IABPFP

Internal Audit Best Practice and Fundamental Principles

A Two Day Crash Course on the best practices internal audit has to offer.

Seminar Overview

Based on Danny M. Goldberg's professional commentary on the *Bureau of National Affairs Practice Series Internal Audit Best Practices and Fundamental Practices* (authored by legendary audit scholars Curtis C. Verschoor and Mort A. Dittenhofer – co-author of **Sawyer's Internal Auditing**), this two-day seminar will take you through emerging trends and techniques in the internal audit world. Attendees should learn about real-world training and concepts they can apply in their department immediately.

Prerequisite: None

Advance Preparation: None
Learning Level: Basic/Intermediate
Field: Auditing
Delivery Method: Group-Live

Who Should Attend
Financial, Operational, and Information Technology Auditors with any amount of experience.

Agenda

I. Introduction and Background
   a. Background
   b. Topics to Cover
II. Audit Risk Assessment
   a. IIA Standards
   b. Long Range vs. Short Range Planning
   c. What is an Audit Risk Assessment?
   d. Heat Maps
   e. How does the ARA integrate with the ERM?
   f. Comprehensive Example
   g. Understanding the business
III. Fieldwork Best Practices
   a. Managing the audit engagement
   b. Audit Testing
   c. Audit Evidence
   d. Constructing Workpapers
   e. Workpaper Review
   f. Fieldwork Methodologies
IV. Audit Report Writing
   a. Auditor Guidance
   b. Audit Report Structure
      i. Executive Summary
      ii. Observations
      iii. Appendices
   c. Executive Summary Components
      i. Audit Summary
      ii. Audit Objectives
      iii. Audit Scope
      iv. Background

v. Opinion
vi. Overall Report Ratings
vii. Standards Conformance Statement

d. Observation Components
i. Foundation
ii. Condition
iii. Cause
iv. Effect
v. Recommendations
vi. Action plans

e. Other Sections of Audit Observations
i. Additional information
ii. Exhibits
iii. Policies and procedures
iv. Observation Formats

f. Report Optimization
i. Standard 2420
ii. CCCCPV

V. Audit Follow Up
a. Audit Standards
b. Audit Follow Up Policy
c. Action Plan Maturity Model
d. Timing/Method of Follow Up

VI. Optimization Audit Best Practices
a. The OA Process
b. Optimization Assessment
c. Documenting Understanding
d. Segregation of Duties
e. Assessing Efficiency/Effectiveness and Cost/Benefit

VII. Control Best Practices
a. COSO
b. What are Internal Controls?
c. 5 Key Internal Control Activities
d. Testing Controls

VIII. Integrated Auditing
a. Audit Process Similarities
b. Elements of Preliminary Work

IX. Fraud Red Flags
a. Fraud Overview
b. Financial Reporting/Close
c. Cash
d. Revenue/Accounts Receivable
e. Inventory
f. Purchasing/Cash Disbursements
g. Payroll
h. Fraud Red Flags

X. Optimized Communications
a. Overview
b. 7 C's to Effective Communication
c. General Communication Issues
d. Confrontation
e. Listening Techniques

XI. Interviewing
a. Interview Management
b. Managing Yourself
c. Personalities

XII. Practical Ethics
a. What is Ethics?
b. Key Influences on Ethical Behavior
c. Complex Ethical Decisions
d. Famous Ethical Decisions
e. 4 Methods to Resolve Ethical Dilemmas