

INTERNAL CONTROL QUESTIONNAIRE

DISTRIBUTION CYCLE:

QUESTION:	Yes	No
Does your firm employ the use of purchase requisition forms? If not, please explain.		
Are they approved by the appropriate authority? If not, please explain.		
Are purchase orders approved and accounted for? If not, please explain.		
Are supplies and materials centrally purchased through an approved vendor? If not, please explain.		
Is each check backed by adequate supporting documentation? Please describe exceptions.		
Are the paid invoices defaced upon the issuance of the check? If not, please explain.		
Is there an independent reconciliation of the bank accounts? If not, please explain.		
Is there a separation of record keeping and payment functions? If not, please explain.		

PAYROLL CYCLE:

QUESTION:	Yes	No
Are timecards/timesheets signed by the employee and approved by a supervisor? If not, please explain.		
Does personnel maintain an employee file on each employee? If not, please explain.		
Is there supporting documentation supporting their wage rate? If not, please explain.		
Is there a separation of duties between the timekeeper and payroll distributor? If not, please explain.		
Are all checks pre-numbered and accounted for? If not, please explain.		
Is there an independent reconciliation of the payroll function? If not, please explain.		

ACCOUNTING SYSTEM:

QUESTION:	Yes	No
Does the firm currently maintain a job cost accounting system?		
Are timesheets recorded to enable us to identify both job number and hours worked?		
Does the GL separate & accumulate direct & indirect costs? If not, please explain.		
Are there periodic reconciliations of the job cost ledgers to the GL? If not, please explain.		

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Do time sheets, labor distribution reports, & payroll registers support job costs? If not, please explain.		
Is a labor distribution report available to trace time records through the firm's accounting system?		
Does the firm's accounting system have the ability to adjust standard salary rates to an actual rate for salaried employees during overtime hours?		
Are direct and indirect costs segregated and accumulated in the general ledger or some other report which can be reconciled to the expenses recorded within the job cost ledger?		
Please provide the type of Accounting Software (QuickBooks, etc)		
Please provide a statement of policy for recording direct expenses.		
Please provide your written policy concerning the signing and review of timesheets.		
Please provide a written policy for accounting and recording overtime both hourly & salaried whether paid or unpaid.		

COMMENTS:

Signature: _____
 Title: _____
 Date: _____