

Department of Energy



DOE A-123 Corrective Action Plan

Chicago

June 2006



DOE A-123 - Corrective Action Plan-

Chicago LBNL

INTRODUCTION

The Corrective Action Plan is a step-by-step plan of action and schedule for resolving internal control weaknesses identified by the DOE A-123 process. The process includes:

- o Reviewing and defining the problem
- o Finding the cause of the problem
- o Developing an action plan to correct the problem and prevent recurrence
- o Implementing the plan
- o Evaluating the effectiveness of the correction (*Follow up*).

| | |
|--|---|
| TITLE | <i>Financial Policy and Procedures Manual</i> |
| CAP # | <i>LBNL-2</i> |
| Date Identified | February 2006 |
| Process Cycle (s) & Process(es) | Entity Controls – Control Activities Documentation of transactions and internal controls |

1.0 SUMMARY OF DEFICIENCIES

The absence of adequate policies and procedures inhibits the employee's ability to ensure the work is performed correctly (in compliance with DOE/UC regulations and Laboratory policy). The establishment and accessibility of policies and procedure are essential in order to provide internal controls and ongoing guidance for employees. The risk assessment for this deficiency is high

A policies and procedures manual accessible to all employees was developed as a result of a needs assessment conducted for financial employees. Policies and procedures will continue to be developed as needed.

2.0 RESPONSIBLE OFFICIAL

[Provide a program office, name, and contact information of the accountable individual.]

| | |
|----------------|--|
| Program Office | LBNL |
| Name | Michele Mock |
| Contact Number | (510) 495-2415 |
| Email | MMMock@lbl.gov |



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If other Departmental organizations are involved in related remediations or need to be involved to ensure standardization and/or integration with other efforts (e.g. Tiger Team, etc.), identify the point(s) of contact:

| <i>Name</i> | <i>Organization</i> | <i>Role</i> |
|------------------------------|---------------------|------------------------------------|
| Marty Straka 630-252-7724 | Chicago Office | OMBA-123 implementation contact |
| | | |

3.0 REMEDIATION STRATEGY/DESCRIPTION

The approach to this control deficiency was to perform a scoping study/needs assessment and to prioritize the development of each policy. Subject matter experts were also utilized in the development of each policy. Management and employees (users) were provided with an opportunity to comment on each policy developed. Revisions were reviewed by subject matter experts, users and management. Final policies were posted on the web for accessibility and announced. To date, there are approximately 25 financial policies that have been developed. In addition, the comprehensive Procurement policy manual (Standard Practices) is available on the web. It was recently revised for accuracy and clarity. Remediation for this deficiency is intended to be a long term fix, as policies will continue to be developed on an as needed basis.

4.0 MILESTONES AND TRACKING

| <i>No.</i> | <i>Milestones/Action</i> | <i>Target Completion</i> | <i>Revised Completion</i> | <i>Actual Completion</i> | <i>Documentation</i> |
|------------|---|--------------------------|---------------------------|--------------------------|----------------------|
| 1 | <i>Policy scoping study</i> | <i>May 04</i> | | <i>May 04</i> | <i>Avail on file</i> |
| 2 | <i>Needs assessment</i> | <i>04 - 05</i> | | <i>04 - 05</i> | <i>Avail on file</i> |
| 3 | <i>Initiate policy development</i> | <i>Dec 04</i> | | <i>Dec 04</i> | <i>Avail on file</i> |
| 4 | <i>Continue with policy development</i> | <i>04 - 06+</i> | | <i>04-06+</i> | <i>Avail on file</i> |
| 5 | <i>Review/update Procurement SPs</i> | <i>March 06</i> | | <i>March 06</i> | <i>Avail on file</i> |
| | | | | | |
| | <i>Documentation of New Process/Controls Complete</i> | <i>04 - 06</i> | | <i>04 - 06</i> | <i>Avail on file</i> |
| | <i>Implementation Complete</i> | <i>04 - 06</i> | | <i>04 - 06</i> | <i>Avail on file</i> |



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5.0 SIGN OFF

Plan Approved:

Anil More

Operations Manager, OCFO

Name

Title

7/31/06

Signature

Date

Corrective Action(s) Completed/Implemented:

Michele Mock

Manager, Financial Training and Policy, OCFO

Name

Title

July 31, 2006

Signature

Date