



AMALA INSTITUTE OF MEDICAL SCIENCES

(An undertaking of Amala Cancer Hospital Society)
Amala Nagar, Thrissur District, Kerala State, India - 680 555

INTERNAL AUDIT DEPARTMENT

INTERNAL AUDIT PROGRAM - REMUNERATION SYSTEM

Name of Division: Medical college Month: May '25 Frequency: Monthly

Analysis of Key Payroll Figures

Particulars	Current Month	Previous Month	Variance	Var %	Audit Observation	Action Taken
Gross Salary - Doctors	45,612,086	44,025,492	1,586,594	4%	Contract renewal without increment - 1 & with increment -5, salary increment with effect from May,2025, Resignation - 2, new joining - 8 & Impact of LOP in Gross Salary & Change in VDA & Incentive for gastro & radiodiagnosis doctors will be paid from Hospital.	
Gross Salary - Staff	3,154,858	3,162,392	(7,534)	0%	Uniform Allowance and other was not in the current month salary.	
Gross Stipend	547,784	607,668	(59,884)	-10%	New joining - 0, , Resignation - 1, Transfer from trainee to Honorarium - 1	
Gross Honorarium	113,204	84,640	28,564	34%	Transfer from trainee to Honorarium - 1, New Joining - 1	
Gross Professional Fee	397,631	397,631	-	0%	Professional Fee remained consistent.	
Incentives	9,949,856	9,168,284	781,572	9%	Incentive amount is increased as per the increase in the no. of procedures & Radiodiagnosis doctors incentive was paid from Hospital.	
TDS Deduction	6,200,793	5,991,808	208,985	3%	As per TDS calculation sheet	
PF Deduction	145,470	145,470	-	0%		
ESI Deduction	4,190	4,295	(105)	-2%	Differenc eis due to LOP.	

Analysis of Staff Numbers

Particulars	Last Month End	Current Month Addition	Last Month Separation	Current Month End	As per Payroll	Variance	Audit Observation	Action Taken
Staff	354	8	4	358	358	-		
Trainees	36		2	34	34	-		
Honorary Staff	4	2		6	6	-		
Professionals	3	-		3	3	-		

Verification of Payroll Supporting

Particulars	Amount as per Payroll	Amount as per Support.	Variance	Var %	Audit Observation	Action Taken
Incentives	9,799,668	9,949,856	(150,188)	-2%	15 doctors amount entered was wrong. The resigned doctors around 23 doctors name still present in the incentive sheet which makes difficulty to verify the same.	Notified Sreya.
Other Pay	194,057	194,057	-	0%		
Profession Tax Deductions	-	5,770	(5,770)	-100%	Initially Professional Tax has not been entered while processing. Professional Tax was not entered for Resigned Doctors.	Notified Mrudula & corrected accordingly.
Electricity Deductions	3,171	198,718	(195,547)	-98%	During the Processing phase, Electricity had not been entered.	Notified Siljo and corrected accordingly.
Insurance Deductions	1,135	1,135	-	0%	Supportings not submitted, verified with TB.	
Med / Due Bill Deductions			-	0%		
Uniform Deductions			-	0%		
Other Deductions	-	-	-	0%		
Variable DA per Staff	2,052	2,052	-	0%		
Particulars	Nos. as per Payroll	Nos. as per Supporting	Variance	Var %	Audit Observation	Action Taken
New Joinings	8	8	-	0%	Processed correctly.	
Separations	6	6	-	0%	Processed correctly.	
Transfers	1	1	-	0%	Processed correctly.	
Increments	5	5	-	0%	Processed correctly.	
Salary Reductions	-	-	-	0%		
Special Allowances	101	101	-	0%	Processed correctly.	
Leave Surrender	-	-	-	0%		
Holiday Wages	15	15	-	0%		
Loss of Pay Deduction	28	28	-	0%	Processed correctly.	
ESI Leave Deduction	-	-	-	0%		
ESI Mat. Leave Deduction	-	-	-	0%		
Withheld List			-	0%		
Addition to PF	-	-	-	0%		
PF Discontinuation	-	-	-	0%		
Addition to ES			-	0%		
ESI Discontinuation	-	-	-	0%		
Addition to Hostels, S/Q	-	-	-	0%		
Shifting from Hostels, S/Q			-	0%		
Caution Deposits Deduct.	9	9	-	0%	Processed correctly.	
Caution Deposits Discontinuation	1	1	-	0%	Processed correctly.	

Verification of Loan / Advance Deductions

Name of Staff	As per Payroll	Deductible Amount	Variance	Advance Amount	Date of Advance	Ledger Balance	Audit Observation	Action Taken
RENJINI M G	6,000	6,000	-	200,000	30-06-23	68,000		
ROSILY E V	3,500	3,500		59,111	21-12-23	6,611		
REEBA T B	7,000	7,000		80,000	31-08-24	24,000		
Manikandan	10,000	10,000		75,000	17-01-25	35,000		

Swapna K S	5,000	5,000		30,000	10-01-25	10,000	
SUJITHA K S	6,250	6,250		150,000	25-02-25	131,250	
SURESH P V	5,000	5,000		50,000	18-03-25	35,000	
Dr Rajesh Gopinath	50,000	50,000		600,000	01-06-24	50,000	
Vinoj Mathew	5,000	5,000		60,000	25-04-25	55,000	

Verification of Payroll

Verification Done	Verified (Yes / No)	Audit Observation	Action Taken
New Joining, No. of days salary (with List, MOU, Office Order, Salary approval)	Yes		
Separations, No. of days salary (with Separation List / Office Order)	Yes		
Transfers (with Transfer List, Office Order)	Yes		
Increments (with Increment List, MOU, Office Order, Min. Wage Notification)	Yes	Errors found in the given supportings. Medical	Notified Divya.
Salary Reductions (with Salary Reduction List, Office Order)	Nil		
Basic Salary (with List, MOU, Office Order, Increment Letter, Min. Wage Note)	Yes		
Variable DA amount (with Dept. of Economics & Statistics Notification)	Yes		
Extra Allowance (Applicable % of Current Basic Salary)	Yes		
Various Allowances (with Increment List, MOU, Office Order)	Yes		
Incentives (with Incentive List)	Yes	Incentive amount is increased as per the increase in the no. of procedures & Radiodiagnosis doctors incentive was paid from Hospital.	
Special Allowances (with Special Allowance List, Office Order)	Yes		
Leave Surrender (with Request Approval, Office Order, Salary Statement, Leave Report)	Yes		
Arrears (with New Joinees List / Increment List)	Yes		
Other Pay (with Increment List, Office Order)	Yes		
Salary comparison with previous month using VLookup	Yes		
Ensuring that 'Others' column has only non-repetitive items	Yes		
Worked Days (with LOP List, ESI Leave List, ESI Maternity Leave List, Leave Policy)	Yes		
Worked Days (with Leave Policy, Weekly Off Policy, Maternity Leave Policy)	Yes		
Verification of all earnings based on Work Days	Yes		
Holiday Wage (with Holiday Wage List)	Yes		
TDS deduction (with TDS Deduction List)	Yes		
PF deduction (with PF Addition & Discontinuation List, Applicable %, Ceiling)	Yes		
ESI deduction (with ESI Addition & Discontinuation List, Applicable %, Ceiling)	Yes		
Profession Tax deduction (with Profession Tax List)	Yes		
Establishment deduction (with Addition to / Shifting from Hostels, S/Q List)	Yes		
Medicine / Due bill deduction (with Medicine List, Due Bill Deduction List)	Yes		
Advance deduction (with Advance Ledger, Advance Approval Letter)	Yes		
Electricity deduction (with Electricity Deduction List)	Yes		
Insurance deduction (with LIC List, Insurance Deduction List)	Yes	The supporting document was not received. The amount was verified against the previous month's amount.	

Uniform deduction (with Uniform Deduction List)	Yes	
Other deduction (with Other Deduction List)	Yes	
Caution Deposit deduction (with Caution Deposit Deduction / Discont. List)	Yes	
Salary cheque amount (with Salary statement, Withheld List)	Yes	
Whether Office Order received with new joiners, transfers, separations, etc.	Yes	
Name of Documents not received in time	Yes	
Name of Documents received initially without approvals	Yes	Incentive List, EOP
Details of Changes done in Payroll (other than corrections pointed out by Internal Audit)	No	
Support issues faced from Payroll team in resolving Audit Observations	Yes	Incentives, Professional Tax, Electricity were not entered during initial salary processing.
Verifications done based on Documents not signed by Director / Principal	Yes	Incentives calculation sheet, Evening OP - Staff.
Verifications done based on Documents not signed by H.R. Manager	Yes	
Verifications not done properly due to Insufficient Supporting Documents	No	
Verifications not done properly due to Non-availability of Supporting Documents	No	
Verifications not done properly due to Non-availability of System Reports	No	

Major issues identified in Verification of Payroll

Audit Observation	Action Taken
1. Errors noticed in the supportings given by HR dept.	Notified Divya
2. Delay in providing signed supporting documents, some are provided after Salary payment processing	Incentives sheet, Evening OP sheet
3. Staff HR / Doctor HR not providing Checklist to ensure complete and timely handover of supporting documents	
4. Incentives sheet still containing resigned doctors name which makes verification difficult.	Notified Sreya.
5. One particular issue needs to be discussed with multiple HR staff and followed up since there is no Senior Person responsible for entire Payroll	
6. Verification by Senior Person in H.R. before forwarding to Internal Audit is not done.	

Payroll Verified by: Athira.P.S Signature: *Athira* Date: 02.06.2025


Verification of Attendance, Leave & Acquittance Register

Verification Done	Verified (Yes / No)	Audit Observation	Action Taken
Worked Days (based on LOP & Non-ESI M.L. as per Attendance Register)	Yes		
Worked Days (based on ESI Leave & ESI M.L. as per Attendance Register)	Yes		

Worked Days (based on eligible Casual Leave, Earned Leave, Special Leave, etc.)	Yes		
Weekly Off / Holiday Pay Eligibility (based on no. of days worked in prior week)	Yes		
Holiday Wage (based on sign on Holidays in Attend. Register with Holiday List)	Yes		
Holiday Wage (based on Punching Report with Holiday List)	No		
Signature on Holidays in Attendance Register (with Holiday List)	Yes		
Employee No. mentioned in Attendance Register (to avoid same name issues)	Yes		
Payroll Division name mentioned in Attendance Register	Yes		
Corrections / overwriting in Attendance Register	Yes		
Blank columns in Attendance Register (since staff didn't sign even though they worked)	Yes	Errors identified in case of 2 staff;Eg: Dr.John Francis (31 days as in Payroll instead 31 blank column in Register)Dr.Paul T Antony (31 days as in Payroll instead 10 blank column in Register)	Informed & Corrected by Ms.Sreya
Blank columns in Attendance Register (due to leave details not filled up by H.R.)	Yes	Errors identified in case of 11 staff;Eg: Dr.Jobin Jose Maprani (31 days as in Payroll instead 5 blank column in Register)Dr.Sebastian Criton(31 days as in Payroll instead 15 blank column in Register(sickleave))	Informed & Corrected by Ms.Sreya
Employees in Payroll, but Name / Sign not available in Attendance Register	Yes		
Salary processed in Payroll, but on LOP, ESI L, ESI ML as per Attendance Register	Yes		
Employees in Attendance Register, but Name not available in Payroll	Yes		
Separated Employees in Attendance Register (with Last month's separation list)	No		
Separated Employees marked as 'Resigned' in Payroll Module	Yes		
ESI Leave & ESI ML updated in Payroll Module (with ESI Leave File)	No		
Resumption from ESI L & ESI ML updated in Payroll Module (with Fitness Cert. File)	No		
Sample checking of Punching Report (with Attendance Register)	No		
Leave Applications done manually / in software	Yes		
Leave Eligibility computed manually / in software	Yes		
CL, EL, SPL, ESI L, ESI ML in Attendance Register with Leave Module / Register	No		
Corrections / overwriting in Leave Register	No		
Doctor / Staff signature not done in Acquittance Register	No		
Support issues faced from Payroll team in providing Registers / Docs	Yes		

Major issues identified in Verification of Attendance Register

Audit Observation	Action Taken

Registers Verified by: Amala Paul K Signature:  Date: 4-Jun-25

Verification of Incentives

Verification Done	Verified (Yes / No)	Audit Observation	Action Taken
Consultation Charges with Consultation Statistics	Yes	Arthat doctors consultation charges was wrongly entered EG: DR Sojan,Dr Rupesh etc	Informed Ms. Sreya & corrected
Doctor Visit Charges with Dept.-wise Dynamic Report	Yes	Missed out to enter Consultation Visit amount.in 19 drs Eg. Dr. Anoob John,Dr Arun KV	Informed Ms. Sreya & corrected
Surgery Charges with Surgery Report	Yes		
Procedure Charges with Dept.-wise Dynamic Report	Yes	1.Refund not deducted from Procedure Charges Dr Anila Joseph,2.CDC incentive mat was wrong Eg Abhirami,Gopika,3.Missed out to enter Procedure charge Dr Rajesh Anto,Dr Jayasangar 4.Pet incentive number was different	Informed Ms. Sreya & corrected
Emergency Charges with Emergency Charge Report	Yes		
Doctor Incentives (with Incentive List, MOU)	Yes		
Scanning Doctor Incentive (with CT, MRI, NM Report)	Yes	Didn't deducted to Dr Jijoe John procedure amount	Informed Ms. Sreya & corrected
Scanning Reference Incentive (with Reference Incentive Report)	Yes	Emergency medicine incentive amount was wrongEg Dr Suresh kumar,Dr Thomas John etc	Informed Ms. Sreya & corrected
Verifications not done properly due to delay in submission	No		
Verifications not done properly due to Insufficient Supporting Documents	Yes		
Verifications not done properly due to Non-availability of Supporting Documents	Yes		
Verifications not done properly due to Non-availability of System Reports	Yes		

Major issues identified in Verification of Incentives

Audit Observation	Action Taken

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Incentives Verified by: Aji Varghese P. Signature:  Date: 4-Jun-25

Verification of Other Staff Payments

Verification Done	Verified (Yes / No)	Audit Observation	Action Taken
Gratuity (with Computation, Approved Staff Request, Salary statement, LOP History)	Yes		
Ex-gratia (with Computation, Approved Staff Request, Salary statement, LOP History)	NA		
Overtime (with Overtime Working, Attendance System Report)	Yes		
Performance Allowance (with Performance Allowance Approval, LOP Report)	Yes		
Other staff payments (with relevant docs)	Yes		
Profession Tax (with Working, Prof. Tax Collected Report, Period-wise Salary Report)	NA		

Other Staff Pay Verified by: Aji Varghese P. Signature:  Date: 4-Jun-25