

THE AUDIT PROCESS

The audit process includes the following steps:

Planning:

A basic understanding of the program is obtained through research and data gathering. This may include prior audits, policies and procedures, regulations, financial reports, budgets, organizational charts, job descriptions, and other relevant information. The audit scope and objectives are developed and an audit program is prepared.

Notification Letter:

In most instances, the program is notified in writing of an upcoming audit. This letter communicates the scope and objectives of the audit and as necessary includes a list of requested information that the program should make available. The nature of some audit work requires little or no advance notice.

Entrance Meeting:

An entrance meeting with the program may be scheduled to discuss the purpose and scope of the audit. This meeting introduces you to what will occur and allows you the opportunity to share concerns you have. This meeting also allows the auditors to ask pertinent questions regarding the program's operations.

Fieldwork:

Internal Audit performs tests of transactions, analytical reviews and review of other applicable data. To become familiar with the program's operations and procedures, select employees will be interviewed. The duration of this phase will vary depending on the scope, objectives and availability and accessibility of information and personnel.

Draft Report:

Upon the completion of fieldwork, a draft report is prepared outlining audit findings, conclusions and recommendations for discussion with the program.

Closing Meeting:

A closing meeting with the program will be scheduled to discuss the draft report. This meeting provides an opportunity to resolve any questions or concerns about the audit results. If agreed upon any changes will be made to the draft report. A final draft report will be provided to the program and the program is expected to provide a management response to each of the findings.

Final Report:

The final report with management responses will be distributed to the program with copies to Executive Office, Tribal Council Chair, Audit Committee Chair and other appropriate personnel.

Follow Up:

Based on management responses, Internal Audit will conduct a follow up to determine if management is adhering to the corrective action plan.