



# LEVERAGE TECHNOLOGY TO EMPOWER INTERNAL AUDIT

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# Internal Audit Challenges and Constraints

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- Internal audit is challenged to:
  - Increase Effectiveness
  - Increase Efficiency
  - Increase Visibility
- Internal audit is constrained by:
  - Software costs
  - IT support structure
  - High cost of consultants

## Increased Effectiveness

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Audit Management Systems enable Audit Organisations to increase effectiveness through:

- Standardisation
- Focused risk assessments
- Audit Management visibility into ongoing audits
- Collaboration amongst audit team members
- Access to best practice content

## Increased Effectiveness (Cont.)

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Audit Management Systems enable Audit Organisations to increase effectiveness through:

- Leveraging pre-existing audit content (findings, risks, controls, programs, etc)
- Smart staffing of Audits
- Using best practice data analytics
- Exception based auditing / continuous control monitoring

## Increased Efficiency

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Audit Management Systems enable Audit Organisations to increase efficiency through:

- User specific homepages / quick access to relevant data
- Electronic workpapers
- Multiple location reviews / sharing
- Delivery of best practice audit techniques (test, programs, checklists, etc.)
- Offline audit management

## Increased Efficiency (Cont.)

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Audit Management Systems enable Audit Organisations to increase efficiency through:

- Leveraging existing GRC Content
- Email Notifications
- Standard audit document creation (audit reports, plans, memos, etc.)
- Centralised resource management
- Using best practice data analytics
- Exception based auditing / continuous control monitoring

## Increased Visibility

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Audit Management Systems enable Audit Organisations to increase visibility and transparency into the audit organisation and auditees through:

- Real time access to data
- Centralisation of data
- Common terminology and standardisation of data
- Centralised issue and action plan management
- Quick access drillable dashboards
- Easy to use reporting capabilities



# Audit Software Challenges

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- Cost
- User Acceptance
- Rigidity
- Implementation / Training
- Executive / IT Buyoff

# Key Functions of Audit Software

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- A comprehensive internal audit management system:
  - ✓ Audit Universe
  - ✓ Risk Assessment
  - ✓ Audit Planning
  - ✓ Audit Scheduling
  - ✓ Audit Programs
  - ✓ Audit Checklists
  - ✓ Electronic Workpapers
  - ✓ Electronic Review and Approval
  - ✓ Issue Management
  - ✓ Interactive Dashboards
  - ✓ Audit Reporting
  - ✓ Audit Committee / Executive Reporting
  - ✓ Continuous Auditing
  - ✓ Data Analytics
  - ✓ Auditor Management
  - ✓ Best Practice Content

# Auditors

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## Challenges

- Manual creation of workpapers
- Lack of guidance regarding audit standards
- Paper binders
- Lack of response from business owners regarding identified issues and action plans
- Manual time entry
- Difficulty with file management
- Untimely response to management review of workpapers and review notes
- Difficulty manually tracking CPE credits

## AMS Provides

- Automated indexing of workpapers
- Automated recording of workpaper results
- Consistent audit standards via programs, checklists, and control tests
- Automated time and expense entry
- Skill set, certification and CPE tracking
- Access to previous audit information
- Automated issue and action plan notifications in response to the business

## Value to Organisation

- Reduction in issue and action plan follow up time
- Reduction in file management time
- Easy access to standards and guidance
- Easy access to audit workpapers and review comments

# Audit Management

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## Challenges

- Lack of oversight of audit workpapers
- Poor cycle time for audit completion
- Inefficient maintenance of audit schedule and audit plan
- Lack of response from business owners regarding identifies issues and action plans
- Time consuming gathering of quality assurance information
- Accuracy and consistency of gathering time and expense information

## AMS Provides

- Automated review and approval of audits, audit programs, workpapers, etc
- Central database of Information
- Automated planning and resource management
- Real time milestone and KPI reporting
- Time and expense approval and reporting
- Automated issue and action plan notifications and response to / from the business

## Value to Organisation

- Provides visibility into the audit teams work resulting in higher quality audits
- Decreases cycle time of audits resulting in better resource utilisation
- Provide assurance to the Chief Audit Executive / VP of Audit have accurate and timely information

# Chief Audit Executive / Audit Committee

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## Challenges

- Lack of visibility
- Inaccurate information
- Loss of audit hours due to inefficiencies within audits
- No resolution to identified issues
- Increased workload expectancies with less staff
- Lengthy and inconsistent risk assessment process
- Manual information gathering for reporting

## AMS Provides

- Executive reporting
- Central database of information
- Automated review and approval of audits
- Paperless audits
- Automated issue
- Automated planning and resource management
- Auto generated audit report
- Automated Risk Assessments

## Value to Organisation

- Gain efficiency through automation of the audit process and increases quality of audits
- Enables more insightful and impactful reporting to stakeholders
- Provide assurance to audit committee that the appropriate areas in the organisation are being audited

# Key Considerations for Selecting Audit Management System

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# Software Approaches

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- Out of the Box
- Out of the Box - Configurable
- Toolkit
- Custom

# Standard Software Deployment Options

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- In-House
- Vendor Hosted
- Software as a Service