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Course Information

Course Title: *Internal Auditing Guidebook* #373624

Number of continuing education credit hours recommended for this course:

CPA: 10 (All states)

In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.

National Registry of CPE Sponsors ID Number: 107615.

Sponsor numbers for states requiring sponsor registration

Florida Division of Certified Public Accountancy: 0004761 (Ethics #0011467)

Hawaii Board of Accountancy: 14003

New York State Board of Accountancy: 002146

Ohio State Board of Accountancy: CPE .51PSR

Pennsylvania Board of Accountancy: PX178025

Texas State Board of Accountancy: 009349

Course Description

A successful internal audit program is an essential tool for determining how well an organization's processes and controls are functioning. It can identify high-risk areas and determine how well existing controls are mitigating risks. In the *Internal Auditing Guidebook*, we cover all aspects of the internal auditing function, including governance, risk management, internal controls, fraud prevention and detection, audit evidence, audit sampling, data analytics, how to conduct engagements, and much more. This course is designed to assist in the development of a fine-tuned internal audit department that can help to minimize risks and provide valuable consulting advice to every area of a business.

Course Content

Publication/Revision date: 7/29/2023.

Author: Steven M. Bragg, CPA.

Final exam (online): Fifty questions (multiple-choice).

Program Delivery Method: NASBA QAS Self-Study (interactive)

Subject Codes/Field of Study

NASBA (CPA): Auditing

Course Level, Prerequisites, and Advance Preparation Requirements

Program level: Overview

Prerequisites: None

Advance Preparation: None

Instructions for Taking This Course

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- You must complete this course within one year of purchase (If the course is "Expired," contact us and we will add the latest edition of the course to your account (no charge).
- **To retain the course-PDF after completion (for future reference) and to enable enhanced navigation:** From "My Account," Download and save the course-PDF to your computer. This will enable the search function (Menu: Edit>Find) and bookmarks (icon on left side of document window).
- Complete the course by following the learning objectives listed for the course, studying the text, and, if included, studying the review questions at the end of each major section (or at the end of the course).
- Once you have completed studying the course and you are confident that the learning objectives have been met, answer the final exam questions (online).

Instructions for Taking the Online Exam

- Log in to your secure account at www.bhfe.com. Go to "My Account."
- A passing grade of at least **70%** is required on the exam for this course.
- You will have three attempts to pass the exam (call or email us after three unsuccessful attempts for instructions).
- The exam is not timed, and it does not need to be completed in one session.
- For a printed copy of the exam questions, open the exam and press "Print Exam."
- Once you pass the exam, the results (correct/incorrect answers) and certificate of completion appear in "My Account." A confirmation email is also sent.
- CFP Board and IRS credit hours, if applicable, are reported on Tuesdays and at the end of the month.

Have a question? Call us at 800-588-7039 or email us at contact@bhfe.com.

Learning Assignment & Objectives

- Recognize the responsibilities and reporting relationships of the internal audit staff.
- Identify the components of the Institute of Internal Auditors' code of ethics and practice standards.
- Specify the components of the three lines of defense model.
- Identify the situations under which a business should and should not retain risk.
- Specify the characteristics of an enterprise risk management system.
- Recognize the members and responsibilities of the risk management committee.
- Recognize the information contained within a risk profile.
- Identify the characteristics of a "perfect storm" event.
- Identify the reasons why a firm's systems should be documented.
- Specify the different types of flowcharts and how they are used.
- Describe the circumstances under which weak controls may be acceptable.
- Recognize the methods used to quantify risk.
- Specify the characteristics of the different types of controls.
- Recognize the different types of control deficiencies.
- Identify the ranking criteria for IT audits.
- Identify the audit tests used to examine IT controls.
- Specify the reason for weaknesses in database security.
- Specify the reports associated with the controls of an IT vendor.
- Identify the various opportunities to commit fraud.
- Recognize the rationalizations for committing fraud.
- Specify the types of fraud encountered by a business.
- Specify the methods used to reduce the perceived pressure on employees.
- Recognize response options when an employee has committed fraud.
- Cite the indicators of fraud.
- Identify the various fraud investigation techniques.
- Specify the metrics that may be used to measure the internal audit department.
- Recognize the sources of audit evidence.
- Describe the relevance and reliability concepts.
- Identify the normal contents of audit working papers.
- Specify the characteristics of the different types of sampling.
- Recognize the issues associated with sampling units.
- Identify the conditions under which sampling variances are acceptable.
- Identify the characteristics of high-validity data.
- Specify the characteristics of the different types of deficiencies.

About the Author

Steven Bragg, CPA, has been the chief financial officer or controller of four companies, as well as a consulting manager at Ernst & Young. He received a master's degree in finance from Bentley College, an MBA from Babson College, and a Bachelor's degree in Economics from the University of Maine. He has been a two-time president of the Colorado Mountain Club, and is an avid alpine skier, mountain biker, and certified master diver. Mr. Bragg resides in Centennial, Colorado. He has written more than 250 books and courses, including *New Controller Guidebook*, *GAAP Guidebook*, and *Payroll Management*.

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