

Overview of the Audit Process

The audit process includes the following steps:

Notification Letter - Auditees are notified in writing when their department/directorate/division is selected for an audit. Due to the nature of the audit work, we may give little or no advance notice. These letters are sent to the department/directorate/division being audited as well as other applicable personnel. The notification letter states the objectives to be accomplished in the audit. Preliminary documentation required for the audit, such as written policies, procedures, and flowcharts, might also be requested at that time.

Entrance Conference - An entrance conference will be scheduled with the department/directorate/division to discuss the purpose and scope of the audit. This can be done virtually or face to face at the convenience of the auditee. We encourage auditees to discuss any concerns or questions they have about the audit.

Field Work - We will often review documentation in our office; however, we may also need to work on-site to access necessary records and information. We will frequently conduct interviews and complete internal control questionnaires with department/directorate/division personnel to gain a better understanding of the operation and procedures. We realize each person's time is valuable, so we attempt to arrange meetings in advance and work around scheduling conflicts.

Draft Audit Report(s) - Upon completion of the fieldwork, the Deputy Director of Internal Audit Service will review all working papers and a draft audit report will be prepared. Distribution of the draft report is limited initially to the immediate manager of the audited area for his/her review and resolution. Subsequent drafts may be developed to ensure accurate reporting.

Exit Conference – When the draft process is completed, but before the issuance of the final audit report, a formal exit conference is held with the auditee to discuss the findings, recommendations, and management's action plan. Often this process is done on a formal one-on-one basis but can also be completed during a formal meeting.

Review by the System and Distribution - When the final audit report is developed internally, a copy is sent via electronic mail to the Head of Internal Audit Service for review. Any revisions are cleared with the auditee before the release of the final report. Final audit reports are addressed to the Head of the business unit with copies to the Audit Committee and top management.

Customer Satisfaction Survey - To improve our service to management and the Ministry of Finance, after each audit that is specifically requested by management, we will ask that you take a few moments to provide feedback on our work.

Follow-up Process

Follow-up

Follow-up audits are incorporated in the annual audit plans; therefore, the Internal Audit Service is required to provide quarterly reports and perform follow-up assessments on all audit issues

identified in completed department/directorate/division internal audit reports, as well as those identified in audit reports issued by the Office of the Auditor General. The Internal Audit contacting the process owners to provide status on open issues of the last report accomplishes this. The internal audit then performs appropriate verification (such as testing/discussion/evaluation) to determine if management actions provided in response to audit recommendations have been properly implemented. Upon determination, based on the audit's assessment, that the audit findings have been sufficiently addressed, within an appropriate time frame, the audit is considered closed. Top management and the Audit Committee are provided periodic updates detailing the status of the Internal Audit follow-up process.