

AUDIT SOFTWARE: A REVIEW OF AUDIT PROGRAMS FOR YOUR PRACTICE AND YOUR CLIENT OPERATIONS

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AGENDA

- Introduction & Overview
- Types of Audit Software
- Evaluating Software
- Recent IIA Survey
- Questions and Answers
- Conclusion

INTRODUCTION AND OVERVIEW



JOEL'S PARADIGM

- Over 20 years of IT risk management experience
- Practicing CPA with prior experience as a Big 5 Partner and an Internal Audit Vice President
- Graduate school adjunct faculty member
- CISA, CISSP, CFE, CITP
- Publications
- Member, NYSSCPA Technology Assurance Committee



BENEFITS OF USING AUDIT SOFTWARE

- Enhanced data analysis
- Increased coverage
- Better use of resources
- Improved results
- Reduced costs
- More time for thinking (e.g. value add)

PERCEIVED CHALLENGES TO ACHIEVING THE BENEFITS

- Too costly to purchase and maintain
- Too technical and complex
- Only for use by IT Auditors or Programmers
- Hands-on approach to auditing
- Client systems and data compromised

WHAT'S THE REAL CHALLENGE ?

GETTING TO THE DATA

TODAY'S OBJECTIVE



TYPES OF AUDIT SOFTWARE



GENERAL

- Word Processing
- Text Search and Retrieval
- Spreadsheets
- Presentation Software
- Flowcharting Software
- Utilities

SAMPLE PRODUCTS

- Excel
- Access
- Visio
- Powerpoint
- Crystal Reports
- Monarch
- SQL

SPECIALIZED AUDIT APPLICATIONS

- Data Access, Analysis, Testing & Reporting
- Standardized Extractions and Reports
- Electronic Questionnaires and Audit Programs
- Control Self Assessment
- Parallel Simulation
- Data Warehouse
- Data Mining

SAMPLE PRODUCTS

- ACL
- IDEA
- Magnum
- CSA Pro
- Audit Leverage
- AppScan

AUDIT MANAGEMENT AND ADMINISTRATION

- Audit Risk Assessment
- Electronic Document Management
- Audit Scheduling, Time Reporting & Billing
- Project Management
- Audit early warning Systems

SAMPLE PRODUCTS

- AutoAudit
- ADM Plus
- Pentana
- TeamMate

NETWORK TESTING TOOLS

- File Integrity Checkers
- Network Sniffers
- Password Crackers
- Privilege Escalation and Back Door Tools
- Scanning and Enumeration Tools
- Vulnerability Scanning Tools
- War Dialing Tools

SAMPLE PRODUCTS

- Tripwire
- Snort
- John the Ripper
- Getadmin
- NMap
- ISS
- Nessus
- Telesweep

EVALUATING SOFTWARE



GENERAL CAPABILITIES

- Does the software meet a specific identified requirement?
- Is the software compatible with current hardware, systems and data?
- What is the quality of documentation and other user support features?
- What is the total cost of ownership?

REPORTING AND GRAPHICS CAPABILITIES

- Does the software support user-defined reporting capabilities?
- Can report definitions be modified and saved?
- Can ad hoc be easily created?
- Does the software support a variety of presentation styles?

FILE MANIPULATION AND TYPE CAPABILITIES

- Can you sort on more than one key field?
- Does the software support filtering?
- Can you extract records to create a new file?
- Can you work with more than one file (e.g., merge)?
- Can the software read variable length records?

VENDOR SUPPORT

- Are technical staff available and cost-effective?
- Does the vendor provide training and consulting services?
- Are regular software updates distributed?
- Does a solid company stand behind the software?

RECENT IIA SURVEY



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2002 AUDIT SOFTWARE USAGE SURVEY

- IIA annual poll
- Published in the August 2002 edition of “Internal Auditor”
- 2706 internal auditors surveyed of which 610 responded
- Results need to be considered in light of the fact that sample sizes varied across products.

DATA EXTRACTION

■ PRODUCTS USED

- ACL 24%
- OTHER 24%
- EXCEL 14%
- ACCESS 9%
- IDEA 9%
- AS/400 QUERY 7%

■ OVERALL SATISFACTION

- IDEA 4.5
- ACL 4.0
- ACCESS 3.5
- EXCEL 3.0

DATA ANALYSIS

■ PRODUCTS USED

- EXCEL 43%
- ACL 24%
- IDEA 10%
- ACCESS 10%
- OTHER 7%
- AS/400 QUERY 2%

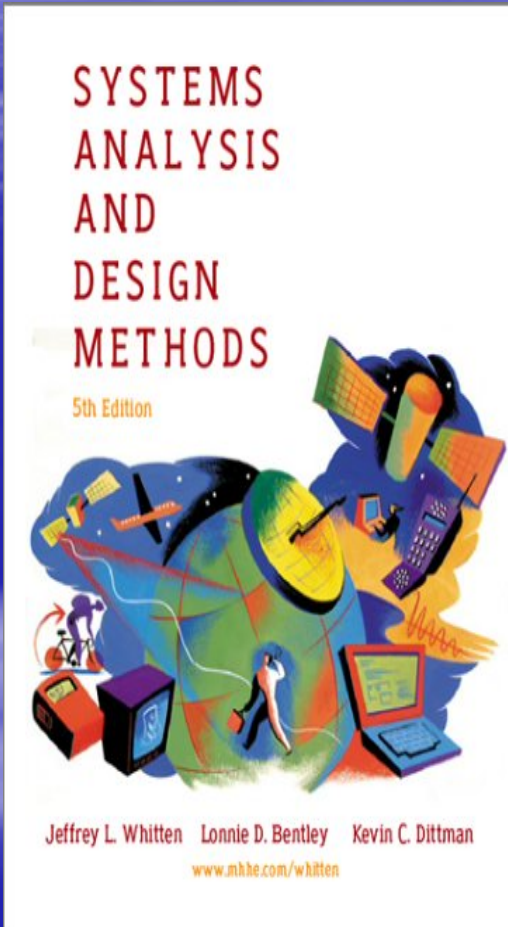
■ OVERALL SATISFACTION

- IDEA 4.4
- ACL 4.1
- ACCESS 3.4
- EXCEL 3.3

OTHER SURVEYED AREAS

- Fraud Detection/Prevention
- E-Commerce Control
- Network Security Assessment
- Automated Workpapers
- Continuous Monitoring
- Audit Management/Risk Analysis
- CSA Software

WHERE'S THE RISK?



IN CASE YOU'RE IN A RUSH TO LEAVE AND HAVE A QUESTION

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