

PLANNING PERFORMANCE AUDITS

Course Overview

A structured and disciplined approach to audit planning helps ensure that audit teams make the best use of resources and produce high quality work that is fully supported. At the end of the planning and design phase, auditors should be able to make reliable commitments that reflect a thoughtful assessment of the trade-offs between audit scope, methodology, resources, and impact. Through lecture and hands on exercises, this course covers the steps needed to plan and design an audit, including developing researchable audit questions, using various planning tools, and analyzing the trade-offs and considerations when determining audit scope and methodology. Participants will gain hands-on experience with the design matrix as a key audit planning tool.

CPEs: 8

Who Should Attend

This course is designed to help federal, state or local government auditors understand and apply the principles and tools for audit planning in accordance with GAGAS. Both new as well as seasoned auditors in team-leader or team-member roles will gain knowledge and new perspectives about planning performance audits.

Course Objectives

Participants will be able to:

- Identify the types of performance audits and audit questions
- Assess the uses and benefits of various audit planning tools
- Understand the types of evidence and their strengths and weaknesses
- Consider key scope and methodology decisions and the trade-offs between audit scope, methodology, resources, and impact
- Identify limitations and risks associated with planning decisions

Course Topics

Introduction to Performance Auditing and Key GAGAS Standards

- Types of performance audit objectives per GAGAS
- Role of government auditors
- Government auditing standards, with a focus on independence
- Use of professional judgment

Tools for Planning

- Purpose of audit planning
- Performance audit planning tools and their uses and benefits
 - Logic models
 - Design matrix (5-column)
 - Project plan
 - Options matrix
 - Data analysis plan

Audit Objectives/Questions, Criteria, and Required Information Sources

- Developing an issue statement
- Examples of researchable audit questions by type (e.g., compliance, effectiveness, economy and efficiency, etc.)
- Characteristics of a good audit questions
- Elements needed to support a finding
- Types of evidence and sources, considerations on collection and value

Scope and Methodology

- Tradeoffs and considerations when determining audit scope
- Trade-offs and considerations when determining audit methodology and data collection approaches
 - Surveys
 - Case studies
 - Data collection instruments
 - Agency/secondary data
 - Sampling
- Improving common audit methodologies
- Documenting scope and methodology decisions

Limitations and What the Audit Will Allow You to Say

- Types of risk to consider and ways to mitigate them
- Elements of a data reliability assessment
- Considerations for describing the nature of possible audit findings