions and prescribed procedures, referring problems that arise to the supervisor or team leader for a decision.

Completed work is closely reviewed for accuracy, conformance to prescribed procedures, and completeness.

Factor 3, Guidelines -- Level 3-2 -- 125 points

At this level, guidelines include a number of agency audit manuals, and generally accepted accounting and auditing principles and practices that are specific to the work performed or problems encountered.

The auditor uses judgment in performing those aspects of the work not specifically described; for example, when the auditor recommends changes in ineffectual or redundant control procedures.

Factor 4, Complexity -- Level 4-3 -- 150 points

Audit assignments require the use of standard audit techniques to complete assignments that are well precedented.

The auditor evaluates work processes, conditions, and accounting or control systems that are usually well-defined portions of more difficult or complete audits.

The work requires comparing conditions observed or readily available data wish requirements specified by regulations or established procedures or generally accepted accounting practices.

Factor 5, Scope and Effect -- Level 5-2 -- 75 points

The purpose of the work is to assist in completing audits by carrying out a variety of audit procedures and reporting on conditions found.

The work involves a portion or a segment of a more complete audit assignment, and thus effects the accuracy and completeness of overall findings.

Factor 6, Personal Contacts -- Level 6-2 -- 25 points

Personal contacts are with employees working both inside and outside the agency. Contacts with individuals outside the agency are usually at the audit site and arrangements are usually made by others.

Factor 7, Purpose of Contacts -- Level 7-1 -- 20 points

The purpose of contacts other than those with the supervisor or team leader is to acquire information concerning the audit assignment.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is principally sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is usually performed in an office setting.

TOTAL POINTS -- 1480

AUDITOR, GS-0511-09, BMK #1

Duties

Serves as an auditor in a field office of an agency within a department with responsibility for performing a variety of audit assignments. Assignments involve conducting either segments of audits or complete audits of internal agency programs. Audit assignments are either well precedented or occasion the use of conventional auditing techniques in gathering and evaluating the pertinent data.

An example would be an annual audit of an officer or noncommissioned officer club having restaurant and bar operations. The auditor performs a range of functions in planning and conducting the audit and reporting results.

-- Studies previous audit reports and the provisions of a standard audit plan for club audits.

-- Arranges for meetings at the audit site, explains the purpose for the audit, explains procedures, and answers questions.

-- Reviews financial and operating records such as balance sheets, statements, and source documents. These include operating expenses, income, assets, receivables, prepaid expenses, budgets, sales slips, receipts, inventories, work orders, wage and work schedules, daily tally sheets, etc.

-- Checks operating practices (e.g., inventorying of warehouses, security procedures, cutting tests on sides of beef, the scheduling of employees) in order to validate reports, determine compliance with governing regulations, and develop an opinion on the economy and efficiency of operations.

-- Prepares audit reports and financial statements which present findings, cite applicable regulations, identify causative situations, and recommend corrective action. Recommendations may include items such as:

-- Revising accounting procedures to separately record the profitability of party operations and provide a separate breakout on the financial statement;

-- Instituting procedures for determining the causes of monthly gross profit fluctuations, and for determining liquor and food costs in order to provide a valid basis for setting prices; and

-- The need for preparing daily sales accountability statements for expensive food items, providing adequate physical security, scheduling personnel to match workload requirements, and investigating immediately any discrepancies between recorded and expected sales.

Holds exit conferences with management officials when closing a complete audit assignment. The auditor explains findings and answers questions.

Factor 1, Knowledge Required by the Position -- Level 1-6 -- 950 points

Knowledge of professional accounting and auditing principles, concepts, and practices and a general knowledge of agency regulations, requirements, and practices sufficient to independently perform auditing assignments using conventional methods and techniques.

Factor 2, Supervisory Controls -- Level 2-3 -- 275 points

The supervisor assigns the employee to auditing efforts. The supervisor or team leader outlines an audit approach, discusses any specific instructions, requirements or goals, and defines objectives, priorities, and deadlines.

The auditor independently plans and carries out the assignment, handling problems in accordance with policies and guidelines and accepted accounting and auditing practices.

Completed work is reviewed for technical soundness, and conformity to policy and requirements. The methods used in arriving at findings and recommendations are not usually reviewed in detail.

Factor 3, Guidelines -- Level 3-3 -- 275 points

Guidelines consist of previous audit reports, audit plans, and general instructions pertaining to the accounting system requirements for various programs and functional areas. The guidelines generally apply but do not specifically cover all situations encountered. The auditor interprets and adapts the guidelines for application to specific cases or problems encountered.

Factor 4, Complexity -- Level 4-3 -- 150 points

The audits cover a range of agency operations where standard audit practices are applicable. In performing audits the employee completes all the normal audit activities, e.g., plans, coordinates, conducts, and reports. Decisions regarding what needs to be done require analyzing accounting and control systems and program activities or operations where pertinent characteristics and issues are known and there are few conflicts in interpretations.

The work requires comparing conditions found with what is expected according to regulations, program requirements, and sound accounting and financial management practices.

Factor 5, Scope and Effect -- Level 5-3 -- 150 points

The purpose of the work is to audit for compliance, efficiency, and effectiveness, using standard audit procedures or the methodology and procedures specifically established for review of the subject program.

The work affects the way systems and programs operate by providing the information necessary to improve accounting systems, records, etc., and to correct inadequate or incorrect procedures.

Factor 6, Personal Contacts -- Level 6-2 -- 25 points

Personal contacts are with managers and employees of the agency both inside and outside the immediate organization.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts is to plan and discuss audit approaches and findings, gather and present information, and influence or persuade managers and representatives of the organization audited to accept critical observations or to implement recommendations. Managers are often uncooperative and reluctant to accept recommendations for improving questionable financial and management practices.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is usually performed in an office setting.

TOTAL POINTS -- 1955

AUDITOR, GS-0511-11, BMK #1

Duties

Serves as an auditor within a regional finance office of an agency with the responsibility to audit the accounts of subsidized steamship companies and their affiliated or related companies. The auditor certifies the accuracy and completeness of the annual subsidy accounts and assures that applicable laws, accounting principles, regulations, and contract provisions pertaining to operating, construction, and other types of subsidies have been complied with. The auditor determines the validity and proper amount of expenses for which reimbursement is claimed, compliance with financial provisions of mortgage agreements, and appropriateness of transactions.

A typical audit would be a review of a steamship company's Interim Capital Construction Fund covering transactions for a three year period and providing the resources to build, repair, and buy a number of tugs and barges. Fund transactions are frequent, totaling approximately several hundred a year between a number of subsidiary and related companies.

-- Studies laws and audit guides pertaining to capital construction funds, previous audit reports, and the provisions of the basic capital construction fund agreement and addendums within which the company uses the fund.

-- Arranges for meetings with company officials and representatives such as company accountants, bookkeepers, managers, and pertinent personnel in related companies to discuss the areas of audit coverage, the company's accounting practices, the particulars of the accounting systems used, the rationale for the treatment of specific transactions, preliminary findings and critical audit adjustments and exceptions.

-- Reviews records of fund transactions against the provisions of basic agreements and addendums, Capital Construction Fund regulations, applicable laws, portions of the Tax Code, etc. Studies the accounting system, the records covering transactions, the company's Federal Income Tax return, internal controls and correspondence between the company and the agency to determine the reliability of the system for accurately reporting transactions, conformance to accepted accounting principles nod General Accounting Office and agency requirements, and the validity of transactions.

Examples of findings may include such items as:

-- Inappropriate or unqualified fund withdrawals for a variety of reasons, e. g., failure to secure agency concurrence, withdrawals to cover noncapitalized or other inappropriate costs, withdrawals to build or repair vessels not specifically covered by agreements, withdrawals in excess of a vessel's fair and reasonable value applied to reducing debt, and withdrawals not properly reported;

-- Unreported activity of qualified vessels in prohibited trade with resultant nonpayment of liquidated damages;

-- The potential for circumventing time limits on the reimbursement of general funds;

-- Failure to make deposits to the fund, such as insurance proceeds received from casualty losses;

-- Sale of qualified vessels without prior agency approval or without securing an agreement to comply with geographical trading restrictions;

-- Improper recording of refunds as deposits rather than as reductions against fund withdrawals; and

-- Questionable vessel identification and improper recording of vessel name changes.

Confers with agency officials and representatives of other Government agencies such as the Internal Revenue Service, General Accounting Office, etc., to collaborate in the conduct of audits and exchange information and advice.

Prepares an audit report covering the purpose, background, detailed findings and recommendations with various attachments and addendums supporting the findings and conclusions. Conclusions and recommendations may lead agency program officials to assess penalties, require redeposits into the fund, proscribe company activities, rewrite ambiguous or misapplied agency regulations, request an indepth special audit of certain company transactions, or change the manner in which Capital Construction Funds are administered. Findings may also lead to changes in accounting system requirements for subsidized companies.

Factor 1, Knowledge Required by the Position -- Level 1-7 -- 1250 points

Professional knowledge of accounting and auditing concepts, practices, and techniques to audit the accounts and review the transactions of subsidized steamship companies involved in acquiring, constructing, operating, and disposing of vessels. The auditor uses judgment to plan the audit approach that will identify conditions resulting from noncompliance, assess proper entitlements and liabilities, and verify the appropriateness of reports.

Knowledge of the applicable laws, regulations, and practices of the agency, the usual contents and provisions of Capital Construction Fund agreements, and other agreements, the provisions of the Federal Ship Financing Program and the Tax Code as it relates to fund transactions.

Factor 2, Supervisory Controls -- Level 2-3 -- 275 points

The supervisor assigns audits by providing objectives, priorities, deadlines, and an audit plan which outlines the expected areas of coverage and the general approach to be taken. The auditor plans and executes the audits, following criteria contained in the audit plan, sets up meetings, resolves problems and conflicts in accordance with instructions, and interprets regulations and policy in assessing the significance of findings. Special instructions may include keeping the supervisor in formed of potentially controversial findings such as transactions that may seriously threaten fund security. The auditor discusses significant findings with the supervisor prior to presenting them to company officials.

Audit reports are reviewed for technical soundness and reasonableness in comparing company fund transactions with regulatory and legislative requirements.

Factor 3, Guidelines -- Level 3-3 -- 275 points

Guidelines consist of an audit plan, previous audit reports, agency regulations covering capital construction fund agreements, legislation, General Accounting Office audit manuals, portions of the Tax Code, and general publications on the structure and use of accounting systems.

Guidelines are interpretive in nature and do not directly apply to specific situations encountered. The employee uses the guidelines to develop the audit, surface significant material, and determine whether findings are acceptable or a cause for an adverse report.

Factor 4, Complexity-- Level 4-4 -- 225 points

The audits cover the operations of steamship companies and related or affiliated companies as they concern the buying, selling, operation, repair, and construction of vessels over specified time periods. The audits also concern various other aspects of company activities as they pertain to the Tax Code, legislation, and agency regulations, such as geographic restrictions in vessel use, and restrictions on the use of foreign items in construction and repair. Fund transactions are numerous, often describe unusual or unforeseen circumstances and are complicated by the variety of ways the company finances its operations and services its debt, the way these transactions are reported, and by company practices in partially or totally relinquishing control of vessel use. Company reporting practices tend to cloud the exact nature of many transactions and subsequently make it difficult to determine the current status of the various funds or that the funds have been used for the intended purposes.

Factor 5, Scope and Effect -- Level 5-4 -- 225 points

The purpose of the audits is to certify the accuracy of the steamship company's report of transactions and related activities. The findings show the nature and extent of company compliance with the provisions of agreements, regulations, and legislation pertaining to the operations of the various funds. The findings provide agency contracting officers with information concerning company operations and financial status, provide a basis for assessing penalties for significant infractions or confirm the appropriateness of subsidy payments. Audit findings also form a basis for clarifying regulations and revising accounting systems and reporting requirements to more accurately reflect conditions.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Contacts are with company representatives such as management officials, accountants and bookkeepers; agency program officials such as contracting officers and auditors; and investigators in other Federal organizations.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The contacts are with company officials to acquire information and discuss problem areas. Contacts at audit closeouts are to justify conclusions and influence officials to accept critical findings. The officials argue strongly the justification for actions taken, explaining the rationale for the accounting treatment of fund transactions in the most favorable light.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

Work is sedentary, except that some physical exertion is required for inspections of assembly yards and warehouses to check on the presence, quantity, and origin of parts and materials such as steel plate and valves.

Factor 9, Work Environment -- Level 9-1 -- 5 points

Most work is performed in an office setting; however, when inspection of assembly yards and warehouses requires moving around operating machinery, moving carts, and cranes, the auditor wears a helmet or goggles.

TOTAL POINTS -- 2440

AUDITOR, GS-0511-11, BMK #2

Introduction

Performs audits throughout a region of a major department. Works for a Regional Inspector General for Audit who reports directly to the Inspector General for the department.

Duties

Performs audits of department programs. Audits concern the activities of department officials responsible for particular programs and the activities and records of program clients or recipients. The purpose of the audits is to check compliance with basic program legislation and departmental regulations, to render an opinion on the reasonableness and accuracy of financial statements, to determine the adequacy of accounting and control systems in reliably recording and reporting transactions, and to determine whether financial and statistical data in recipient's reports conform to data contained in the recipient's records. A typical audit would cover a Community Development Block Grant (CDBG) program administered by a large county.

The purpose of such an audit would be to evaluate the county's performance over a two year period in carrying out its grant program in accordance with its applications and in an economical, efficient, and effective manner. The auditor also evaluates the county's continuing capacity to complete specific projects in a timely manner and checks for compliance with regulations. The grant program covers approximately 40 projects in six cities and various unincorporated areas. A variety of projects are funded such as construction of multipurpose community buildings; rehabilitation of rundown housing; installing sidewalks, curbs, gutters, and street trees; improvement of parks and historical sites; installing guard gates at railroad crossings to improve traffic safety; etc.

Studies a variety of background material and guidelines to gain program information and discover leads. These include:

-- Reports of independent public accountants who have audited portions of the grant program;

-- Previous audit reports and investigative files prepared in-house;

-- Files of departmental representatives containing grant applications, signed agreements, progress reports, monitoring reports, and correspondence;

-- Audit guides which describe areas of coverage and delineate an approach; and

-- Applicable departmental policies and regulations and GAO guidelines.

Sets up meetings to coordinate, conduct, and complete a variety of audit activities. For example:

-- Arranges audit site entrance and exit conferences with county and city officials to explain audit goals and methodology; to request on site office space; to acquire records such as project files, internal monitoring reports, the minutes of planning meetings and other pertinent data; and to present audit findings.

-- Discusses preliminary findings and problems with employees of the department who are responsible for administering the county's grants and agreements and departmental investigators responsible for looking into illegal or fraudulent activities.

Plans the audit activities to use team members as assigned. Assigns each to an audit area, discusses the audit approach to be taken, the resolution of problems encountered, and the significance of findings. Consolidates audit findings.

Develops recommendations covering a variety of financial and operational findings. Findings and recommendations typically pertain to such concerns as the following:

-- The allowability of costs, the reasonableness of administrative costs, appropriateness of overhead rates, and the use of approved accounting systems and practices;

-- The appropriateness of general ledger entries such as adjustments, delays in the processing of fund requests, the adequacy and completeness of reports prepared by Independent Public Accountants (IPA), and inefficient use of grant funds through failure to leverage;

-- The timeliness .of activities such as land acquisition, approval of construction drawings, and soliciting construction bids; and

-- Failure to comply with requirements such as involving citizen groups in community planning, contracting with firms complying with minimum wage and minority employment requirements, clearing projects with the Environmental Protection Agency, building to earthquake standards, and following General Services Administration procurement regulations.

Analyzes problems and develops a final report explaining findings in detail and incorporating the comments of county and city officials. Recommendations may result in improved efficiency and economy both in agency program operations and in the expenditure of Federal funds. Recommendations may also result in denial of funds to grantees or a more indepth investigation into apparently fraudulent practices.

Factor 1, Knowledge Required by the Position -- Level 1-7 -- 1250 points

Professional knowledge of accounting and auditing concepts, practices, and techniques as applied to planning, conducting, and reporting audits of grant programs. Grant program practices and regulations provide for great latitude in meeting requirements, therefore the auditor uses considerable skill in developing the audit, interpreting findings, and assessing the degree to which program goals are met.

Factor 2, Supervisory Controls -- Level 2-4 -- 450 points

Receives the audit assignment from the supervisor with an initial estimate of the audit staff time and per diem available and information on any problems that might be known.

The auditor independently plans the audit, sets up the contacts, assigns work to team members, develops the audit findings, interprets regulations, coordinates preliminary findings with the grantee and the responsible agency program officials, develops the final recommendations, and presents the audit report. The auditor keeps the supervisor informed of staff hours expended, problems encountered, and need for additional resources.

Completed work is reviewed for the reasonableness and supportability of conclusions and recommendations.

Factor 3, Guidelines -- Level 3-3 -- 275 points

There are a number of guidelines available regarding the cork including departmental audit guides which provide a preferred approach for the audit of various programs and describe common problem areas which should be covered.

Since the guidelines are not completely applicable to the audit situations encountered, the auditor must use judgment in assessing the extent to which programs and transactions meet the intent of the guidelines.

Factor 4, Complexity -- Level 4-4 -- 225 points

The auditor reviews numerous activities covering many different and unrelated processes and functions. Such activities include maintenance of accounting records, the construction of projects, bank loan financing, program planning and execution, program monitoring and reporting, and the handling and safeguarding of funds and assets.

The auditor independently plans, conducts, and reports on the complete audit applying or adapting standard audit practices to the peculiarities of the assignment.

Some data is unavailable or difficult to correlate due to poor recordkeeping or inadequate accounting systems which complicates decisions concerning the depth of review required, the sufficiency of incomplete data, and the development of conclusions.

The auditor determines which conditions observed are fruitful audit subjects and develops workable recommendations. The auditor also reports on the ability of accounting and control systems to generate data needed for financial management purposes.

Factor 5, Scope and Effect -- Level 5-4 -- 225 points

The purpose of the work is to plan and conduct audits where there is considerable variability in subject programs and financial systems. The audits require working with a number of organizational entities, reviewing a wide range of grantee activities, and assessing the significance of a variety of findings and conditions.

The audit recommendations affect the administration of specific grant programs, the quality of recipient accounting and control systems, the continued eligibility of recipients for Federal funds, and the effectiveness with which Federal funds are used.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Contacts are with city and county employees and officials, and with employees administering departmental programs.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts is to influence or persuade city and county officials to accept critical observations and findings and to institute remedial actions. Officials are often reluctant to accept recommendations for changes in management or accounting practices.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

Work is done in an office setting except when inspecting project sites.

TOTAL POINTS -- 2615

AUDITOR, GS-0511-11, BMK #3

Duties

Serves as an auditor at an agency which provides contract audit services to a department and various other Federal agencies. The auditor may be assigned to (1) a resident or suboffice of a major contractor, or (2) a branch office and perform mobile audit work at various contractor locations within an assigned geographic area. The auditor is responsible for independently planning, performing, and reporting a variety of audit assignments in connection with the procurement and contracting activity between the Federal Government and the contractor. Characteristic assignments include (1) the review of incurred costs under a variety of cost reimbursable, price redeterminable, incentive type contracts; (2) the review of pricing proposals which requires a projection of current or estimated costs; (3) the review of material, labor, and administrative overhead pools frequently involving automated control systems to determine if the cost can be properly allocated to Government contracting; (4) participation in surveys of contractor accounting systems to determine adequacy to properly accumulate and allocate costs; (5) the review of requests for progress payments to determine if the contractor has expended funds and made appropriate progress toward completion of the contract; (6) participation in operation audits at major contractor locations to make recommendations for improved efficiency and economy or cost avoidance; (7) the review of Cost Accounting Standards (CAS) disclosure statements and price adjustments generally involving standard accounting systems. The auditor may work independently or as a team member depending on the nature, scope, sensitivity, and complexity of the assignment.

Develops audit programs and plans reflecting the nature of the assignment, characteristics of the contractor's accounting system, reliability of internal controls, anticipated problem areas, and time restraints. Reviews, when available, previous reports, working papers, and standard audit programs.

-- Makes arrangements for meetings with contractor management officials and accounting department heads and other personnel to explain purpose of audit, discuss accounting systems, resolve technical accounting matters, obtain access to records, and any other information necessary to complete the audit and discuss audit findings.

-- Makes tests and examinations of contractor's specific cost representations, accounting systems and records, internal controls, policies and practices, and other management information pertinent to the audit. Uses audit techniques, such as statistical sampling, where appropriate. Maintains audit working papers and substantiating documents in accordance with agency requirements.

-- Makes audit determinations concerning the accuracy of cost representations, reasonableness of cost proposals, reliability of accounting systems and information, allocability of costs, economy and effectiveness of management policies or operations, and cost avoidance.

-- Develops advisory report of audit findings, conclusions, and recommendations for the cognizant procurement official or contracting officer, including documentation supporting recommendations for the approval, or the disallowance of contractor's cost and cost avoidance proposals.

-- Participates in meetings with procurement and contracting offices to inform them of audit findings, conclusions, and recommendations. Explains critical or controversial findings or recommendations and provides technical support, advice, and assistance.

Factor 1, Knowledge Required by the Position -- Level 1-7 -- 1250 points

A professional knowledge of accounting and contract auditing to review a contractor's accounting and control systems, incurred costs, cost projections, and operations to determine whether these costs are appropriately allocated under a variety of Government contracts, and in compliance with various cost accounting standards and contracting regulations. Skill is required to develop or modify audit plans, programs, and techniques and deal with nonroutine audit problems. Considerable skill is required to determine compliance, assure adequacy of accounting/costing information, interpret findings, and develop recommendations which are supportable.

Factor 2, Supervisory Controls -- Level 2-3 -- 275 points

Supervisor makes audit assignments, usually on a project or term basis, outlines problem areas, work priorities, and sets deadlines. The auditor independently plans and carries out the audit assignment; develops or modifies audit steps, plans, or techniques to meet the audit situation; and resolves problems in accordance with agency policies and practices. Obtains supervisor's concurrence on major changes in audit plans or revised programs involving unusual or controversial problem areas or requiring a significant increase in time to complete the assignment. The auditor keeps the supervisor informed on progress and potentially significant or controversial problem areas, may request advice and assistance on unusual or complex audit problems, and clears controversial findings with supervisor before discussion with contractor.

Completed work assignments and draft reports are reviewed for technical soundness, appropriateness, adherence to agency standards, policy, and timely accomplishment of audit objectives. Findings, conclusions, and recommendations are evaluated for proper documentation, reasonableness, and compatibility with overall audit programs.

Factor 3, Guidelines -- Level 3-3 -- 275 points

Guidelines include the Agency Contract Audit Manual (CAM), Defense Acquisition Regulations (DARs), standard audit programs, previous work papers and reports, and regional policies and practices. These guidelines are not completely applicable to all audit assignments and frequently require the exercise of judgment to modify or adapt the audit techniques, methods, or plans to meet the audit situation. Judgment is required in adapting guidelines for preparation of work papers and in drafting reports of findings and conclusions.

Factor 4, Complexity -- Level 4-4 -- 225 points

At this level, the auditor performs, over a period of time, a variety of audit assignments at a major contractor location and/ or at various contractor locations on a mobile audit basis. Audit assignments at a major contractor location typically involve major segments of audits of incurred costs, pricing proposals, and labor, material, and administration overheads where the accounting system is automated, has several expense pools and subsidiary accounts, and may require application of statistical sampling or other audit techniques. Audit assignments at smaller contractor locations on a mobile basis may include accounting systems which are not always well documented and maintained. Mobile audit assignments include incurred costs, standard pricing proposals, and progress payments at various contractor/ subcontractor locations.

Decisions regarding what needs to be done in planning and conducting the audit depend on the nature of the assignment and knowledge of the contractor's accounting system. Decisions frequently involve a variety of related factors and changing conditions such as availability and reliability of accounting data and management controls, cooperation of contractor personnel, time available to accomplish the audit and meet deadlines, relationship to previous or concurrent audit assignments, feasibility of using statistical sampling or other audit techniques, nature of reporting requirements, etc.

The audit work requires making analyses and comparisons of accounting data and making recommendations about the allowability, allocability, and reasonableness of costs incurred or projected, including the accuracy and reliability of accounting systems or data, and cost avoidance, where appropriate.

Factor 5, Scope and Effect -- Level 5-4 -- 225 points

The purpose of the audit is to provide information and recommendations in a written report responsive to the audit request regarding the adequacy of contractor accounting and control systems, the allowability of cost incurred under a variety of contracts, the accuracy of costs estimated under pricing proposals, and ways for the contractor to effect cost avoidance or cost reduction.

The reports are furnished to procurement, contract negotiation, and administration officials and may result in the acceptance, suspension, or disallowance of contractor costs and significant savings to the Government in cost avoidance and procurement costs. The audit reports frequently have a significant effect on the activities of the contractor audited.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Personal contacts are with employees and management officials of the agency, other Government agencies, and management representatives of various companies being audited. These contacts typically include contracting officer representatives, negotiators, accountants, internal auditors, cost estimators, engineers, production personnel, and other management officials.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts vary with the nature of audit assignments and the cooperativeness of the various contractor personnel dealt with. The contacts are to explain need for access to accounting/budgeting information which may be proprietary in nature or closely held by corporations, and to discuss technical accounting problems, contractor policies, audit findings, and recommendations. Release of sensitive or controversial information is cleared before discussion with contractor or procurement personnel. Other contacts include participation in contractor meetings or negotiations to provide technical persuasion and support in audit areas for which they are personally responsible such as helping persuade contractor officials to accept critical or controversial findings or recommendations to which they may be reluctant to agree to or to accept.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is mainly sedentary with moderate walking in factories, warehouses, and other industrial settings to check on production, inventories, equipment, and personnel assigned to various jobs. Many mobile audit assignments require the physical ability to drive an automobile to contract audit sites.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is generally performed in office settings with occasional exposure to uncomfortable conditions in factories, shipyards, and other industrial operations.

TOTAL POINTS -- 2440

AUDITOR, GS-0511-12, BMK #1

Duties

The employee works for an agency providing contract audit services. The auditor is assigned to a resident office at a major contractor who manufactures aircraft components and air-frames. The auditor has responsibility for planning, performing, and reporting on a variety of audit assignments in connection with procurement and contracting activities between the contractor and the Federal Government.

Many audit assignments have the following characteristics: (1) reviews of accounting systems cover all functional areas such as financing, engineering design, procurement of materials, production, sub-contracting, space management, depreciation of tools and equipment, overhead cost, and other operations or factors relating to costs; (2) assessments of proposals (such as an analysis of the reliability of contractor cost projections) are based on an evaluation of management practices, production efficiency, work force reliability and productivity, and estimated costs as well as historical cost data; and (3) recommendations concerning the acceptability of accounting and control systems or the appropriateness of contractor compliance with the Cost Accounting Standards and Defense Acquisition Regulations often require an original assessment of circumstances since guidelines for the more difficult assignments are largely comprised of administrative or legal decisions derived from the settlement of contract disputes.

An example of an audit with the above characteristics would be a delay claim on a fixed price contract for the first time manufacture of an aircraft component in which the contractor claims additional payment for a variety of increased costs stemming from alleged defective item specifications supplied by a Government agency.

Audit activities include:

-- Consultations with contractor and Federal engineers and representatives to determine the accuracy of specifications and the extent of redesign and fabrication necessary;

-- Review of the basis for the proposal to estimate the probable bid if the contractor had been aware of the defective specifications;

-- Analysis of operations to develop cost projections to include tooling, escalation of materials costs, subcontracting, financing of capital, and labor costs; and

-- Assessment of impact of down time on the production runs of other items, improvement in production time after initial production runs, and reconfiguration of assembly lines.

Problems and issues to be resolved stem from such situations as:

-- Contractor representatives tend to attribute all cost overruns and extra expenses to faulty Government specifications;

-- Guidance as to the recovery of expenses under the subject conditions are unclear and many facts are in dispute; and

-- Recommendations to the contracting officer form the basis for allowing or denying additional payment or otherwise reaching an equitable adjustment of the original contract.

In planning and completing an assignment the auditor does the following:

-- Plans an approach to efficiently complete all audit requirements, and assigns audit projects to any staff assigned to assist the auditor.

-- Organizes a wide variety of information on contractor operations to facilitate completion of new audit requirements. Such information includes historical cost data and performance on production runs, materials acquisition and storage, specific findings on previous audits, and other information bearing on efficiency, effectiveness, and cost.

-- Meets with contractor representatives to obtain information on management actions with cost implications, resolve technical accounting matters, arrange access to records and work sites, suggest more efficient work practices, and discuss or defend audit findings. Meets with contracting officers or procurement officials to present findings and recommendations.

-- Observes contractor operations to determine actual usage of equipment, machinery, assembly lines, warehouses, personnel, and other aspects of contractor operations related to costs. Determines if claimed costs are proper and identifies inefficient operations.

-- Reviews contractor's records, financial statements, budgets, internal controls, and management policies and procedures. Determines the reasonableness of contractor's cost proposals, the amount of costs to be disallowed or questioned, the adequacy of accounting systems and internal controls, the effect of contractor policies and actions on costs, the adequacy of evidential material, and other aspects of contractor operations impacting costs.

-- Develops reports of audit findings. Advises on the application of Defense Acquisition Regulations and guidelines covering the payment of costs and the sufficiency of contractor accounting systems. Advises contractors when observing wasteful practices such as idle equipment, unused space, or redundant materials handling, and on the appropriateness of proposed contracts.

-- Coordinates special evaluations and operational audits with specialists (e.g., contract administrators, industrial engineers, production managers) to develop cost performance data

or formulate recommendations for increased efficiency in work flow or production systems, equipment or space utilization, or managerial controls.

Factor 1, Knowledge Required by the Position -- Level 1-7 -- 1250 Points

Professional knowledge of accounting and auditing to review contractor operations and accounting and control systems to assess the amount and appropriateness of costs and compliance with Government procurement regulations. Skill is required to develop or modify auditing techniques and to interpret findings and formulate recommendations.

Factor 2, Supervisory Controls -- Level 2-4 -- 450 points

The supervisor sets the overall objectives and resources available. The auditor and supervisor discuss any unusual problem areas such as the need to modify the scope of the audit effort, the need for more or fewer staff days, and the advisability of concentrating resources in certain problem areas.

The auditor plans and carries out the assignment, resolves most conflicts that arise, assigns work to staff members, and coordinates overall audit effort with the appropriate organizational entities. The supervisor is kept informed of potentially controversial matters.

Completed work is reviewed for effectiveness in meeting audit objectives, developing recommendations, and presenting conclusions.

Factor 3, Guidelines -- Level 3-4 -- 450 points

Guidelines applicable to the work include agency audit manuals, Defense Acquisition Regulations, the Cost Accounting Standards, legal or administrative decisions concerning contract and procurement activity, and agency policies that state requirements in general terms.

The guidelines provide a framework of principles pertaining to contract auditing. Many situations arise, of a nature such as to make it difficult to determine which principle best applies. The auditor uses considerable judgment in developing an audit approach and formulating recommendations dealing with a variety of contract accounting and auditing questions. Such questions frequently require making assessments based on estimated input or projected situations.

Factor 4, Complexity -- Level 4-4 -- 225 points

Assignments require analysis of all major aspects of the contractor's operations. The auditor considers a number of conditions, including the adequacy of accounting and control systems to record and report costs, the appropriateness of incurred costs charged to specific contracts, the reliability and reasonableness of estimated contract costs and profit, and the economy and efficiency of all contractor operations that impact on both direct and indirect costs.

Decisions regarding what needs to be done depends on the nature of the assignment and knowledge of the contractor's accounting system. Decisions frequently involve a variety of unrelated factors and changing conditions such as availability and reliability of accounting data and management controls, cooperation of contractor personnel, time available to accomplish audit and meet deadlines, relationship to previous or con-current audit assignments, feasibility of using statistical sampling or other audit techniques, nature of reporting requirements, audit risks, etc.

The work requires making many decisions regarding the contractor's continuing ability to execute contractual responsibilities as expected and regarding the reasonableness of contract award. This requires the analysis of considerable data and of a great variety of conditions.

Factor 5, Scope and Effect -- Level 5-4 -- 225 points

The purpose of the work is to evaluate contractor operations and accounting and control systems and report on their adequacy in fulfilling contractual obligations and expected requirements. Also, the auditor provides information on the appropriateness of incurred and/or proposed costs.

The reports provide input to Federal managers who decide on both the awarding of contracts and the settlement of contractual obligations. This affects the activities of companies engaged in contract work for the Federal Government.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Personal contacts are with employees of the agency and other agencies and representatives of the company. Such contacts include contracting officers, engineers, accountants, production managers, other auditors, management officials, etc.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts is to gather information, coordinate audit activities, advise on methodologies, consult on the significance of findings, and to present and justify findings to contracting officers and other Federal managers. Relations with company representatives are often strained when findings occasion the loss of considerable money or major changes are required in company operations or accounting systems.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is principally sedentary. Some walking through production lines and warehouses is required to note workflow, use of space, and the nature of inventories.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is usually performed in an office setting with occasional exposure to uncomfortable conditions in factories and other industrial operations.

TOTAL POINTS -- 2790

AUDITOR, GS-0511-12, BMK #2

Duties

Works in a field office of a department to audit a variety of programs to assess efficiency and effectiveness and compliance with program laws, regulations, and provisions. Planning and conducting audits requires modifying or developing methods and techniques. For example, audits a food stamp program for a large city focusing on the current operations of the program as administered and supported by the various staff and operating divisions of the city's welfare department. The audit also covers the operating relationships between the city and the Federal bureau responsible for program oversight and the activities of private institutions participating in the program. The objective of the audit is to evaluate compliance with program regulations, policies, and procedures; to evaluate accomplishment of program goals; and to assess the economy of operations.

-- Studies audit reports on other cities administering a food stamp program, program regulations, subject files, organizational charts, news clippings, correspondence with city officials, and other material to acquire program knowledge and determine the appropriate contacts.

-- Interviews Federal bureau personnel administering the program, and city officials and employees. The auditor arranges a pre-audit survey, inquires as to problem areas, considers requests for special emphasis, and discusses the probable scope and course of the audit.

-- Designs an audit plan covering program areas where there is a high probability of significant findings. The auditor modifies the plan by changing areas of emphasis and devising new approaches as determined by an analysis of preliminary findings.

-- Conducts a pre-audit survey, assigning team members to a number of survey areas, e.g., administrative costs, computer program effectiveness, client eligibility, claim validity, authorization documents accountability, and effectiveness of quality control efforts.

Reviews team findings and identifies operational problems such as:

-- Ineffectual administrative controls set up to monitor operations, fix accountability, and identify waste;

-- Untimely processing and follow-up on client claims and adjustments of over or under payments;

-- Improperly prepared time work studies, cost allocation plans, and claims for administrative costs;

-- Fraudulent acquisition and use of client authorizations for program participation; and

-- Nonadherence to contract provisions by food stamp vendors.

Modifies for application to specific circumstances audit techniques such as:

-- Random selection and indepth review of case files;

-- Setting up test programs to validate computer systems;

-- Matching food stamp program case files against rosters of city employees;

-- Organizing data to permit statistical projections of program operations or to establish norms.

Develops an audit report explaining program differences and recommending improvements to program operations where differing points of view may be strongly held. Develops special reports as audit progresses, covering program deficiencies where immediate corrective action is required. Examples of recommendations include:

-- Shifting functional responsibilities;

-- Changing work processes and clarifying the instructions for implementing the program;

-- Recovery of misused funds;

-- Further investigation of fraudulent practices;

-- Specific training requirements for city employees; and

-- Strengthening of program controls.

Findings result in immediate program changes on the operational level and may indicate a need for changes in basic legislation and implementing regulations.

Factor 1, Knowledge Required by the Position -- Level 1-7 -- 1250 Points

Professional knowledge of accounting and auditing concepts, practices, and techniques to audit a public service program in a large city. The program is administered by many city employees performing a number of different functions and by private institutions providing various services. The auditor modifies a variety of audit procedures, statistical techniques, and computer tests to gather data and surface significant findings.

-- Knowledge to adapt audit practices and techniques in order to acquire and organize data covering a variety of different work processes and functions.

-- Knowledge to design audit plans, structure assignments, and assess the thoroughness and usefulness of team members' audit findings.

Factor 2, Supervisory Control -- Level 2-4 -- 450 points

The supervisor assigns audit projects initially specifying objectives, resources available, priorities, and deadlines. As the assignment progresses the auditor and supervisor (through consultation) modify the scope of the audit effort by identifying priority items for special reports, the need for more or fewer staff days, and the advisability of concentrating resources in certain problem areas. The supervisor is kept informed of potentially controversial matters. The auditor plans and carries out the assignment, resolves most conflicts that arise, assigns work to team members, and coordinates overall audit effort with the appropriate organizational entities. The auditor works with team members to develop the approaches to take, to determine the audit methods used, and to decide the depth of analysis required to develop conclusions.

Completed work is reviewed for effectiveness in finding problems, developing recommendations, and presenting conclusions.

Factor 3, Guidelines -- Level 3-4 -- 450 points

Guidelines consist of program laws, regulations, subject files, and audit policies that are stated in general terms. Audit reports covering other food stamp program audits are only generally applicable because of the variability and range of operating and staff level functions carried out by the city and because of the variety of problems encountered.

The auditor develops an audit plan, documenting the approach, methods, and areas of emphasis as the audit progresses. The audit plan developed is a model for performing her food stamp program audits of similar scope.

Factor 4, Complexity -- Level 4-4 -- 225 points

The audit covers program operations carried out by a number of organizational entities having different functional responsibilities. Program operations cover a variety of work processes requiring of the auditor use of a variety of audit techniques such as interviews, computer testing,

and random sampling. The nature of the audit presents difficulties in planning, coordinating and conducting the audit, evaluating facts, and presenting results.

The absence of complete data and supporting documentation requires that inferences be drawn and extended from the existing data. Typically, data on program norms is gathered by means of random sampling or complete sampling over reasonable time periods.

Formulating recommendations requires the auditor to make decisions and draw conclusions on a considerable range of pro-gram activities and conditions.

Factor 5, Scope and Effect -- Level 5-4 -- 225 points

The purpose of the audit is to assess the effectiveness of a government program as administered by a major department of a large city. Problems in administering the program and in coordinating and conducting the audit are compounded by the variety of work processes performed by numerous employees in a number of functionally discrete organizations.

The findings and recommendations lead to improvements in a public service program operating in a large city and in the administration of the program by a bureau of the department.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Contacts are with managers and program administrators having functional responsibility for the program under review and with subject matter specialists within the department, as well as with managers and employees performing work in the program being audited.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

Contacts are with city officials to gain information, explain audit findings and the methodology used in arriving at conclusions, and to present recommendations. Since audit findings tend to highlight problems, neglect, or mismanagement, the persons contacted may obfuscate, be fearful of skeptical of conclusions and methodologies used, and may prefer different remedies than those prescribed.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary in nature. Typically, the employee works at a desk or interacts with other individuals who do so.

Factor 9, Work Environment -- Level 9-1 --5 points

The work is performed in an office environment.

TOTAL POINTS -- 2790

AUDITOR, GS-0511-13, BMK #1

Duties

Works as auditor on the staff of an audit organization to formulate audit guidelines and develop audit standards for use by audit offices at regional, major command, or other subordinate levels.

-- Develops, coordinates, and issues technical audit guidelines and instructions for the inspection of operational and support programs and systems usually at the installation level. Operational and support programs and systems include, for example, ADP procurement tracking systems, local bid and purchasing systems, local acquisition of automatic data processing maintenance, the operation of nonappropriated fund facilities and vehicle maintenance and use programs, and the review of systems designed to acquire technical support services. Audit of technical support services includes validity of requirements, reasonable response times, reasonable cost, and effective use of services. The audit program guidelines contain descriptions of the subject program, explain program goals, state audit emphasis and goals, outline a preferred review procedure, and explain the significance of findings. The guidelines provide for a uniform audit approach and identify problem areas requiring special emphasis. The auditor identifies the need for changes through review of installation level audit reports with significant findings, through review of General Accounting Office (GAO) audit reports, from information submitted by operating organizations, etc.

-- Develops and documents standards for measuring the efficiency and effectiveness of field audit operations. Reviews numerous audit reports and uses an indepth knowledge of audit techniques and operations to establish standards such as the staff days of effort required, the scope and depth of factfinding needed, the proper use of audit techniques, the reasonableness of conclusions, the tone and readability of reports, etc. Compares audit program operations with current standards, determines causes of deviations, and recommends changes in audit program operations or revises standards to accommodate the operational situation.

-- Works with regional audit managers and program officials to identify problem areas and develop solutions. Renders interpretations of audit guidelines and gives technical advice. Represents the organization in contacts and conferences with other agencies, other audit organizations, and outside groups to explain the development and use of audit guidelines and procedures.

Factor 1, Knowledge Required by the Position -- Level 1-8 -- 1550 points

-- Knowledge of professional auditing and accounting concepts, principles, and techniques and knowledge of agency programs and operations in order to develop and disseminate expert guidance on audit approach and techniques for many agency programs.

-- Knowledge and skill to apply new developments in audit concepts and techniques to changing programs in order to increase audit program efficiency and effectiveness in identifying problems, gathering information, and writing reports.

Factor 2, Supervisory Control -- Level 2-4 -- 450 points

The supervisor assigns program areas and outlines overall programs/ project objectives and special assignments. Normally, assignments are self generated or initiated by the identification of problem areas. The auditor plans and carries out the work independently, develops audit methodology and guidance to solve problems, and coordinates the work with the audit staff and others. Problems having significant policy implications are discussed with the supervisor. Completed work is reviewed for effectiveness in improving audit program operations or solving problems.

Factor 3, Guidelines -- Level 3-4 -- 450 points

Guidelines include professional accounting and auditing texts, General Accounting Office manuals and audit reports, agency audit program functional statements, material delineating the requirements and operations of the agency's functional programs, audit reports from other agencies describing significant findings, the records of Congressional investigations, and articles in professional publications. Guidelines are general in nature or may describe work methods in a narrow context.

The auditor uses the concepts presented to develop guidance for conduct of the audit program and improve audit program efficiency. The goals to be achieved are usually clear, but resourcefulness is required in developing new audit methods, instructions, and criteria. For example, balancing the need for an independent approach to unique local problems with acquiring and reporting information that will portray developing trends in functional programs throughout the agency.

Factor 4, Complexity -- Level 4-5 -- 325 points

The work requires intensive efforts in problem solving and analysis directed toward improving audit program efficiency and effectiveness. The audit instructions, manuals, and techniques developed must be tailored to fit a great variety of situations. Decisions regarding the best approaches require an analysis of a number of audit techniques and require assessing the probability of significant findings for the effort expended. The work requires establishing criteria for asystematic review of a variety of operational and support programs.

Factor 5, Scope and Effect -- Level 5-5 -- 325 points

The purpose of the work is to provide instructions and manuals for conducting audits and a central point for assessing audit program effectiveness. The work requires resolving critical

problems in determining the status of and improving the efficiency of the agency's audit program. The work affects the work of other auditors and is essential in providing a coherent, accurate portrayal of the efficiency and effectiveness of the agency's audit program and consistent evaluation of operational programs.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Personal contacts are with auditors and functional program officials at headquarters and at regional offices, and with representatives of other agencies and professional organizations.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts is to obtain information; provide advice and guidance on audit program operations; give advice on optimum approaches, factfinding, and report writing requirements; coordinate work efforts; and resolve problems in audit program operations. The auditor must influence and persuade others to adopt certain approaches. Because issues are often controversial and no particular approach will fit all circumstances, persons contacted strongly hold opposing points of view.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is performed in an office environment.

TOTAL POINTS -- 3290

AUDITOR, GS-0511-13, BMK #2

Duties

Serves as contract auditing advisor on the staff of a regional audit office with the responsibility for monitoring the Cost Accounting Standards (CAS) program. Responsibilities include developing, interpreting, and disseminating guidance on Cost Accounting Standards, contracting cost principles, and public laws relating to contracting, and providing advice on potential and current contract appeals cases with respect to the defensibility of the agency's position. The auditor gives contract audit advice and opinions on appeals cases concerning research and production contracts with major industrial companies. Typically, the contracts concern development and manufacture of first procurement, specialized equipment or systems, spread over a number of years; or the concurrent production of a number of items which requires allocating costs among numerous

production efforts; or the use of extensive support and staging facilities and systems requiring separate management control and accounting systems. Cost Accounting Standards issues are exceptionally difficult to resolve because of the contractual complexities associated with the above types of procurement. In resolving issues the employee interprets a full range of theories, laws, and regulations pertaining to industrial accounting, control, and reporting systems. The guidance developed becomes the region's position regarding specific cases and adds to the body of interpretive material concerning contract accounting and auditing principles and practices.

-- Reviews audit reports containing significant issues regarding CAS and evaluates the effectiveness with which the CAS were applied. Develops procedures and instructions covering CAS implementation and develops revisions to CAS policy. Reviews proposed CAS revisions developed at audit field offices. Notes overall patterns in CAS non- compliance and advises audit offices on developing a CAS program adequate to deal with the practices of individual companies.

-- Furnishes advice to the regional audit staff on the application of CAS, applicable public laws, and contract cost principles. Researches technical problems and answers specific questions. Provides for a uniform application of audit principles and practices to specific audit circumstances relating to such complex issues as pension and insurance costs, hardship claims, and defective pricing.

-- Prepares reports for regional management and agency headquarters on appeals cases and CAS activities and interpretations. Meets with headquarters personnel and representatives from other regions to review significant problems in implementing headquarters guidance and reports on interpretations rendered in specific circumstances.

-- Reviews draft standards prepared by the Cost Accounting Standards Board and policies issued by headquarters and other organizations. Advises on their applicability and impact on the regional audit program. Identifies problems such as the incompatibility of proposed approaches and concepts with current practices, established standards, and previous interpretations of accounting and auditing theory.

-- Performs a number of other duties such as identifying courses given by colleges and other institutions that cover CAS principles and contract appeals issues, editing and presenting selected inhouse courses, and participating in seminars before contractor representatives, contracting officers, auditors, and others in order to explore and present the application of Cost Accounting Standards and principles to contracting issues.

Factor 1, Knowledge Required by the Position -- Level 1- 8 -- 1550 Points

-- Professional knowledge of accounting and auditing to serve as an expert advising other auditors on the interpretation and application of cost accounting theory and methodology to contract auditing.

-- A knowledge of contract auditing as applied in a complex industrial environment where the auditor must provide other auditors with consistent, comprehensive advice covering unique, dynamic, and very difficult contractual and accounting situations.

Factor 2, Supervisory Controls -- Level 2-4 -- 450 points

The supervisor makes assignments in the form of functional responsibility for overseeing the application of cost accounting standards and advising on contract appeals cases together with a discussion of overall objectives and the issues relating to special assignments. Day to day work is self generated or received through normal work flow channels since the auditor is the designated CAS monitor for the region.

The auditor is responsible for planning and carrying out the work, interpreting guidelines, policy, and regulations in consonance with established objectives, resolving most conflicts that arise and coordinating the work of others. Problems with unusual significance are usually discussed with the supervisor to insure an acceptable course of action.

Completed work is reviewed for effectiveness in meeting requirements. It forms the basis for the region's position on interpretation of contract audit law and standards.

Factor 3, Guidelines -- Level 3-4 -- 450 points

Guidelines consist of the Cost Accounting Standards, Comptroller General decisions, legal decisions rendered in precedent cases, agency policies and objectives, and texts dealing with accounting and auditing theory and practice. The guidelines generally present principles that must be interpreted for application to specific cases.

The auditor develops and manages the CAS program. Interpretations provide criteria for the resolution of CAS issues and to identify trends in the application of contract auditing guidelines and standards. The auditor provides advice which furthers agency objectives in providing contract audit services.

Factor 4, Complexity -- Level 4-5 -- 325 points

The work consists of monitoring the application of cost accounting principles throughout the region, interpreting the Cost Accounting Standards for the more difficult situations such as for appeals, and improving the quality of contract auditing by developing guidance for applying cost accounting principles. The assignments require a substantial depth of analysis to advise other seasoned auditors in very difficult situations. For example, in situations where the applicable accounting and auditing principles are conflicting and opposing points of view have jelled and formal administrative or legal procedures are initiated to effect resolution.

Factor 5, Scope and Effect -- Level 5-5 -- 325 points

The purpose of the position is to provide an expert to give technical advice to seasoned auditors and other personnel concerned with resolving complex contract auditing and accounting problems.

The advice given and the other work performed affects the work of other auditors, and specialists concerned with contract auditing.

Factor 6, Personal Contacts -- Level 6-3 -- 60 points

Contacts are with auditors and other personnel within the agency and with others from outside the agency such as contractor representatives and members of professional organizations.

Factor 7, Purpose of Contacts -- Level 7-3 -- 120 points

The purpose of contacts is to acquire information and plan, coordinate, and advise on issues central to monitoring and improving the effectiveness of the region's Cost Accounting Standards program. Contractor representatives are often highly uncooperative since the auditor's technical determinations often occasion a loss of profits.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is performed in an office setting.

TOTAL POINTS -- 3290

AUDITOR, GS-0511-13, BMK #3

Duties

Serves as an auditor at a major command of a military department to provide expert audit services covering broad departmental programs. Audit assignments require extensive problem definition, and planning and coordination; require an expenditure of departmental audit resources in a number of geographical locations; and cover a great variety of work processes carried out in a number of organizations.

An example of such an audit assignment would be an evaluation of the development of a satellite navigation system. The audit addresses overall management of the program and the validation of design concepts through initial system development to operational testing of user equipment. The audit provides a program assessment review of all significant aspects of the navigational system for the program manager and for top headquarters elements ultimately concerned with system development and costs. The audit assignment takes approximately two years from conception through approvals to issue of the final audit reports, and covers many functional areas. Audit areas include evaluation of:

-- The use of appropriated funds including propriety of fund obligations, disposition of obligated funds, accounting and control procedures related to project orders, procedures for processing contract modifications, the disposition of cost overrun proposals, and the possible obligation of funds prior to Congressional approval;

-- The timeliness and completeness of overall program direction, the accuracy and adequacy of management reporting, the adequacy of efforts in defining user requirements, and the extent of participation of other agencies concerned with the control and navigation of ships and planes;

-- Procurement planning to include development of Requests for Proposals and Statements of Work, scheduling of milestones, preparation of budget estimates, etc.;

-- Implementation of configuration management policies and procedures including management of engineering change proposals, establishment of baseline specifications, definition of interface requirements for systems and equipment, participation in scientific and technical information sharing programs, implementation of Life Cycle Cost and Design to Cost concepts, achievement of cost/design goals, and the breakout and tracking of life cycle costs;

-- The need for contractor supplied data and the objectivity, appropriateness, and effectiveness of contractor performance incentive award programs;

-- The adequacy of documentation supporting test funding and engineering activities, program management and monitorship of testing activities, management of the equipment reliability and maintainability program, and the methodology by which quantitative data and studies were used to establish maintenance engineering requirements and goals;

-- Computer and cryptographic systems management to include total configuration and resource management, systems redesign, budgeting, procurement and delivery schedules, provisioning of spare equipment, and development of a maintenance concept;

-- Activities directed at developing an operational capability to include personnel staffing and training.

The auditor engages in a variety of planning and coordinative activities:

-- Identifies the need for audit of the navigation system and initially defines program areas by discussing with program specialists, program managers, and technical personnel in various commands the issues relating to audit emphasis and the nature of and extent of problems and management concerns. The auditor identifies the specific organizational elements and key personnel responsible for the work.

-- Develops an audit proposal for approval by the departmental headquarters audit office which is responsible for managing audit resources throughout the department. The proposal presents the goals and scope of the audit including the number of audit locations and audit hours required and timeframes for completion. Modifies the scope of the audit to balance top management's information requirements with available departmental audit resources.

-- Develops individual audit plans for a number of audit teams conducting the audit in a number of geographical locations. The audit plan covers in detail the functional responsibilities of the various programs supporting the project, specific project assignments, audit objectives and requirements, references, formats for data display and reports, special instructions covering contingencies, specific questions on program status, and requests an analysis of problem areas.

-- Analyzes the findings of audit teams, requests additional information, consolidates reports, and develops a summary report of audit findings for top departmental management and special reports for responsible officials at the major command level. Discusses findings with the responsible organizational element to develop a constructive, concise final report.

-- Meets with top management officials to present findings, explain the significance of conclusions, justify recommendations, and answer questions on audit planning and methodologies.

-- Advises program elements on accounting and record keeping methodologies such as those related to documenting inventories or identifying spare parts requirements.

-- Conducts audits to support audit efforts managed by other major commands and departmental elements.

Factor 1, Knowledge Required by the Position -- Level 1-8 -- 1550 points

A professional knowledge of accounting and auditing necessary to conduct very broad audit assignments requiring an integrated analysis of a number of different operational pro-grams and accounting systems. The auditor chooses and develops the areas of coverage and plans and coordinates the efforts of a number of audit teams located in a number of geographic areas.

Factor 2, Supervisory Controls -- Level 2-4 -- 450 points

The supervisor and auditor discuss the effect of broad audit assignments on other audit work and the scope and depth of effort required to produce a comprehensive, thorough, cost effective report.

The auditor independently plans and conducts the audit, securing audit plan approval from the headquarters audit office, and resolving any conflicts which arise.

The completed audit reports are reviewed for their effectiveness in surfacing and presenting significant findings and for the workability of recommendations.

Factor 3, Guidelines -- Level 3-4 -- 450 points

Guidelines include program operating directives, departmental audit policies, references pertaining to functional program operations and responsibilities, audit reports prepared by other audit organizations, and numerous documents pertaining to the audit subject under evaluation. The guidelines are stated in general terms.

The auditor uses the guidelines to prepare comprehensive audit plans for the use of field audit activities in gathering and analyzing voluminous material.

Factor 4, Complexity -- Level 4-5 325 points

The auditor engages in intensive efforts in preliminary problem definition and program familiarization to develop comprehensive audit instructions covering all significant program operations in support of major projects such as the development of a satellite navigation system. Program operations are extremely diverse covering a broad range of engineering, contracting, deployment planning, requirements analysis, management control, and funding activities.

Numerous program requirements are conflicting and issues are difficult to resolve. For example, evaluating the necessity of contractor data against expended costs, the thoroughness of systems testing against operational requirements, the objectivity and effectiveness of performance incentive programs, and the setting and achievement of cost/design goals.

The scope of the work requires considerable effort in developing audit instructions, coordinating the audit, organizing findings, and securing acceptance of the recommendations.

Factor 5, Scope and Effect -- Level 5-5 -- 325 points

The purpose of the work is to isolate and define unknown conditions in the execution of a major departmental project. The auditor is an expert in planning comprehensive and definitive audits requiring the efforts of a number of audit teams reviewing different aspects of the project.

The work provides a unique analysis of the management and execution of a major departmental project; provides top management with an assessment of the capability of the department's functional programs, i.e., research, engineering design, and procurement to support such projects; and provides a model to other auditors in the department on the planning and execution of such audits.

Factor 6, Personal Contacts -- Level 6-2 -- 25 points

The contacts are with employees and managers working in a variety of program and functional areas within the agency.

Factor 7, Purpose of Contacts -- Level -- 7-3 -- 120 points

The purpose of Contacts is to plan and organize audit efforts, gather and evaluate data, and to present and justify findings. Findings surface errors and contain recommendations for improved efficiency and effectiveness. Often the contacts are strong adherents of opposing viewpoints. The auditor must justify critical findings and sell recommendations improving efficiency and effectiveness of agency programs.

Factor 8, Physical Demands -- Level 8-1 -- 5 points

The work is principally sedentary.

Factor 9, Work Environment -- Level 9-1 -- 5 points

The work is performed in an office setting.

TOTAL POINTS -- 3255

EXPLANATORY MEMORANDUM

This memorandum is published to provide interpretive/explanatory information regarding the contents of the standard to which it pertains. The memorandum does not contain evaluation criteria. It furnishes background information intended to help users better understand and apply the standard and explain the standard to employees and managers.

INTRODUCTION

The tentative standard for this series was distributed for comment in August 1980 to all Federal agencies and other interested groups as Part II of the standard for the Accounting Series, GS-0510. The purpose of this document is to summarize the comments received, identify the changes made to the draft as a result of the comments and trial application of the standard, and to provide information to aid in understanding why other recommendations for changes were not made.

NATURE OF COMMENTS

We received comments from 27 Federal departments and agencies, two OPM offices, two professional organizations, one union, and one individual. In some cases, departmental audit offices submitted comments directly to the Office of Standards Development in addition to their being included with the departmental response. In general, the comments were favorable. Overall, the question of establishing a series and qualification standard for auditing separate from that for accounting received the most attention from respondents. Most agencies reported that the grade level criteria in the position classification standard were applicable with little or no adverse impact. Specific issues and responses are as follows:

Series and Qualifications

We requested opinions on establishing a series for auditing work separate from the Accounting Series, GS-0510, and the applicability to audit positions of the current qualification standard for the Accounting Series. Almost all respondents expressed an opinion on this issue. Opinions were highly varied, differing among organizations within a department as well as between Federal departments. Opinions also differed among agencies with similar audit programs, as well as among agencies with differing audit programs. Among those desiring a new series and qualification standard, there were varying views as to the nature of auditing work. However, those agencies having large audit staffs were overwhelmingly in support of recognizing a separate auditing occupation. The views concerning a separate series and changes to the qualification standard were as follows:

1. Do not establish a separate series and do not change the qualifications requirements.

2. Do not establish a separate series but reduce the required accounting course work from 24 semester hours to a lesser number (e.g., 15 semester hours).

3. Establish a separate series and retain the same professional accounting qualifications, but increase requirements for course work in subjects such as economics, statistics, ADP, or communications.

4. Establish a separate series and allow for limited substitution of other coursework for the 24 hour semester accounting course requirements.

5. Establish a separate series requiring 6 to 12 credit hours in professional accounting courses with emphasis on other subjects such as in 3 above.

ISSUE: Varying opinions were received on the question of removing financial auditing work from the Accounting Series, GS-0510.

ACTION: We have established a separate Auditing Series, GS-0511, which requires full professional accounting qualifications. This approach best satisfies the overall personnel management needs of agency audit offices. In most instances, accountants and auditors do different work, address different kinds of problems, have different goals, and work in organizations with separate hierarchies. A new series will emphasize where appropriate, the differences that exist rather than emphasize the similarities. Agencies will be able to better identify and manage their auditing staffs. OPM will be able to examine for auditors more efficiently, since applicants will be able to have their preferences for auditing or accounting positions made better known.

The designation of auditing as a separate occupation should not in itself raise barriers to the cross-flow of accountants and auditors. Auditors and accountants have not been universally interchangeable above the entry levels. The suitability of accounting or audit experience for reassignment or placement has required an analysis of the employee's actual work history and the requirements of the position. Also, due to the variability between different positions in different organizations, personnel offices have placed accountants, staff accountants, systems accountants, and auditors in the same or different competitive levels after an analysis of individual position requirements. These practices should continue as appropriate. Generally, the great majority of positions titled Auditor may be reclassified to the Auditing Series, GS-0511. For positions where audit work is mixed with accounting work (cost accounting, system accounting, and/or staff accounting) a decision should be made as to which series best fits the position overall. In some cases, the grade controlling duties will determine the series, in others it may be the line of promotion. With the establishment of the Auditing Series, GS-0511, the titles Auditor and Supervisory Auditor are no longer appropriate for positions classified to the Accounting Series, GS-0510.

ISSUE: Some reviewers suggested that the qualification standard for auditors should be revised to require less than full professional accounting qualifications.

RESPONSE: Evidence is overwhelming that financial audits of the type described in this occupation require professional knowledges and skills. Therefore, the same professional accounting qualifications are required for entry into positions in the Accounting Series, GS-0510, the Internal Revenue Agent Series, GS-0512, and the new Auditing Series, GS-0511. Where program evaluations requiring less than full professional accounting qualifications are conducted,

establishing positions classified to other series may be appropriate. Good position management practices can result in prudent use of professional accounting skills.

ISSUE: Several agencies recommended that an occupational series should be established in the GS-0300 Group to cover nonfinancial auditors.

RESPONSE: No action is being taken on this recommendation at this time. Program evaluation work is a function that is appropriately part of many professional and administrative occupations. General program evaluation is currently covered in the Management Analysis Series, GS-0343. Further studies may consider the possible need for additional occupations relating to program evaluation.

Position Classification Standard

A. *Occupational Information*

ISSUE: A number of respondents suggested changes in terms describing the methods and goals of auditors in conformance with standards for Federal audit organizations issued by the General Accounting Office.

RESPONSE: A number of additions and clarifications were made to all sections of the standard to describe the role of the auditor in evaluating for noncompliance with regulations, inefficient operations, and program results.

ISSUE: One respondent suggested the incorporation of material describing both the nature of professional accounting and how to distinguish work requiring professional and nonprofessional qualifications.

RESPONSE: This material, entitled Distinguishing Professional from Nonprofessional Accounting Positions, is available in the guidance preceding the Accounting and Budget Group, GS-0500.

ISSUE: A number of respondents suggested additional material concerning the auditing of computer systems.

RESPONSE: We made some additions and modifications throughout the standard. As in other occupations, the computer is becoming increasingly both a tool and a concern for auditors. However, ADP knowledges and skills are not an essential characteristic of the profession for all auditor positions. Thus, we did not, as some respondents suggested, make major changes oriented solely to the auditing of ADP systems. We consulted with the director of the certification program for EDP auditors sponsored by the EDP Auditors Foundation in making appropriate changes.

ISSUE: One major user suggested that additional explanation was required regarding "series determination" since many positions are a mix of audits requiring professional accounting qualifications and program reviews requiring other kinds of auditing knowledges and skills.

RESPONSE: This recommendation was not adopted. The appropriate decision as to series determination is usually clear after an analysis of the actual type of audits performed. This analysis is essential in deciding whether or not professional accounting knowledges are required. When such knowledges are required, the work should be placed in the Auditor Series, GS-0511.

B. *Grading Criteria*

ISSUE: A few agencies suggested changes that would make the criteria more applicable to internal review positions operating at lower organizational levels.

RESPONSE: We have deleted or modified references to organizational level such as "agency" from both the factor level descriptions and benchmarks whenever such deletions or changes would widen applicability without changing the intent of the criteria. Additional illustrations of typical internal review type audits were added to Factor I, Knowledge.

ISSUE: Two agencies requested addition of GS-11 benchmarks. One benchmark was intended for audits of industrially funded activities and the other was intended for a large number of positions doing contract audits in an industrial setting.

RESPONSE: We added an agency developed benchmark to cover both situations.

ISSUE: Some organizations suggested a Factor Level 1-9 for knowledge.

RESPONSE: We have added a level 1-9 to the knowledge factor.

ISSUE: Some respondents suggested different point values for some factor levels or the development of a range of points for particular factor levels or suggested criteria for an extra factor level with a higher point level, such as Complexity Factor Level at 650 points.

RESPONSE: The point values for the various factor levels are fixed. The particular point levels for each factor level in relation to each other were decided upon in the initial development of the Factor Evaluation System. These point values are set to achieve proper alignment with definitions in law (Classification Act). Changing the point values for each occupation is not appropriate in this system.

ISSUE: A number of agencies commented that the illustrative material did not specifically apply to their particular specialized audit programs, e.g., regulatory audits, whereas another organization commented that the illustrative material was too specific.

RESPONSE: While the standard does not use illustrations specifically describing all of the great variety of audit work performed in the Federal Government, most reviewers found the criteria applicable by analogy to their audit programs. All agencies except one had little difficulty in actually applying the criteria to their positions.

ISSUE: A Level 8-2 under Physical Demands should be added to cover jobs requiring extensive travel.

RESPONSE: We have not added criteria covering travel. Travel is a condition of employment applicable to many occupations in addition to auditing. The criteria in the standard is designed to measure the difficulty and responsibility of actual audit situations.

Impact of the Standard

Very few upgrades or downgrades were reported from test application of the draft by agencies. The responding agencies, which collectively employ approximately 10,000 auditors, reported a total of 70 downgrades. Two agencies which reported some downgrades made suggestions for additions and modifications applicable to positions performing internal review at the installation level. Our analysis showed an unintended impact from terms such as "governmentwide," "audit field office," and "agency." These were revised where doing so would not change the meaning of the criteria and we added illustrations where some misinterpretation could occur. A discussion was held with one agency which had incorrectly interpreted the material, but suggested no changes. With the material correctly interpreted, the anticipated impact on grades was sharply reduced. Three other agencies, where downgrades were reported, were satisfied with the criteria and suggested no changes. Our analysis of the trial application shows little or no impact on properly classified positions when the criteria are consistently and correctly applied by agencies.