

ACME COMPANY

OPERATIONAL AUDIT CHECKLIST



Millstone Avenue - Rutherford | Millstone Avenue,

FRIDAY 11TH JULY 2025

SUMMARY

Several key deficiencies were identified during this audit. Prior audit findings remain unresolved, raising concerns about follow-up discipline. Employee records lack mandatory updates, impacting compliance. Critical operational assets, including packaging machinery and security systems, are not adequately maintained, posing risks to both productivity and safety. Corrective actions must be prioritized, particularly in maintenance and audit closure procedures.

Governance & Internal Controls

Q#	QUESTION	RESPONSE
1.	Are internal policies and procedures documented, up-to-date, and consistently followed?	YES
2.	Are roles and responsibilities clearly defined and assigned to appropriate personnel?	YES
3.	Are internal controls in place to prevent fraud, errors, and inefficiencies?	YES
4.	Is there a system to regularly review and improve operational policies?	YES
5.	Have prior audit findings been addressed and resolved effectively? Several past audit recommendations remain unresolved, particularly in procurement and IT.	NO

Financial Operations

Q#	QUESTION	RESPONSE
6.	Are financial records complete, accurate, and regularly reconciled?	YES
7.	Are expense approvals and authorizations properly documented and within policy limits?	YES
8.	Are cash handling and banking procedures secure and compliant with internal standards?	YES
9.	Are purchasing, invoicing, and accounts payable processes streamlined and audited?	YES
10.	Are budget variances monitored, explained, and corrected?	YES

Human Resources & Staffing

Q#	QUESTION	RESPONSE
11.	Are employee files maintained with complete and up-to-date documentation? A number of employee files are missing updated ID proofs and recent performance reviews.	NO
12.	Are hiring, onboarding, and termination procedures compliant with legal standards?	YES
13.	Are timesheets, leave records, and payroll accurately processed and reviewed?	YES
14.	Are performance evaluations conducted regularly and documented?	YES

15. Is staff training tracked, with mandatory programs completed on schedule? **YES**

Operations & Process Efficiency

Q#	QUESTION	RESPONSE
16.	Are operational workflows reviewed regularly for efficiency and bottlenecks?	YES
17.	Are KPIs tracked and reported to measure productivity and service levels?	YES
18.	Is inventory managed accurately and monitored for shrinkage or obsolescence?	YES
19.	Are tools, equipment, and systems maintained and operational?	NO



11 Jul 25 04:55 PM

Multiple reports indicated that machinery in the packaging unit experienced unplanned downtime due to lack of preventive maintenance.

20. Are customer complaints or issues documented and addressed promptly? **YES**

Compliance & Risk Management

Q#	QUESTION	RESPONSE
21.	Are all required licenses, permits, and certifications current and accessible?	YES
22.	Are regulatory requirements specific to the industry regularly reviewed and complied with?	YES
23.	Are risk assessments conducted periodically to identify and address potential threats?	YES
24.	Is there a business continuity or disaster recovery plan in place and tested?	YES
25.	Are cybersecurity and data protection practices enforced across departments?	YES

Information Technology & Data Management

Q#	QUESTION	RESPONSE
26.	Are access controls in place to protect sensitive systems and data?	YES
27.	Are IT systems updated regularly with patches, backups, and security protocols?	YES

28.	Are there policies for the acceptable use of company devices, emails, and internet access?	YES
29.	Is data retention and disposal managed according to legal and policy standards?	YES

Facilities, Safety & Security

Q#	QUESTION	RESPONSE
30.	Is the physical environment clean, safe, and properly maintained?	YES
31.	Are safety inspections conducted regularly and are corrective actions documented?	YES
32.	Are emergency procedures in place and communicated to staff?	YES
33.	Are security systems (cameras, alarms, locks) operational and reviewed for effectiveness?	NO



11 Jul 25 05:02 PM

Several CCTV cameras in the warehouse were found non-functional during inspection.

Audit Reporting & Follow-Up

Q#	QUESTION	RESPONSE
34.	Has the audit process been documented with clear findings and evidence?	YES
35.	Are audit results shared with leadership for corrective action planning?	YES
36.	Is there a timeline and accountability for implementing audit recommendations?	YES
37.	Are follow-up audits or reviews scheduled to ensure continuous improvement?	YES

COMMENTS & ACTION PLAN

Governance & Internal Controls >> Governance & Internal Controls

(AC10043) Have prior audit findings been addressed and resolved effectively?

FINDINGS	'No' - Several past audit recommendations remain unresolved, particularly in procurement and IT.
ACTION REQUIRED	Assign responsible owners and establish deadlines for closing all unresolved findings within a few days.


PRIORITY	High
DUE DATE	14 Jul 25
ASSIGNEE	Jennifer Hunt

Human Resources & Staffing >> Human Resources & Staffing		PRIORITY	High
(AC10044) Are employee files maintained with complete and up-to-date documentation?		DUE DATE	14 Jul 25
		ASSIGNEE	Jennifer Hunt
FINDINGS	'No' - A number of employee files are missing updated ID proofs and recent performance reviews.		
ACTION REQUIRED	HR must audit all personnel files and standardize documentation checklists.		

Operations & Process Efficiency >> Operations & Process Efficiency		PRIORITY	Medium
(AC10046) Are tools, equipment, and systems maintained and operational?		DUE DATE	15 Jul 25
		ASSIGNEE	Jennifer Hunt
FINDINGS	'No' - Multiple reports indicated that machinery in the packaging unit experienced unplanned downtime due to lack of preventive maintenance.		
ACTION REQUIRED	Establish a preventive maintenance schedule with real-time logs, and audit equipment condition quarterly.		

Facilities, Safety & Security >> Facilities, Safety & Security		PRIORITY	Medium
(AC10045) Are security systems (cameras, alarms, locks) operational and reviewed for effectiveness?		DUE DATE	14 Jul 25
		ASSIGNEE	Jennifer Hunt
FINDINGS	'No' - Several CCTV cameras in the warehouse were found non-functional during inspection.		
ACTION REQUIRED	Replace faulty cameras and test all systems monthly. Keep logs of maintenance checks.		

DECLARATION

 Auditor (Jennifer Hunt)		AUDITOR'S LOCATION
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