

Lisa Watkins, Editor

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New Preventative Services

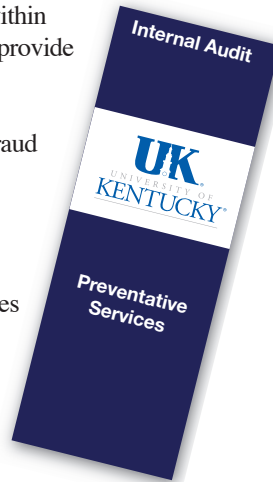
Internal Audit's core review focuses on the internal controls within each department. Internal controls are ongoing processes that provide reasonable assurance that your department will:

- Achieve its objectives
- Detect and/or prevent problems such as theft or fraud
- Report accurate financial information
- Comply with policies and procedures
- Avoid damage to its reputation

Previous audit work has identified recurring control weaknesses in *Procard, cash handling, departmental checking accounts and payroll processes*.

At your request, Internal Audit will review these internal controls for your department and make recommendations, if warranted. No formal audit report will be issued.

To request a preventative service, contact our office at 257-3126.



Quality Assurance Review

By Gretchen Wagner

The International Standards for the Professional Practice of Internal Auditing recommends that all Internal Audit departments hold a Quality Assessment Review every five years. During this process, the auditing department is itself audited to ensure conformity with certain performance requirements. UK's Internal Audit Department ("IA") engaged a consulting firm, Titus from April 11-20, 2007, to perform an extensive review of all aspects of the auditing department, including policies and procedures, audit processes, documentation, professionalism, and risk management.

This "Readiness Assessment" examined IA's accordance of the 31 IIA *Attribute Standards* and 67 IIA *Performance Standards*. Attribute Standards address the characteristics of organizations and individuals performing internal audit activities. IA met General Compliance in 23 areas and met Partial Compliance in 8 areas. *Performance Standards* describe the nature of internal audit activities and provide quality criteria against which the performance of these services can be measured. IA met General Compliance in 53 areas and met Partial Compliance in 14 areas. Many of the Partial Compliance findings from the "Readiness Assessment" are now in place. As IA prepares for the 2008 Quality Assessment Review, we strive to meet the highest standards to ensure conformity with the professional standards in order to provide the University with the best possible service.

Questions & Answers

How can I best work with Auditors at the University of Kentucky?

Each audit engagement has a defined scope and objectives. Any auditor requesting information from you should be able to explain the audit's purpose and objectives so you can understand the reasons for questions being asked and provide accurate answers.

When you understand the audit's purpose, you can assist by either providing relevant information or, if you are not the best source of the requested information, directing the auditor to the right person or office.

If you have questions or concerns about information being requested, it is appropriate to discuss those concerns with the auditor, or the Director of Internal Audit.