

-The Internal Audit Program includes the following:

Friday, August 16, 2024 3:05 PM

Checklist for Validating Internal Audit Program (Stmt 22)

Stmt 22.1 - Audit Plan Detailing Internal Audit's Planning Processes

- **Audit Plan Documentation**
 - Verify the existence of a formal, documented audit plan.
 - Ensure the audit plan is reviewed and approved by the board or relevant committee.
 - Check for alignment of the audit plan with the organization's risk assessment and strategic goals.
 - Confirm that the audit plan outlines the frequency and scope of audits across various departments.
- **Audit Planning Processes**
 - Review documented processes for developing the audit plan.
 - Ensure risk-based approaches are used in planning, prioritizing areas with higher risk.
 - Validate the process for updating the audit plan in response to changes in risk factors or business objectives.
- **Resource Allocation**
 - Verify that the audit plan includes detailed resource requirements (staff, budget, tools).
 - Check for evidence of appropriate resource allocation to areas identified as high risk.

Stmt 22.2 - Audit Work Programs for Each Audit Area

- **Work Program Documentation**
 - Review the existence of audit work programs for each audit area.
 - Ensure work programs detail the specific scope, objectives, and methodologies for each audit.
 - Validate that work programs are aligned with the audit plan and risk assessment.
- **Resource Allocation in Work Programs**
 - Confirm that each work program includes resource requirements (personnel, time, and tools) for the audit.
 - Check for evidence that resources are sufficient to meet the audit's objectives and scope.

Stmt 22.3 - Written Audit Reports Informing Board and Management

- **Audit Report Structure**
 - Verify that written audit reports are generated for each audit conducted.
 - Ensure that reports include a summary of findings, conclusions, and recommendations.
 - Check for the inclusion of management's response to findings in the reports.
- **Communication with Board and Management**
 - Validate that audit reports are formally communicated to the board and relevant management.
 - Ensure a process is in place for the board and management to acknowledge and address audit findings.
 - Confirm that follow-up actions and timelines are documented in the reports.

Stmt 22.4 - Audit Work Paper Documentation

- **Work Paper Standards**
 - Review the internal standards and guidelines for audit work paper documentation.
 - Ensure work papers provide clear support for all findings and work performed during the audit.
 - Check for completeness, accuracy, and clarity in the documentation of audit procedures, tests, and results.
- **Review and Approval Process**
 - Verify that work papers are subject to a formal review and approval process by senior audit staff.
 - Ensure that work papers are securely stored and easily retrievable for future reference or external review.

Stmt 22.5 - Follow-Up Processes for Correcting Significant Deficiencies

- **Follow-Up Procedures**
 - Review the documented procedures for follow-up on audit findings.
 - Ensure there is a clear process for tracking the status of corrective actions agreed upon by management.
 - Validate that follow-up audits or reviews are conducted to ensure deficiencies are corrected.
- **Documentation and Reporting**
 - Confirm that the disposition of significant deficiencies is documented and reported to the board or relevant committee.
 - Check for timeliness in addressing and resolving significant deficiencies.

Stmt 22.6 - Professional Development Programs for Audit Staff

- **Training and Development Programs**
 - Verify the existence of a professional development plan for audit staff.
 - Ensure the plan includes opportunities for training in relevant audit techniques, regulations, and industry standards.
 - Check for regular assessments of staff training needs and updates to the professional development plan.
- **Continuing Education and Certification**
 - Confirm that audit staff participate in continuing education programs to maintain or obtain relevant certifications (e.g., CIA, CISA).
 - Ensure that the organization supports staff in meeting their professional development goals through funding or time allowances.
- **Performance Evaluation**
 - Review the process for evaluating the technical expertise of audit staff.
 - Ensure that staff performance evaluations include assessments of professional development progress.

Resources

Friday, August 16, 2024 3:09 PM

Strong	Satisfactory	Less Than Satisfactory	Deficient	Critically Deficient
<input type="checkbox"/> Audit function and reporting exist either internally or outsourced; <input type="checkbox"/> IT audit reports identify and report weaknesses and risks; <input type="checkbox"/> Audit reports describe the scope and objectives, and the level and extent of control testing; <input type="checkbox"/> IT audit reports describe response, corrective action, and completion timelines; <input type="checkbox"/> IT audit reports include follow-up on prior audit or examination exceptions.	<input type="checkbox"/> Audit function and reporting exist either internally or outsourced; <input type="checkbox"/> IT audit reports identify and report weaknesses and risks; <input type="checkbox"/> Audit reports describe the scope and objectives, and the level and extent of control testing; <input type="checkbox"/> IT audit reports describe response, corrective action, and completion timelines; <input type="checkbox"/> Audit reports do not consistently include follow-up on prior audit or examination exceptions.	<input type="checkbox"/> Audit function and reporting exist either internally or outsourced; <input type="checkbox"/> IT audit reports identify and report weaknesses and risks; <input type="checkbox"/> Audit reports do not describe the scope and objectives, and the level and extent of control testing; <input type="checkbox"/> IT audit reports do not describe response, corrective action, and completion timelines; <input type="checkbox"/> IT audit reports do not include follow-up on prior audit or examination exceptions.	<input type="checkbox"/> Audit function and reporting exist either internally or outsourced; <input type="checkbox"/> IT audit reports do not identify and report weaknesses and risks; <input type="checkbox"/> Audit reports do not describe the scope and objectives, and the level and extent of control testing; <input type="checkbox"/> IT audit reports do not describe response, corrective action, and completion timelines; <input type="checkbox"/> IT audit reports do not include follow-up on prior audit or examination exceptions.	<input type="checkbox"/> Audit function and reporting do not exist either internally or outsourced.

Strong	Satisfactory	Less Than Satisfactory	Deficient	Critically Deficient
<input type="checkbox"/> Follow-up and reporting process on management's resolution of identified problems or weaknesses. <input type="checkbox"/> Process to ensure audit findings are tracked until resolved; <input type="checkbox"/> Follow up and reporting are formal; <input type="checkbox"/> Follow up and reporting are consistently timely;	<input type="checkbox"/> Follow-up and reporting process on management's resolution of identified problems or weaknesses; <input type="checkbox"/> Process to ensure audit findings are tracked until resolved; <input type="checkbox"/> Follow up and reporting are formal; <input type="checkbox"/> Follow up and reporting are not consistently timely;	<input type="checkbox"/> Follow-up and reporting process on management's resolution of identified problems or weaknesses. <input type="checkbox"/> Process to ensure audit findings are tracked until resolved; <input type="checkbox"/> Follow up and reporting are not formal; <input type="checkbox"/> Follow up and reporting are not timely;	<input type="checkbox"/> Follow-up and reporting process on management's resolution of identified problems or weaknesses. <input type="checkbox"/> No process to ensure audit findings are tracked until resolved; <input type="checkbox"/> Follow up and reporting are not formal; <input type="checkbox"/> Follow up and reporting are not timely;	<input type="checkbox"/> No follow-up and reporting process on management's resolution of identified problems or weaknesses.

Strong	Satisfactory	Less Than Satisfactory	Deficient	Critically Deficient
<input type="checkbox"/> IT audit schedule in place; <input type="checkbox"/> IT audit schedule based on risk assessment; <input type="checkbox"/> high and moderate risk areas identified by the risk assessment are addressed in the audit schedule; <input type="checkbox"/> board or board committee approved audit schedule.	<input type="checkbox"/> IT audit schedule in place; <input type="checkbox"/> IT audit schedule based on risk assessment; <input type="checkbox"/> high risk areas identified by the risk assessment are addressed in the audit schedule; <input type="checkbox"/> board or board committee approved audit schedule.	<input type="checkbox"/> IT audit schedule in place; <input type="checkbox"/> IT audit schedule based on risk assessment, some high risk areas not included; <input type="checkbox"/> no board or board committee approved audit schedule.	<input type="checkbox"/> IT audit schedule in place; <input type="checkbox"/> IT audit schedule not based on risk assessment; <input type="checkbox"/> no board or board committee approved audit schedule.	<input type="checkbox"/> No IT audit schedule.

Strong	Satisfactory	Less Than Satisfactory	Deficient	Critically Deficient
<input type="checkbox"/> IT auditor reports directly to the board or the audit committee; <input type="checkbox"/> IT auditor has no conflicting duties or; <input type="checkbox"/> external IT audit firms do not have conflicts of interest; <input type="checkbox"/> the board or the audit committee reviews all high and medium risk audit reports; <input type="checkbox"/> the institution has a documented audit policy or	<input type="checkbox"/> IT auditor reports directly to the board or the audit committee; <input type="checkbox"/> IT auditor has no conflicting duties or; <input type="checkbox"/> external IT audit firms do not have conflicts of interest; <input type="checkbox"/> the board or the audit committee reviews audit reports of all high risk areas; <input type="checkbox"/> The institution does not have a formally documented audit policy or charter;	<input type="checkbox"/> IT auditor reports directly to the board or the audit committee; <input type="checkbox"/> IT auditor has no conflicting duties or; <input type="checkbox"/> external IT audit firms do not have conflicts of interest; <input type="checkbox"/> the board or the audit committee does not review audit reports; <input type="checkbox"/> the institution does not have a documented audit policy or charter;	<input type="checkbox"/> IT auditor reports directly to the board or the audit committee; <input type="checkbox"/> IT auditor has conflicting duties or; <input type="checkbox"/> external IT audit firms have conflicts of interest; <input type="checkbox"/> the board or the audit committee does not review audit reports; <input type="checkbox"/> the institution does not have a documented audit policy or charter;	

charter; <input type="checkbox"/> Deviations from planned audit schedules are approved by the board or audit committee.	<input type="checkbox"/> Deviations from planned audit schedules are not approved by the board or audit committee.	<input type="checkbox"/> Deviations from planned audit schedules are not approved by the board or audit committee.	<input type="checkbox"/> Deviations from planned audit schedules are not approved by the board or audit committee.
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