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1. Volume 2 provides detailed implementation guidance, which includes activities that would be performed during other phases of the audit. Thus, the auditor may refer to the FAM sections in volume 2 early in the audit. For example, FAM 600 includes guidance to auditors on designing and performing oversight and other procedures when using the work of others. FAM 701, Determining Financial Management Systems’ Compliance with the Federal Financial Management Improvement Act of 1996 (FFMIA), includes procedures that would be performed throughout the audit, not just during the internal control phase, although many of them would be performed then. Also, FAM 902, Intragovernmental Activity and Balances, has procedures that the auditor may decide to perform in the planning and internal control phases of the audit as well as during the testing phase.
2. The audit procedures presented in the examples in the FAM sections of volume 2 are examples of some of the audit steps typically performed in each area. They are used in conjunction with the appropriate FAM sections. In using these procedures, the auditor uses professional judgment to add additional procedures, delete irrelevant procedures, modify procedures, indicate the extent and timing of procedures, and change the terminology to that used by the entity to be audited. The auditor may integrate these steps with the audit plans for related line items. For example, tests of intragovernmental activity and balances in FAM 902 may be integrated with tests of accounts receivable and payable, and to improve effectiveness, the auditor may coordinate those tests with related non-intragovernmental activity and balances.

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