



# General Operational Audit Checklist

21 Nov 2023 / Dane Jacksonville

Complete

Score	0 / 0 (0%)	Flagged items	0	Actions	2
<b>Organization/Company Name</b>	CHM Manufacturing Inc.				
<b>Location</b>	Los Angeles, CA, USA (34.0549076, -118.242643)				
<b>Audit Date</b>	21 Nov 2023 07:00 PST				
<b>Auditor Name</b>	Dane Jacksonville				

## Actions

2 actions

Operational Audit Checklist / 1. General Operational Procedures / 1.2 Documentation and Communication

### Is there a process for regularly updating and reviewing operational procedures?

Needs Attention

The process for updating and reviewing procedures needs improvement. Corrective actions involve establishing a regular review schedule and ensuring updates are communicated effectively.

**To do** | Assignee: SafetyCulture Staff | Priority: Low | Due: 28 Nov 2023 08:02 PST | Created by: SafetyCulture Staff

Set a regular schedule of reviewing operational procedures.

Operational Audit Checklist / 1. General Operational Procedures / 1.3 Training and Competency

### Is there a training program for employees regarding operational procedures?

Needs Attention

While there is a training program in place, competency assessments are inconsistent, as supported by the attached report. For this, standardization is recommended.

[2023 Q1-Q2 Report - CHM MI General Competency Assessment.pdf](#)

**To do** | Assignee: SafetyCulture Staff | Priority: Low | Due: 28 Nov 2023 08:00 PST | Created by: SafetyCulture Staff

Gather team leads and heads to standardize competency assessments for implementation in 2024.

## Operational Audit Checklist

2 actions

### 1. General Operational Procedures

2 actions

#### 1.1 Overview

#### Provide an overview of the organization's operations.

CHM Manufacturing Inc. specializes in the production of precision components for the automotive industry. The company employs 250 personnel across three shifts to ensure continuous manufacturing operations.

#### Establish the objectives of this operational audit.

The objective of this operational audit is to assess the efficiency, compliance, and risk management aspects of CHM Manufacturing Inc.'s day-to-day operations.

#### Outline the expected deliverables once the audit is completed.

Upon completion, the audit will provide a detailed report outlining findings, recommendations for improvement, and a roadmap for enhancing operational processes.

#### 1.2 Documentation and Communication

1 action

**Are documented operational procedures available for all key processes?**

Pass

**Are process workflows clearly defined and communicated to relevant personnel?**

Pass

**Is there a process for regularly updating and reviewing operational procedures?**

Needs Attention

The process for updating and reviewing procedures needs improvement. Corrective actions involve establishing a regular review schedule and ensuring updates are communicated effectively.

**To do** | Assignee: SafetyCulture Staff | Priority: Low | Due: 28 Nov 2023 08:02 PST | Created by: SafetyCulture Staff

Set a regular schedule of reviewing operational procedures.

**Are there contingency plans in place for critical operational processes?**

Pass

#### 1.3 Training and Competency

1 action

**Is there a training program for employees regarding operational procedures?**

Needs Attention

While there is a training program in place, competency assessments are inconsistent, as supported by the attached report. For this, standardization is recommended.

[2023 Q1-Q2 Report - CHM MI General Competency Assessment.pdf](#)

**To do** | Assignee: SafetyCulture Staff | Priority: Low | Due: 28 Nov 2023 08:00 PST | Created by: SafetyCulture Staff

Gather team leads and heads to standardize competency assessments for implementation in 2024.

**Are personnel adequately trained for their assigned tasks?**

Pass

**Is there a system for assessing and ensuring employee competency?**

Pass

## 2. Internal Controls

### 2.1 Fraud Prevention and Asset Safeguarding

**Are internal controls established to safeguard assets and prevent fraud?**

Pass

**Is there segregation of duties to prevent conflicts of interest?**

Pass

**Are access controls and permissions regularly reviewed and updated?**

Pass

**Are physical and logical access controls in place to protect sensitive information?**

Pass

### 2.2 Financial Controls

**Are financial transactions accurately recorded and reconciled?**

Pass

**Is there a system for tracking and managing expenses against budgeted allocations?**

Pass

**Are financial reports generated and reviewed regularly?**

Pass

## 3. Compliance and Legal Requirements

### 3.1 Regulatory Compliance

**Is the organization compliant with relevant industry regulations and legal requirements?**

Pass

**Are licenses and certifications up-to-date for all applicable operations?**

Pass

**Is there a process for monitoring and adapting to changes in regulatory requirements?**

Pass

**Are records maintained to demonstrate compliance with laws and regulations?**

Pass

3.2 Contractual Agreements	
<b>Are contractual agreements and commitments regularly reviewed and updated?</b>	Pass
<b>Is there compliance with terms and conditions outlined in contracts?</b>	Pass
4. Risk Management	
4.1 Risk Identification and Assessment	
<b>Is there a formalized risk management process in place?</b>	Pass
<b>Are risks regularly assessed and documented for key operational areas?</b>	Pass
<b>Are mitigation strategies established for identified risks?</b>	Pass
4.2 Reporting and Monitoring	
<b>Is there a system for reporting and addressing operational risks in a timely manner?</b>	Pass
<b>Are risk management activities monitored and updated regularly?</b>	Pass
5. Technology and Information Security	
5.1 IT Systems and Security	
<b>Are IT systems regularly updated and maintained?</b>	Pass
<b>Is there a cybersecurity policy in place to protect sensitive information?</b>	Pass
<b>Are data backups conducted regularly, and is the recovery process tested?</b>	Pass
5.2 Employee Training on Information Security	
<b>Are employees trained on information security best practices?</b>	Pass
6. Continuous Improvement	
6.1 Feedback Mechanisms	
<b>Is there a mechanism for collecting and analyzing feedback on operational processes?</b>	Pass

<b>Are Key Performance Indicators (KPIs) established and monitored for operational efficiency?</b>	Pass
6.2 Implementation of Improvements	
<b>Is there a process for implementing improvements based on audit findings?</b>	Pass
<b>Are lessons learned from operational challenges documented and shared?</b>	Pass

## Completion

### Summary of Findings

- Schedule of reviewing operational procedures must be more intentional and set up regularly
- Competency assessments across the organization need to be reviewed and standardized

### Recommendations for Improvement or Next Steps

Given the summary of improvement areas listed in the previous item, we need to:

- Set up an all-hands meeting with the team leads and heads to reach a consensus on the schedule of operational reviews
- Collaborate with the HR team and team managers to improve the way we assess employee competency across the board

### Overall Assessment

The organization demonstrates a strong foundation in its operational processes, with areas for improvement in some aspects. In short, we're already doing good but could be way better.

### Auditor Name and Signature



Dane Jacksonville  
21 Nov 2023 08:09 PST

## Media summary

## File summary

[2023 Q1-Q2 Report - CHM MI General Competency Assessment.pdf](#)