

13.2. Internal Control Questionnaires

13.2.1. General Internal Control Questionnaire

A sample generic Internal Control Questionnaire (ICQ) is given below:

<p>Yes: For controls that are applicable for the Auditee and are also been followed.</p> <p>No: For controls that are applicable for the Auditee, however not been followed.</p> <p>NA: For controls that are not applicable for the Auditee.</p>		
Sl. No.	Particulars	Yes/No/NA
a.	Policies & Procedures	
i.	Whether your department have an up-to-date copy of the department's policy and procedure manual?	
ii.	Whether written policies and procedures maintained for all departmental functions?	
iii.	Whether your department have an organisational chart that clearly defines lines of authority and responsibility?	
iv.	Whether specific job distribution exists for each employee in the department?	
b.	Budgeting	
i.	Whether there is any general basis of estimating receipts and expenditure while preparing budget?	
ii.	Whether the budget is prepared in the prescribed format?	
iii.	Whether the major and minor heads of expenditure are correctly classified in accordance with the prescribed rules?	
iv.	Whether the basis of estimation of revenue items are based on current/ sanctioned tax structure/ user charges or other sources of revenue?	
v.	Whether expenditure schemes are classified on the basis of source of funding and nature of schemes?	

vi.	Whether computation of revised estimate is adhered to the guidelines?	
vii.	Whether revised estimate is based on (i) actual of the previous months of a financial year and (ii) probable figure for the remaining months of that year?	
viii.	Whether revised estimates are prepared in the manner as prescribed in relevant rules of WBFR?	
ix.	Whether any new expenditure, not contemplated in annual financial statement but incorporated in budget as 'New expenditure', conforms to the state government instructions laid down in this regard?	
c.	Cash Receipts	
i.	Whether there is any scope for cash receipt in the Department?	
ii.	Whether cash receipts are kept in secure storage until deposited?	
iii.	Whether deposits are handed over to the cashier daily?	
iv.	Whether cash receipts are deposited without meeting any expenditure from collections?	
v.	Whether cash, that has been received and deposited, is reconciled monthly?	
vi.	Whether cash receipts are recorded and used only for the purpose for which they were received?	
vii.	Whether numerically controlled receipt slips are used for all cash receipts received in the department?	
viii.	Whether numerically controlled cash-receipt slips accounted for and reconciled on a regular basis?	
d.	Petty / Imprest Cash	
i.	Whether petty cash funds kept in secure storage?	
ii.	Whether policies on the use of petty cash funds are followed?	
iii.	Whether all petty cash disbursements are reimbursed on submission of original receipts?	

iv.	Whether surprise cash counts of department petty cash and change funds performed?	
e.	Receipts	
i.	Whether a proper demand register is maintained in revenue earning departments to ensure that all demands are taken into account and no Government dues left outstanding?	
ii.	Whether all receipts and refunds are checked against demand?	
iii.	Whether the revenue collections, both online and through cash, are accounted for regularly and properly under the appropriate heads of accounts?	
iv.	Whether any amount is credited into suspense head of account and if so, whether appropriate measures have been taken in re-appropriating the same under the proper head of account?	
v.	Whether all cash receipts are deposited into Government exchequer within the time period as stipulated under the law?	
vi.	Whether all receipts are reconciled between Treasury account and Departmental account regularly?	
vii.	Whether irrecoverable dues are ascertained and whether adequate steps are taken for recovery of the same under the existing Government rules adhering to the stipulated timeline under the law?	
viii.	Whether proper checks have been adopted to restrict double refund, fraudulent or forged refund orders or refund by mistake?	
f.	Expenditure	
i.	Whether all expenditures are authorised by the competent authority and against funds available for the same?	
ii.	Whether the expenditures are in accordance with WBFR and within the limit as prescribed under the rules ibid with due regard to the principles of financial propriety?	
iii.	Whether actual expenditure incurred is within budgeted limits and in case of budget overrun, approval of competent authority is available?	

iv.	Whether the expenditures are correctly recorded in the accounts under appropriate heads of account in regular manner?	
v.	Whether appropriate measures have been taken to ensure that the claims are not time barred and if so, necessary Government approval is available to release the claim?	
vi.	Whether each voucher bears a pay order duly signed by the authorised disbursing officer clearly mentioning the payable amount both in figures and words and defaced so that they cannot be used again?	
vii.	Whether the charges, inadmissible and in excess of the sanctioned scale have been split into two or more different bills to make them admissible?	
viii.	Whether all statutory deductions as applicable as per rules in vogue have been made while making the payments?	
ix.	Whether any Duplicate payment is made against the same bill?	
x.	Whether Payment made against expenses is recorded in the cash book under appropriate expense head on a timely basis or not?	
xi.	Whether accounts is prepared and maintained properly?	
xii.	Whether all ledgers bear an opening certificate duly signed by the competent authorities and all pages are numbered?	
xiii.	Whether the details of all valuables, viz., bank drafts/ cheques/ postal orders, etc., are maintained in a Register of valuables?	
xiv.	Whether all bank accounts, preferably current in nature, have been opened with the approval of the competent authority and interest earned, if any, remitted to the grantee organisation?	
xv.	Whether Bank Reconciliation Statement (BRS) is prepared properly and regularly?	

g.	Vehicle management	
i.	Whether separate registers are being maintained for Govt. owned vehicles and hired vehicles?	
ii.	Whether a stock account of all the Govt. vehicles in use, together with their spare parts, is maintained and periodically checked?	
iii.	Whether average running mileage per litre of each vehicle has been worked out and the monthly average consumption of fuel is verified as per the 'Operational' and 'Non Operational' categories of the vehicles?	
iv.	Whether Log Books of the vehicles are maintained properly and scrutinised regularly to avoid misuse?	
h.	Purchasing/Online Requisitioning	
i.	Whether competitive bidding procedures are followed on all requisitions against standing purchase policies?	
ii.	Whether passwords are kept secret to preserve approval control over requisitions?	
iii.	Whether all requisitions are reviewed by the department administrator to ensure reasonableness and appropriate delivery address?	
iv.	Whether all purchases and requisitions of goods and services are reconciled in the monthly Report of Transactions and Statement of Account?	
i.	Information System Security	
i.	Whether the secrecy of password is maintained in respect of departmental staff?	
ii.	Whether computer applications are logged off when the user is away from the terminal or PC?	
iii.	Whether all disks, brought in from outside sources, are tested for computer viruses before being used?	
iv.	Whether back-up disks of all critical information are maintained?	
v.	Whether sensitive information are protected by password or by other means?	
vi.	Whether staff members are encouraged to save work frequently?	
vii.	Whether electrical surge suppressers are used on all computer equipment?	

j.	Fraud Indicators	
i.	Whether employee performance is reviewed and documented annually?	
ii.	Whether unusual trends or discrepancies in department accounts are identified and reconciled monthly?	
iii.	Whether missing numbers in sequences of numerically controlled documents are identified and investigated immediately?	
k.	Procurement of Goods and Services	
i.	Whether the purchase of goods (including assets) / services is made only against actual need or not?	
ii.	Whether Goods (including assets) / services is purchased in compliance with relevant Govt. Orders and in accordance with the approved annual budget?	
iii.	Whether Purchase is made by the appropriate authority, as per Schedule of Authority or not?	
iv.	Whether Payment is made to the supplier only after receipt of goods (including assets) / services after making adjustment of advance, if given?	
v.	Whether Payment is made to the suppliers in compliance to the terms and conditions in Purchase Orders?	
vi.	Whether Payment is made to the suppliers after ensuring statutory deductions?	
l.	Tendering Process	
i.	Whether Notice inviting tender (NIT) is published in a widely circulated newspapers in compliance with relevant GO within reasonable time after appropriation of fund?	
ii.	Whether for all project value above that specified in relevant GO, e-tendering is compulsorily done?	
iii.	Whether NIQ/NIT is put up on the website after appropriation of Fund in compliance to Departmental Financial Sanction Order?	
iv.	Whether tender forms are sold as per the prescribed rate of Government or not?	

v.	Whether Tender forms sold are properly recorded and accounted for or not?	
vi.	Whether Tender is received after closing time and date?	
vii.	Whether relevant GOs are followed or not for opening the Tenders?	
viii.	Whether Contract is awarded to only technically qualified contractors or not?	
ix.	Whether any tender initiated during the audit period? If yes, how many?	
x.	Whether there has been any major delay in making final decision after opening of tenders, if any?	
xi.	Whether Earnest money of the rejected contractors has been immediately refunded or not?	
xii.	Whether records of rejected tenders are maintained adequately or not to ensure audit trail?	
xiii.	Whether Job is allotted to contractor with lowest bid or not. In case of an exception, reasons should be available for allotting the job to other than the lowest bidder?	
xiv.	Whether Rate at which job is awarded is unreasonably low or high compared to the latest Schedule of Rate (SOR) of PWD in respect of Works contract?	
xv.	Whether Agreement was signed by the contractor within the time limit set by the Government or not to ensure there was no delayed start of the project?	
xvi.	Whether Terms and conditions mentioned in the agreement is clear or not and should be based on the latest government policies and guidelines?	
xvii.	Whether adequate safeguards have been taken against the contractors executing the job after allocation or not to ensure completion of project on time?	
m.	Project Execution and Payment(Works)	
i.	Whether Job is executed as per planned schedule or not?	
ii.	Whether Total cost of the project is within the cost approved at the beginning of the project or not?	

	Whether increase in cost is approved as per the DoP?	
iii.	Whether Measurement Book (MB) is maintained properly and duly authorised?	
iv.	Whether Contractor ledger is maintained properly and updated regularly?	
v.	Whether all the running bills are paid correctly after adequate checking?	
vi.	Whether Advance/ mobilization advance given to the contractor is secured by material of higher value/ security in the form of a Bank Guarantee (BG)?	
vii.	Whether any Duplicate advance given against the same material?	
viii.	Whether Secured advance is recovered from the contractor?	
ix.	Whether Final bill is paid correctly only after adequate checking?	
x.	Whether Security money is returned only after the stipulated period?	
xi.	Whether Full security money is refunded after contractor has carried out the work, where necessary, during the stipulated period?	
xii.	Whether Tracking of Bank Guarantees with respect to its validity, amount, checking for authenticity of the BG etc. is carried out?	
xiii.	Whether Physical verification is carried out or not as per requirements of the PWD code?	
n.	Stores	
i.	Whether Goods received at stores are authenticated?	
ii.	Whether Goods received at stores are as per specification given in the Purchase Order?	
iii.	Whether Goods are issued from stores only after authorisation from the competent authority?	
iv.	Whether Stock receipts, issues and balances are properly maintained and updated?	

v.	Whether Stock is maintained at optimum level to avoid blockage of fund?	
vi.	Whether a proper stores register is being maintained and every material receipt information is recorded therein?	
vii.	Whether Stock shown in books is physically available?	
o.	Asset maintenance and Disposal	
i.	Whether Fixed asset register is properly maintained and authenticated?	
ii.	Whether Physical existence of assets is ensured?	
iii.	Whether all the assets in the office have unique asset number and can easily be identified by that number?	
iv.	Whether condemnation committee was formed for disposal of assets at best possible rate?	
v.	Is fixed assets are installed outside the premises of auditee organisation?	
vi.	Is depreciation and impairment of fixed asset is exercised with relevant accounting standards?	
p.	Cash and Bank	
i.	Whether Cash Book is properly maintained and authenticated regularly?	
ii.	Whether Cash or Cheque received is recorded timely and accurately?	
iii.	Whether Imprest cash account is maintained in the prescribed format and periodically entered in the cash book?	
iv.	Whether Temporary Advance is adjusted at the earliest or not?	
v.	Whether Cheque Books are properly maintained and securely stored?	
q.	Debtors	
i.	Whether Sundry Debtors are recorded for all valid sales/ dispatches/ services rendered and are posted to correct customer and sales account?	

ii.	Whether the process around monitoring of receivables and follow-up for due amount is done periodically?	
iii.	Whether the receivables are reflected at their realizable value?	
r.	Creditors	
i.	Whether invoice accounting is free from errors and is recorded in correct GL account?	
ii.	Whether same invoice is posted more than once?	
iii.	Whether Trade payables are recorded for all the goods received?	
iv.	Whether all payments to vendors are authorized?	
v.	Whether excess pay-out to vendors is avoided?	
vi.	Whether payments are made to the correct vendor only?	
vii.	Whether monitoring and status update of creditor balance on periodic basis?	
viii.	Whether credit balances reflect all the transaction with the vendors?	
s.	Establishment	
i.	Whether Department has adequate control over the employment details of the employees or not?	
ii.	Whether attendance Register is properly maintained and reviewed by appropriate authority?	
iii.	Whether correct salary as per latest increment order is being paid to each employee?	
iv.	Whether leave is correctly maintained and approved?	
v.	Whether PF, ESI, Income Tax, GST etc. is accurately deducted, timely deposited and return filed as required?	
vi.	Does the auditee maintain a tracker to monitor the compliance related to TDS, TCS, GST, PT, EPF and ESIC?	
vii.	Does the auditee ensures compliance of EPF and ESIC by manpower contractors?	

viii.	Whether advances given to employees are as per applicable rules and approved by competent authority?	
ix.	Whether deduction for employee advance is appropriately considered at the time of payroll processing?	
t.	Pension	
i.	Whether the Auditee acts as Pension Sanctioning Authority?	
ii.	Whether all the liabilities of the retiring employee are taken into account at the time of preparing the pension file?	
iii.	Whether pension papers are prepared on updated service records of the employee?	
iv.	Whether pension papers are sent to the pension approving authority within due time?	
u.	Public grievance management	
i.	Whether timely action is initiated by the Department on complaints?	
v.	Action Taken on Reported Fraud	
i.	Whether Timely and appropriate action has been taken or not against the reported fraud?	

13.2.2. Internal Control Questionnaire for PSU/ other Government Companies

A sample generic Internal Control Questionnaire specific (ICQ) to Corporation/Public Sector Undertaking (PSU)/ other forms of government company is given below:

Yes: For controls that are applicable for the Auditee and are also been followed. No: For controls that are applicable for the Auditee, however not been followed. NA: For controls that are not applicable for the Auditee.		
Sl. No.	Particulars	Yes/No/NA
a.	C.S.R. (Corporate social responsibility)	
i.	Is CSR incorporated into the Auditee organisation mission, vision and values statement?	
ii.	Is there a committee(s) with responsibility for CSR, such as a CSR, audit or governance committee?	
iii.	Does the board regularly review progress on the company's performance against CSR goals, objectives and targets?	
iv.	Is unspent amount on on-going CSR project is transferred to a separate bank account within 30 days from the end of financial year? (As per Companies Act, 2013)	
b.	Investment, loans and bank guarantee	
i.	Whether separate DoP is defined for decisions pertaining to investments, borrowings and providing guarantee?	
ii.	Whether separate register is maintained for investments, loans and bank guarantee?	

13.2.3. Internal Control Questionnaires for Grant-in-Aid Institutions

A sample generic Internal Control Questionnaire specific (ICQ) to Grant-in-Aid Institutions (GIA) is given below:

Yes: For controls that are applicable for the Auditee and are also been followed. No: For controls that are applicable for the Auditee, however not been followed. NA: For controls that are not applicable for the Auditee.		
Sl. No.	Particulars	Yes/No/NA
a.	Grant-in-Aid Institutions	
i.	Whether the expenses are covered by Sanction General or Special?	
ii.	Whether the previous grant was used for the purpose for which it was intended?	
iii.	Whether utilisation certificate of the previous grant was duly submitted to the appropriate authority in the due time?	
iv.	Whether there is internal control system to maintain a constant watch over the progress of expenditure from the grant?	
v.	Whether Developmental schemes are implemented economically, efficiently and are producing the desired results?	
vi.	Whether there are instances of over-payment, loss due to infructuous expenses or delay in completion?	
vii.	Whether an organisation maintains a continuous record of payments to the beneficiaries?	
viii.	Whether original / revised budget includes actual income and expenditure, state of previous year is prepared and passed within stipulated time period maintaining the organisational procedure?	

ix.	Whether resolution and minutes of meeting is properly maintained and preserved?	
x.	Whether register of leased and un-leased property of the organisation is maintained?	
xi.	Whether own sources of revenue such as toll tax are in operation?	
xii.	Whether own sources of revenues are expended maintaining the administrative guidelines?	

13.2.4. Internal Control Questionnaires for Government Department

A sample generic Internal Control Questionnaire specific (ICQ) to Government Department is given below:

Yes: For controls that are applicable for the Auditee and are also been followed. No: For controls that are applicable for the Auditee, however not been followed. NA: For controls that are not applicable for the Auditee.		
Sl. No.	Particulars	Yes/No/NA
a.	Public Private Partnership (PPP)	
i.	Whether the following procedures are carried out before getting into a PPP - (i) a business case is developed, (ii) a preliminary evaluation is conducted and (iii) a value for money analysis is conducted?	
ii.	Whether the administrative department has identified the projects to be taken up through PPPs after preparation of feasibility studies, project agreements, etc. with the assistance of legal, financial and technical experts as necessary?	
iii.	Whether necessary approval/ clearance from the appropriate/ competent authorities have been obtained?	
iv.	Whether interdepartmental consent has been obtained in case the projects span multiple departments?	
v.	Whether after obtaining the 'in principle' clearance of Government/ competent authorities, the administrative department has invited 'Expressions of Interest' (EOI) in the form of Request for Qualification (RFQ) to be followed by short listing of pre-qualified bidders?	
vi.	Whether two stage bidding system is followed after short listing of bidders through RFQ and the short listing bidders being complied with the pre-qualification criterion?	

vii.	Whether the contract/ agreement between the Government and agency contains the following points - (i) grant requirements for the project so as to avoid future disputes and (ii) percentage of revenue and expenses the private parties would be willing to share with the government agency ?	
viii.	Whether a record or track is maintained for timely delivery of goods/ services?	

Specifically designed ICQ meant for PSUs, Grant-in-Aid-Institutions and Government Departments are to be filled up in addition to the general ICQ by the concerned Auditee Organization