



SELF AUDIT CHECKLIST

First Edition | 3-4-16
GM, Chrysler | Warranty Administrators



jlwarranty has created the “Self Audit Checklist” so you can personally monitor and check your service department’s warranty job card compliance. These checklists include the primary points that auditors are keying on.

First, you will need to plan a meeting with all personnel involved with warranty. Then, using the “Self Audit Checklist,” personally go through each of the points and note the names of individuals who are ultimately responsible for checking each point. The checklist has been broken down into separate job categories to assist you. On your master copy you should document who is responsible for examining each point and list a follow-up date and action required, if necessary.

Next, randomly pull a few job cards (warranty and shop copies) from the previous month. Inspect each claim against the “Self Audit Checklist.” If one or more checkpoints are violated, the claim could result in a debit during an audit. Look for trends so you can find the root of the problem. For instance, if you are noticing the customer’s signature is not present on job cards, check the service advisor’s number or name on the job card and counsel that individual. Or if you notice that your technicians are not noting the necessary documentation (cause of failure,

correction, specifications, etc.), plan a shop meeting to discuss those issues. You may want to have your service manager and warranty administrator present during your review in case you have any questions.

The key is the follow-up. Conduct your “review” monthly or bi-monthly to make sure the appropriate changes are being made. No matter what is found on each review, a meeting should be held (with all service personnel attending) to focus on areas that need improvement and areas that have improved. Don’t expect what you don’t inspect.

Remember, if you have any questions feel free to call jlwarranty (800-852-6298). Don’t wait until it’s too late or you’ll be giving your money back to the OEM. The OEMs’ auditors may hand you a large charge back, but they can’t spend much time training you where you went wrong. If you continually “audit check” your service department, you decrease the chances of a large charge back substantially.



THE SERVICE ADVISOR

1. Accurate and complete job card information

All job card header information must be completed accurately, including the Service Advisor's Number, the in-service date, and the odometer reading taking directly from the vehicle by the person writing the job card. The name and contact information of the owner or operator of the vehicle must be included on the job card.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

2. Accurate and complete customer concern descriptions

A clear and concise job card write-up is required with a brief description of each customer concern. Vaguely written complaints such as "engine stalls," "check brakes," or "S.O.P. in" are not acceptable. The Complaint is the first C in the 3 C's (Complaint, Cause, Correction).

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

3. Clear understanding of charges

There must be a clear understanding of responsibility when the job card is written while the customer is present. Service Management must authorize any changes in responsibility for charges prior to the work being preformed. The customer must be called prior to performing any additional work if there are any additional charges.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



THE SERVICE ADVISOR (continued)

4. Customer signature required

A customer’s signature must be obtained to authorize customer pay and/or warranty repairs. If the customer’s signature cannot be obtained when the job card is written, a signed authorization must be attached, or there must be a clear explanation of why the signature was not obtained along with the Service Manager’s signature.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

5. Transportation assistance

Courtesy Transportation is to be provided for safety concerns, scheduling conflicts, or when a repair requires more than one business day, and/or as prescribed by the specific manufacturer policy. The number of rental days or alternate transportation must be substantiated by job card documentation. A copy of the rental invoice must be attached to the warranty copy.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

6. Towing

Vehicles must only be towed for a safety concern or breakdown due to warranted failure. Vehicles must be towed to the nearest franchised dealership. Follow required documentation.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



THE SERVICE MANAGER

7. Service Manager's signature required

The Service Manager must sign for vehicles in dealer inventory prior to the work being performed. This includes all sales inventory, the part's truck, courtesy van, demos, loaners, and new vehicles during the pre-delivery inspection process.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

8. Approved and recorded straight time

If a technician requires additional labor hours, the Service Manager must authorize the repair. Service Management must note the reason the time was needed, sign, and date. The technician's comments must substantiate the additional time claimed. The time must be time recorded separately.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

9. Approval required for additional work

Any repairs that are added after the initial job card write-up (add-on repair) must be approved by the Service Manager prior to the repair being performed. All additional repairs must be approved by the Service Management whether they are newly discovered complaints or multiple repairs to fix one customer complaint. Some manufacturers require that customers be notified prior to the repair and/or approve completed work with a signature.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

10. Customer reimbursements

Anytime a customer is reimbursed for a repair, the original repair invoice must be obtained. Verification of vehicle ownership and reimbursement check number must be documented on the job card.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



THE SERVICE MANAGER (continued)

11. Repeat Repairs and “Ineffective Repairs”

If a vehicle returns for the repair of the same item and it is due to improper inspection, diagnosis, or workmanship, it is classified as a shop comeback and should not be submitted to warranty. Shop comebacks are highly monitored by manufacturers. Legitimate part failure replacements should be approved and a copy of prior job card attached.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

12. Service Management Approvals

All Service Management Approvals or “Self Authorizations” must be signed, dated, and a reason for applying the authorization must be documented. Some manufacturers also require documentation of the time of approval or authorization.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

13. Sublet discounts

Any discounts provided by sublet vendors (including rental agencies) must be passed on to the manufacturer for all warranty repairs.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

14. Use Of Customer Concern Not Duplicated

If your manufacturer allows the use of customer concern not duplicated (no problem found), it can only be used in conjunction with a customer originated concern. The technician must document the amount of time required and must be trained in the repair area. Vehicles in dealer inventory are not eligible. The Service Manager must approve all no problem found operations on the repair order prior to claim submission.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



THE SERVICE MANAGER (continued)

15. Transportation damage

Any damage that has occurred to a vehicle prior to its arrival to the dealership is considered transportation damage and must be submitted on a transportation claim with the delivery receipt completed and attached to the warranty copy. Many times transportation damage is missed on delivery and submitted as warranty. These claims are easily spotted by an auditor, such as body work completed on a low mileage vehicle. Verify that your new vehicle check-in person is properly trained and knows factory policies. We recommend that a back up person also be trained.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

16. Factory analysis reports

Factory analysis reports are usually sent out monthly by the manufacturer. These reports should be reviewed and analyzed so you can control areas of high expense before the factory does.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

17. Repair vs Replace

Check to see that the dealership is knowledgeable about which assemblies are allowed by the manufacturer to be rebuilt. And if so, that a quick cost analysis is performed to determine if an assembly should be replaced or whether it should be repaired.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____



THE WARRANTY ADMINISTRATOR

18. Overlapping operations claimed

All labor operations claimed must encompass the whole repair. Labor operations that are used in which multiple repairs overlap each other are not permitted.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

19. Cross-referenced customer pay and warranty work

If the dealership uses separate repair orders for customer pay and warranty work, they should be cross-referenced if completed on the same repair visit.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

20. Accurate sublet charges

Sublet bills must be the same or less than the cost of the repair if it were to be done by the dealership. If the sublet bill is higher, the difference will be charged back during an audit. Therefore, a written estimate should be given to sublet shops showing the cost they will be reimbursed. Sublet bills must be detailed with the same information as required on the dealer job card copies (3 C's, parts, materials, straight time, etc.).

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

21. Cross-referenced sublet bills

All sublet bills must be cross-referenced to the job card and should also include the VIN, mileage, owner name, date of repair, and repair detail. The repair order must contain the name of sublet account and the invoice number. A copy of the sublet bill should be attached to the warranty copy of the job card.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



THE WARRANTY ADMINISTRATOR (continued)

22. Towing sublet bills

All tow bills must be cross-referenced to the job card and should include the vehicle license number, VIN, PO #, location of a pick up, and the number of miles towed. When towing is performed by the dealer, the location from where the vehicle was towed must be recorded on the job card.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

23. Record retention

All documents must be retained as determined by the manufacturer for a given period from the repair order date, including customer pay, warranty, internal, and voids. This includes all supporting documentation including sublet bills and all applicable receipts. Time limits may be set during an audit for the retrieval of a certain number of repair orders. Pure electronic job cards must be retrievable by repair order number and VIN.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

TECHNICIANS

24. Accurate and complete Cause and Correction

Each technician must note what was found as the cause of the customer's concern and what was done to correct the concern. The Cause and Correction must be documented to complete the 3 C's (Complaint, Cause, Correction). The absence of one of the 3 C's on any line can result in a debit during an audit.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



TECHNICIANS (continued)

25. Technician’s readings or measurements

Any repairs performed where the technician diagnosed the vehicle using technical equipment or acquired measurements of any kind (engine diagnostic codes, battery voltage readings) must be documented on the repair order, or a printout of the readings be attached (i.e., alignment spec printouts).

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

26. Technician’s number and time ticket on the repair order

The technician’s number and time ticket with hours paid to the tech for each repair must be clearly shown on the repair order. Some manufacturers require separate time or recordings for each repair and measure technician efficiency. Be sure adequate time clocks should be conveniently located in the Service Department.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

27. Proper documentation of returned parts

Any warranty parts replaced must be accompanied by an acknowledgement on the shop copy that the defective part was returned for scrapping, retention, or return.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

28. Minimum training standards must be met by technicians and dealership

Techs do not perform warranty work in areas that they are not certified.

Assigned To: _____
Date Checked: _____
Follow-up Date: _____
Action Required: _____

29. Essential tools are accounted for and used by technicians

Assigned To: _____ Date Checked: _____ Follow-up Date: _____ Action Required: _____



PARTS DEPARTMENT

30. Use of non-factory parts

Every attempt must be made to obtain original manufacturer parts for warranty repairs. If non-factory parts are used, some manufacturers require disclosure to the customer in writing. It must be documented on the job card why factory parts were not used.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

31. Retention of parts

Some manufacturers require that defective warranty parts be held for manufacturers inspection. Any parts listed on a warranty claim that are not in the part scrapping area or made available for inspection/scrapping may result in a complete claim debit. Any parts replacements for missing parts (such as a hub cap) must contain the reason the part is missing. All requested cores must be returned immediately following payment.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

32. Corporate part return compliance

If your manufacturer has a corporate part return program, all parts requested by factory must be returned within a specific number of days from the request to avoid a claim debit. Fluids must be drained from all parts before shipping. Air bags, batteries, and fuel tanks must never be shipped. The Parts Department should have an exemplary process for returning parts promptly and a thorough method of documentation.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



PARTS DEPARTMENT (continued)

33. Accounting for lost sales

The parts department should enter all "lost sales" into inventory and make notation on job cards when parts are obtained for an outside source. This will help you when your parts purchase records are scrutinized by the factory.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

OTHER

34. Falsifying claims for payment

It is recommended that your service personnel sign an ethics statement.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

35. Alteration of information

No white out, black outs or erasures are allowed. Use a single line strike out with correction above and initials of person who made the change.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

36. Misuse of self-authorization

Pull some job cards and check that self-authorization is not misapplied for:

- Out of warranty
- Stock vehicles
- To cover mistakes
- After the fact on rejects

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____



OTHER (continued)

37. Copy machine

There is a copy machine in the service area so documentation (sublet bills, towing, previous repair orders etc.) can easily be copied and retained.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

38. Service history

Service history information (electronic or file copies) is easily retrievable by Service Advisors and is utilized to check for open recalls, warranty blocks, shop comebacks, and to help service merchandise.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

39. Factory Warranty Expense Trend Reports

Factory Warranty Expense Trend Reports are reviewed with Service Manager on a monthly basis and are kept on file. A file of all factory communications concerning warranty and audit is maintained.

Assigned To: _____

Date Checked: _____

Follow-up Date: _____

Action Required: _____

40. A purchase order (PO) system must be used and audited by the dealership

Assigned To: _____ Date Checked: _____ Follow-up Date: _____

Action Required: _____

SIGN UP FOR THE WARRANTY ADMINISTRATION PROGRAM

ONLY AVAILABLE THROUGH JLVARRANTY

CONTACT INFORMATION

Name:
First Last

Job Title:
ie. Warranty Administrator, Service Manager, etc.

Phone:
(xxx) xxx-xxxx Secondary line (optional)

Email:

DEALERSHIP INFORMATION

Company Name:

Dealer Code:

Billing Address:
Street Address

City State Zip

Shipping Address:
(if different) Street Address

City State Zip

OTHER INFORMATION

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