

SOP: HR and Finance Department Secondary Review

This SOP details the **HR and finance department secondary review** process, outlining the steps for conducting thorough secondary evaluations of documents, transactions, and decisions. It ensures accuracy, compliance with company policies, and regulatory standards by specifying review responsibilities, verification procedures, error correction protocols, and final approval measures. The objective is to enhance internal controls, mitigate risks, and maintain financial and human resource integrity through systematic oversight.

1. Purpose

To establish a standardized process for conducting secondary reviews in the HR and Finance departments, ensuring compliance, accuracy, and integrity of all evaluated items.

2. Scope

- All HR and Finance documents, including payroll, invoices, employee records, onboarding forms, and policy changes.
- Transactions such as reimbursements, salary adjustments, promotions, bonus allocations, and procurement requests.
- Applies to all relevant HR and Finance personnel designated as reviewers or approvers.

3. Definitions

Term	Definition
Primary Reviewer	The staff member initially responsible for preparing or processing the document or transaction.
Secondary Reviewer	The staff member responsible for independently reviewing the document or transaction after the primary review.
Approver	The person authorized to give final sign-off after all reviews are completed.

4. Responsibilities

- **Primary Reviewer:** Prepares, processes, and completes initial verification of all documents/transactions.
- **Secondary Reviewer:** Conducts a thorough, independent review, checks against company policies, and verifies compliance.
- **Approver:** Reviews final documentation and approvals, ensures all checks are complete before finalizing.

5. Procedure

1. Document Preparation

- Primary reviewer completes the document or transaction record.
- Ensures all required data and signatures are present.

2. Secondary Review Initiation

- Primary reviewer submits the document/transaction to the designated secondary reviewer.

3. Review and Verification

- Secondary reviewer compares document/transaction details against supporting evidence and policy requirements.
- Checks for calculation errors, missing information, authorization, and compliance with procedures.

4. Error Correction Protocol

- If discrepancies or errors are found, the secondary reviewer returns the document/transaction to the primary reviewer for correction and resubmission.
- Both reviewers document all errors and corrections for audit purposes.

5. Final Approval and Recordkeeping

- Upon successful review, the secondary reviewer forwards the item to the approver for final sign-off.
- Approver confirms all checks are performed, then approves, records, and archives the finalized document/transaction.

6. Documentation and Retention

- Maintain a digital log of all secondary review activities, including reviewer names, dates, errors identified, and resolutions.
- Retain all reviewed documents and supporting evidence in accordance with company record retention policy (minimum 3 years or as legislated).

7. Compliance and Audit

- Periodic audits will be scheduled to verify adherence to the secondary review process.
- Auditors will ensure samples of transactions are checked for compliance with this SOP.

8. Revision and Review

- This SOP shall be reviewed and updated annually, or as required due to policy or regulatory changes.
- All amendments require documentation and communication to relevant stakeholders.

Note: Non-compliance with this SOP may result in disciplinary action and will be reported to department leadership.