Internal Control Questionnaire General Ledger Accounting

Internal Controls Considerations/Improvements						
Internal Controls - As a result of any operational or form errors involving plan						
administration, has there been any modification of practices or procedures						
and/or modification or improvements in the area of Internal Controls?						
EP Examiners will often ask a series of questions early in the examination						
process, generally during one of the initial interviews, relating to plan failures.						
Consider the responses to the following questions. The Service will be particularly interested						
in the answer to item #6 below related to any subsequent improvements or						
enhancements made in selected Internal Controls and/or practices or procedures						
to preclude similar errors in the future. Questions asked could include:						
1) What procedures or checks and balances do you have in place to identify operational failures?						
2) Do you know of any operational or form failures with the plan?						
3) What are the failures and how many years did it occur?						
4) Have the failures been corrected and how were they corrected?						
E) M/hat was the recent for the failures?						
5) What was the reason for the failures?						
6) Was correction considered for all years (how many years were reviewed)?						
b) was correction considered for all years (now many years were reviewed)?						
7) What practices/procedures were previously in-place and what new procedures have been						
implemented so future failures don't occur?						
Implemented so future failures don't occur:						
8) Did you use the current EPCRS (Rev. Proc. 200-50) to assist in determining was a Self-correctable e	rror?					
by Bld you doe the edition E1 ofte (Nev. 1 100, 200 00) to desire in determining was a confederable of	1101 :					
Depending on your responses to the above questions, particularly relating to multiple failures, severity of	of					
the failures and the extent and methodology used for correction, that the Service will be particularly	•					
interested in your responses when determining whether any sanctions are appropriate, and if yes,						
the extent of the negotiated sanctions. In addition, the examiner will want to know whether						
any enhancements were made in selected Internal Controls and/or practices and procedures to						
preclude these same types of errors in future years.						
Z1						

Internal Control Questionnaire Payroll Procedures

System Procedures a	and Internal Control Q	uestionnai	re						
Plan Name:	PYE:								
	designed to give the						mmunicate	ed to	
the Plan administrate	or. What controls are	in place to	ensure the	e correct da	ata is communicated?	•			
Payroll Function									
1. How many payrolls	& detail of how each is	handled?							
<ol><li>What is the Structur</li></ol>	e and how is it run in co	pordination	with the org	anization?_					
<ol><li>Are any payroll serv</li></ol>	rices performed in-hous	e? If so, for	what and h	ow is in this	s payroll communicated	to the othe	r functions?		
Who is in charge & re	snonsihilities?								
	-								
4. Is an outside payrol	I service used? Name_			Contac	t				
<ol><li>Describe how payro</li></ol>	II is prepared								
					se list the category and	the periods	?		
a) Are there separate	pay periods for differen	t category	of employee	s?					
6. How often is each p	ayroll cut?		Holdba	ack period?			·		
1841 4 2 1 1									
What is normal payda									
7. Is all pay run throug	h normal payroll? For e	example, bo	nuses, exe	cutive pay,	etc. & if not how is it ha	andled and d	communicat	ed?	
8. What controls are in	place to make sure that	at all benefit	categories	are properl	y classified?				
<ol><li>How is pay info trait</li></ol>	nsmitted to payroll servi	ice? Downlo	oad over inte	ernet?					
Elece l'eso Ol	040								
Floppy disc? Cl	D? Other?								
Format:									
10. Who prepares/cuts	s payroll checks? Name	e		_ Title					
11. How is payroll dist	ributed to Employees?_								
14. Is an impress acco	ount used?Bank:_								

Internal Control Questionnaire Payroll Procedures

15. When are withholdings remitted?		
16. When and how are deferrals, loans or other deductions remitted?		
18. Who approves or authorizes payroll totals? Name Title_		
Validity and accuracy verified before signed? How?		
Hard copy? Computer? If computer, how signature controlled?		
19. Do payroll summaries include per pay period and YTD?		
Hard copy? Computer? File name/description:		
20. Who is responsible for reporting of labor reports including SSI and State unem	ployment?	
NameTitle		
Manual? Computer? File name/description:		
21. Who is responsible for W2s? Name Title		
Mary 10		
Manual? Computer? File name/description		
If payroll service, how is info reported to Employer? Hard copy? Computer?		
File Name/description_		
How are Manual internal payroll communicated to the W-2 provider?		
22. How many employees currently on payroll? PTE? Union?	ExemptSal?	
23) How are payroll errors corrected, the correction communicated to the plan adr	ministrator and is record of correction maintained?	
24) Are there are Form 1120 Cabadula M 1/M 2 adjustments?		
24) Are there any Form 1120 Schedule M-1/ M-3 adjustments? For what pur	rpose?	
25) Are general ledger control occurred tent for no well occurred. Withholding	and deferrate?	
	ngs and deferrals?	
Contribution accruals and/or allocations?		
Subsidiary ledger for Plan accounting? Trust assets?		
26) Are payroll summaries "proofed" for accuracy before submitting to managemer	nt approval?	
20) Are payroll suffittialles probled for accuracy before subflitting to management	iii appiovai:	
And before payroll is cut?		
27) How is the old payroll data archived and what kind of record retention do you h	22/62	
27, 110W 15 the old payroll data arothica and what kind of record reterition do you h	iavo.	
28) Do you have access to the archived records?		
20/ Do you have access to the archived records:		
29) What practices, procedures, and policy that are in effect to integrate the payrol	Il if a merger/acquisition or disposition occurred?	
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Internal Control Questionnaire Payroll Procedures

NOTE: Add	d'I questions may need	to be asked	l in regard to	the above.				
30) What a	are the controls in place	to ensure t	hat new per	sonnel adhere to the e	stablished p	procedures as turnover occurs	?	
Conclusion	Conclusion as to procedures and internal controls - Payroll:							
Summary of	of findings:							