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| Description | [Describe the nature and intended usage for the program here] |
| Revision Info | This program was last reviewed/updated on [Click to Insert Date here] |

| Step | Audit Procedure | Perf'd/ Approved By | Workpaper Reference |
|---|--|---------------------------|------------------------|
| BACKGROUND & PLANNING | | | |
| 1. | Obtain adequate background information on the audit area such as: <ul style="list-style-type: none"> • General ledger account listing • Audit reports from other audit and/or compliance groups • Productivity and performance measurement reports/stats • Financial reports/statements • Policies & Procedures • List of information technology applications utilized • List of laws and regulations | | |
| 2. | Review policies and procedures for completeness verifying they at a minimum address compliance with laws and regulations. | | |
| 3. | Examine productivity and performance measures for trends to assist in the developing audit scope. | | |
| 4. | Review financial reports/statements for unusual trends/fluctuations. | | |
| INFORMATION SYSTEMS | | | |
| The following represents general information systems testwork to be performed if warranted based on the risk posed by individual systems. | | | |
| 5. | Determine and list the primary information systems utilized within the operations. Consider performing the following testing based on the risk. | | |
| 6. | Review the process for granting and terminating user access. Perform detailed testing to determine if access is terminated timely. | | |
| 7. | On a sample basis, test specific user access to determine if access is commensurate with job functions. Additionally, determine if access promotes adequate segregation of duties. | | |

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| 8. | Perform testing where necessary to determine if system data is adequately backed up. | | |
| 9. | Determine the nature and extent of system interfaces. Review (perform testing of) interfaces to determine if data is accurate, complete and timely. Also consider whether there is a process to address interface errors. | | |
| 10. | <p>Determine the effectiveness of basic application controls. Consider the following:</p> <p>Does the system</p> <ul style="list-style-type: none"> • Promote the use of strong passwords • Contain an appropriate audit trail • Contain adequate input validation controls | | |
| PURCHASES | | | |
| 11. | <p>Review the purchasing process to determine if new capital assets are properly authorized and in line with the Capital Expenditure policy and procedures.</p> <p>Testing</p> <p>Review the capital assets purchasing policy. Sample capital assets acquired in the previous 12 months to ensure that the policy has been applied and the purchases have been appropriately authorized.</p> | | |
| RECORDING | | | |

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| 12. | <p>Determine if a fixed asset register is maintained and includes all capital purchases and disposals. Updates to the fixed asset register should be authorized. Fixed asset registers should be regularly reconciled to the Accounting records, including the General Ledger.</p> <p>Testing</p> <ul style="list-style-type: none"> a) 1. Obtain a copy of the Fixed Asset Register. b) 2. Review the register to ensure capitalized items are in line with policy. c) 3. Determine who can make amendments to the Fixed Asset Register and whether amendments are checked and authorized. d) 4. Verify whether the Fixed Asset Register is reconciled against the GL. Review the reconciliation. | | |
| EXISTENCE | | | |
| 13. | <p>Determine if fixed assets are physically verified on a regular basis and agreed to the fixed asset register.</p> <p>Testing</p> <p>Inquire when the fixed assets were last physically verified and reconciled to the Fixed Asset Register. Review supporting documentation.</p> | | |
| VALUATION | | | |
| 14. | <p>Determine if</p> <ul style="list-style-type: none"> • Revisions to valuations (eg due to obsolescence, revaluations and write-offs) are properly authorized. • Depreciation is calculated in accordance with policy. • Depreciation is recorded appropriately. <p>Testing</p> <ul style="list-style-type: none"> a) Determine whether any revaluations have been made. b) Obtain the depreciation policies. Review these for compliance with the policy. c) Review the Fixed Asset Register to ensure that depreciation has been correctly applied. | | |
| SECURITY | | | |

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| 15. | <p>Determine if fixed assets are safeguarded from waste, fraud, loss, unauthorized use and misappropriation by human action or natural occurrences (i.e. weather and natural disasters).</p> <p>Testing</p> <p>Inquire how fixed assets are protected from the above risks.</p> | | |
| BUSINESS CONTINUITY PLANNING | | | |
| 16. | <p>If necessary, obtain and review the department's business continuity plan. Determine if the plan identifies, at minimum:</p> <ul style="list-style-type: none"> • Critical Business Processes • Applications & Systems • Process Dependencies • Process Recovery Procedures • Recovery Site Information • Contact Lists Including <ul style="list-style-type: none"> ○ Employee Contact Information ○ Department Notifications ○ Vendor Notification ○ Other Emergency Contact Numbers (Local EMS, Fire, Police, Etc) | | |
| 17. | Determine if the plan is tested regularly. Obtain and review the most recent testing documentation. | | |
| WRAP UP | | | |
| 18. | Notate all issues on the issue log. | | |
| 19. | Submit workpapers for review. | | |
| 20. | Clear review notes. | | |
| 21. | Prepare draft report. | | |
| 22. | Prepare final report. | | |
| 23. | Return original client documentation. | | |

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Audit of Fixed Assets Audit Program

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| 24. | File workpapers (manual and/or electronic). | | |