

# How to Write Audit-Secure<sup>®</sup> Standard Operating Procedures (SOPs)

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## How to Write Audit-Secure<sup>®</sup> Policies and Procedures

Any old policy and procedure template saves time and money by not having to start from scratch, right? Well, not necessarily. Standard Operating Procedures (SOPs) are very important to the Audit-Security of your organization and must be strong and comprehensive in content.

Using a weak starting point can:

- make your process more vulnerable to scrutiny,
- confuse workers causing user error, and
- may not help you at all with achieving necessary compliance and control objectives.

The result could cause red flags to be sent up that will trigger audits, inspections, investigation or (heaven forbid) lawsuits. Any of these outcomes will end up costing you even more time and money to fix the resulting problems later.

### Company Policy Manual vs. SOPs

Many employers believe the employee handbook with the company Do's and Don'ts is enough. They are confused by the SOP and do not understand the difference between the two conversations. So, let me try and clarify the point.

The **Employee Handbook or Employee Policy and Procedure Manual** is a somewhat in-depth description of how the company will treat employment related issues as they arise and on a mandatory basis as applicable. This set of policies and procedures usually apply to all workers in the organization. Some of the topics may include:

- Paid Time Off
- Corrective Action Policies

- Sexual Harassment Policies
- Workplace Safety Requirements
- Break and Mealtime Policies
- Employee Qualification Requirements for Benefits
- No Call / No Show Policy
- And many more...

The **Standard Operating Procedure (SOP)** is a very detailed How-To guide used for every major task an employee performs in an organization. Not all SOPs apply to all workers in your company.

Examples of SOP topics may be:

- New Employee Onboarding Process
- Completion of the W-4
- Submitting a Requisition
- Worker Classification Determination Process
- Donning and Doffing of Personal Protective Equipment
- Conducting a Performance Review
- Preparing the Payroll Tax Deposit
- Refunding a Customer's Money
- Handling a Customer Complaint
- Filing a Grievance
- Quarterly Inventory Maintenance
- And many more...

## Tips for Writing Strong SOPs

Procedures should be:

- reflect the desired work-flow of your department
- written using action-oriented: language,
- grammatically correct, and
- written in a consistent style and format across the entire organization

Everyone reading a policy should be able to see it as familiar and understand the direction more easily. This will result in an increase in both effectiveness and efficiency of your compliance programs.

## Benefits of Facilitating Performance Improvement

When your policies and procedures are incomplete, outdated or inconsistent, then you are not facilitating the performance improvement your organization desires. By improving the efficiency of your business operations, you can save money and boost revenue by increasing customer and employee satisfaction.

## SOP Basic Elements

The basic elements of all SOPs are:

- ◆ Policy
- ◆ Purpose
- ◆ Scope
- ◆ Responsibilities
- ◆ Definitions
- ◆ Procedures and detailed explanation
- ◆ Internal Audit System or Accountability System
- ◆ Reasonable Basis / References
- ◆ Forms and Documents necessary to complete the tasks

<b>Department:</b>	<b>SOP #:</b>	<b>Title:</b>	<b>Effective Date:</b>
<b>Prepared by:</b>	<b>Revision #:</b>	<b>Supersedes:</b>	<b>Date Prepared:</b>
<b>Reviewed by:</b>	<b>Standards:</b>	<b>Approved By:</b>	<b>Date Approved:</b>

◆ Revision Tracking Table

This table is a good suggestion for the heading format of your SOPs.

**Follow the guide below and build out your own Standard Operating Procedures.**

**Policy:**

[What is the mission or standard that this procedure must meet?]

**Purpose:**

[Why do we need this this procedure?]

**Scope:**

[What departments or positions in the company are affected by this procedure?]

**Responsibilities:**

[Which positions have a stake in this procedure and what are they required to do?]

[Who else is has a part in this procedure and what are they required to do?]

[Who else has a in this procedure and what are they required to do?]

**Definitions:**

[What terms are used in this procedure that the reader may not understand?]

[What other words are used that readers may not understand?]

**Procedure:**

**1.0 FIRST ACTIVITY – PLANNING OR SET UP STAGE**

1.1 [Who performs the first step of the activity and what do they do?]

1.2 [Who performs the second step of the activity and what do they do?]

1.3 [etc...]

**2.0 SECOND ACTIVITY –FIRST LEVEL OF ACTION**

2.1 [Who performs the first step of the activity and what do they do?]

- [Use bullets to improve readability]

- [Use bullets to improve readability]

2.2 [Who performs the second step of the activity and what do they do?]

- [Use bullets to improve readability]
- [Use bullets to improve readability]

[NOTE: point out key elements. What forms are needed to capture what data?]

2.3 [etc...].

### 3.0 THIRD ACTIVITY – NEXT LEVEL OF ACTION OR VERIFICATION STAGE

3.1 [Who performs the first step of the activity and what do they do?]

3.2 [Who performs the second step of the activity and what do they do?]

- [Use bullets to improve readability]
- [Use bullets to improve readability]

### 4.0 FOURTH ACTIVITY – NEXT ACTION OR FOLLOW-UP STAGE

4.1 [Who performs the first step of the activity and what do they do?]

4.2 [Who performs the second step of the activity and what do they do?]

4.3 [etc...]

### 5.0 LIST MORE ACTIVITIES AS NEEDED – TRAINING PROCEDURES FOR EMPLOYEES

5.1 [Who performs the first step of the activity and what do they do?]

5.2 [Who performs the second step of the activity and what do they do?]

#### Internal Audit Process:

- [How do we measure the effectiveness of the SOP?] – **AUDIT PROCEDURES**
- [What records are required to be completed?] – **CREATE CHECKLISTS**

#### Reasonable Basis:

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##### A. STANDARDS, LAWS OR REGULATIONS

Briefly describe the standards, laws or regulations which apply to this SOP.

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##### B. OTHER PROCEDURES, DOCUMENTS, RESOURCES, ETC.

Explain other procedures, documents, or resources to reference regarding this SOP.

**Forms/Records:**

Name or No. of Form / Document	Link to Form or Document	Refers to Procedure
<b>Required by Law</b>		
XXXXX	<a href="#">Document</a>	3.2
XXXXX	<a href="#">Form</a>	4.3
XXXXX	<a href="#">Document</a>	5.1
<b>Other Applicable Forms, Publications, or Documents</b>		
XXXXX	<a href="#">Form</a>	2.2
XXXXX	<a href="#">Publication</a>	1.3
XXXXX	<a href="#">Document</a>	3.3

**Revision History:**

Revision	Date	Description of changes	Requested By
1.5	01/01/2015	Initial Release	Jeff Fordham - CEO



**Training Record:**

Revision	Date	Name of Trainee	Trained By
1.5	01/08/2015	Melanie Carmichael	Rayna James - Manager