

# Internal Audit Summary Report

## Executive Summary

===== LAYER 1: EXECUTIVE SUMMARY ===== This Internal Audit Report for Pandit Deendayal Petroleum University (PDPU) covers the period from April 2017 to September 2017. The audit scope included areas such as student fee processes, banking transactions, and accounting practices. High-risk findings include an under-recovery of academic fees amounting to Rs. 35,85,100, non-recovery of academic fees for prior years totaling Rs. 20,92,600, and instances of excess payments made to vendors.

===== LAYER 2: FINDINGS TABLE =====

Issue	Financial Impact	Risk Severity	Root Cause	Recommendation	Mgmt Response
UNDER RECOVERY OF ACADEMIC FEES   Rs. 35,85,100	High	Lack of adequate follow up and absence of strict implementation of penal provision.	For recovery of fees from the students who had not paid Fee, PDPU should involve admin department and also impose penalty for delayed payment.	The matter is discussed in the meeting chaired by the Director General and attended by all the Schools Directors & Registrar along with CFO and AO. A policy shall be announced covering disciplinary and penalty for such cases. A nodal officer shall be appointed by each School to coordinate with Accounts Department.	
NON RECOVERY OF ACADEMIC FEES FOR PRIOR YEARS   Rs. 20,92,600	High	Absence of proper follow up procedure of students for the recovery of pending fees.	There should be regular co-ordination between admin department and accounts department for sharing the status of outstanding fees. Penal provisions should be followed in order to reduce the transactions of outstanding fees.	The matter is discussed in the meeting chaired by the Director General and attended by all the Schools Directors & Registrar along with CFO and AO. A policy shall be announced covering disciplinary and penalty for such cases. A nodal officer shall be appointed by each School to coordinate with Accounts Department.	
PROCESS OF PURCHASE ORDERS AND WORK ORDERS   As per report	Low	Lack of awareness among the concerned departments regarding importance of following these procedures.	All department issues PO/ WO on their own. Hence there is inconsistency in format of PO/ WO despite there is standard format adopted by PDPU.	Noted and shall take due care in such instances. Post implementation of TCSion the centralized issuance of PO shall be done.	
PROCEDURE FOR CAPITALISATION AND BILL PROCESSING   As per report	Medium	Delay caused by vendor in sending the copy of invoice relating to the fixed asset purchased and further delay in receipt of invoice by accounts department.	The assets should be capitalized when it gets ready for the intended use. Purchase of assets involving substantial amount should be done by inviting quotations from 3 parties and comparative analysis should be done before finalizing vendor.	The corrective accounting entries have been passed.	EXCESS PAYMENT MADE   Rs. 4,69,200   High   Absence of Work Order / Purchase Order processing system.
EXCESS PAYMENT MADE   Rs. 4,69,200	High	Absence of Work Order / Purchase Order processing system.	The payment should be released only after the receipt of the original copy of invoice from the concerned vendor.	Due compliance have been done.	

**Total Risk Score:** 15

**Total Financial Exposure:** ■11,828,640

## Audit Findings

Issue	Impact	Risk	Root Cause
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UNDER RECOVERY OF ACADEMIC FEES	585100	High	Lack of adequate follow up and absence of strict implementation of penal provision.
NON RECOVERY OF ACADEMIC FEES FOR PRIOR YEARS	2092600	High	Absence of proper follow up procedure of students for the recovery of pending fees.
PROCESS OF PURCHASE ORDERS AND WORK ORDERS	0	Low	Lack of awareness among the concerned departments regarding importance of following these procedures.
PROCEDURE FOR CAPITALISATION AND BILL PROCESSING	0	Medium	Delay caused by vendor in sending the copy of invoice relating to the fixed asset purchased and further delay in receipt of invoice by accounts department.
EXCESS PAYMENT MADE	469200	High	Absence of Work Order / Purchase Order processing system.