Implementing Data Analytics in Internal Audit

About This Course

Course Description
Today’s Internal Audit environment demands audit departments to “do more, with less”. A formal data analytics program can go a long way in helping an audit function become more efficient, easily scalable and significantly reduce auditing errors all while providing greater audit and fraud risk coverage. Data analytics programs can provide long term continuous auditing or monitoring around legal and compliance issues as well as the ability to do ad hoc audit testing, business review and fraud investigations. Data analytics is the cornerstone for fraud detection programs in many organizations, providing audit and fraud teams to immediately and easily identify potential fraud without having to manually “sample” large quantities in order to detect fraud and fraud patterns.

Data analytics programs can provide the opportunity for an audit function to add value to their organization, enhance assurance for audits, fraud detection and Sarbanes-Oxley testing. However implementing an effective program will pose challenges for most audit departments. This course will help internal auditor staff and management understand what data analytics can do, what tools are available for data analytics, what is really involved starting a data analytics program, what areas should be targeted and most importantly, where to start.

Participants will learn interactively through a combination of lecture, live demonstrations, and exercises. Students should who wish to take the most out of this class should bring laptops with them to class to be used for exercises.

Course Objectives
- Understand the “what and why” of data analysis.
- Describe how continuous monitoring and auditing help an organization.
- Describe the evolution of continuous auditing to continuous monitoring.
- Understand potential challenges and pitfalls, and how to plan for and avoid them.
- Understand the use of analytics with audits, fraud detection, investigation, SOX and business reviews.
- Describe the path to starting a successful data analytics program.
Course Topics

Overview of Data Analytics
- What is data analytics?
- CAAT’s vs. continuous auditing vs. continuous monitoring
- Why data analytics?
- Data analytics uses internal audit and business
- Compliance, fraud, SOX, 100% audits
- Available data analytics tools
- Implementation process overview

Data Analytics Programs for Internal Audits
- Leveraging continuous auditing for audits
- Leveraging continuous monitoring for the business and fraud programs
- Sarbanes-Oxley (leveraging data analytics to reduce SOX efforts)
- 100% audits
- Fraud detection and prevention (common fraud detection techniques and where to start)

Starting a Data Analytics Program
- Start with Objectives for data analytics in mind
- Working with databases including gaining access, mapping, data dictionaries, vetting and then vetting again, “CLEAN” data, risks of using data originals or copies, where to import the data, and how to avoid corrupting data
- Dedicating Resources
- Working with Operations & IT
- Choosing the right tool for your organization including hosting and consultants

Planning the Approach
- Ad hoc testing (where and how to begin, easy wins, and areas of focus)
- Repetitive testing including making it part of the audit program and expanding into operational and performance auditing
- Continuous auditing (automation, managing the exception reporting, and what to do when you no longer have exceptions)
- Continuous monitoring

Common Uses and Best Practices of Data Analytics in Audit (Case Studies, Demos, Exercises)
- Compliance monitoring and auditing examples
- Entity wide auditing for specific processes
- Fraud Detection through continuous auditing and monitoring
- Fraud Investigations
- Sarbanes-Oxley
- Business Review and improvement
Course Information

Course Duration: 2 Days

CPE Hours Available: 16

Knowledge Level: Intermediate

Field of Study: Auditing

Prerequisites: Auditors with at least 2 years’ experience in order to draw upon their professional audit experience

Advance Preparation: Laptop computers are recommended for completing exercises.

Delivery Format: On-site Training (Group-Live)