



OFFICE OF INSPECTOR GENERAL

Catalyst for Improving the Environment

Review Report

Review of the School of Audit and Inspections Course: Introductory Auditor Training

Report No. 2006-P-00030

August 18, 2006



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

August 18, 2006

OFFICE OF
INSPECTOR GENERAL

MEMORANDUM

SUBJECT: Final Report of SAICRB Review of IG Institute: School of Audit and Inspection Course (SAI): Introductory Auditor Training
Report Number 2006-P-00030

FROM: *for* Melissa Heist *John T. Walsh*
Assistant Inspector General for Audit

TO: Danny L. Athanasaw, Director
IG Institute School of Audit and Inspections

This memorandum transmits the SAI Curriculum Review Board's (SAICRB) final report on this subject. We have considered the comments on the draft report and have included SAI's response on page 11 of this report.

SAI agreed with the majority of the recommendations, but disagreed with our recommendation to use an actual audit report and working papers. Given the variability in operations among the Offices of Inspector General, SAI prefers to use generic materials as teaching aids. SAI also disagreed with other recommendations to expand the discussion of certain topics. SAI maintains that such matters are better suited for discussion in its Intermediate Auditing course.

We accept SAI's comments and will be sharing recommendations 6c through 6g and 6i with the SAICRB subgroup reviewing the Intermediate Auditing course for their consideration.

I appreciate the cooperation and courtesy extended to the review team. Should you have any questions concerning this report, please contact John T. Walsh on 202-566-0822 or Anita Mooney on 202-566-2566.

Introductory Auditor Training

COURSE TITLE

Introductory Auditor Training

SCHOOL OF AUDIT AND INSPECTIONS CURRICULUM REVIEW BOARD (SAICRB) REVIEW COMPLETED

In June 2006, Inspector General staff from the Environmental Protection Agency, Social Security Administration, and the Department of Defense completed a review of the School of Audit and Inspections (SAI) Introductory Auditor Training course.

BACKGROUND

The objective of this review was to determine whether the SAI (formerly the Inspectors General Auditor Training Institute (IGATI)) course, Introductory Auditor Training, is useful to Federal auditors.

According to the overview provided in the *FY 2006 IGATI Course Catalog*:

“This course introduces you to the basic concepts you will need as an entry-level auditor to perform effective audits within the Federal audit community. The course gives you a chronological overview of the entire audit process by introducing a variety of subjects and activities that occur during various audit phases. The course stresses a team concept in performing audits based upon Government Auditing Standards (Yellow Book). Students will participate in team activities and exercises, lectures, role-playing, videotaping, class discussions and individual exercises. The 2-week session culminates with your ‘team’ performing a simulated audit and presenting your findings at a videotaped exit conference. This 2-day simulation makes practical use of the skills and lessons learned throughout the course.”

“Upon completion of the course, a participant will be able to:

- Understand the importance of internal controls,
- Understand the purpose and major steps of conducting interviews,
- Apply Government Auditing Standards in performing audits,
- Understand the concept of audit planning and auditing-by-objective,
- Identify different types of evidence and understand importance of assessing data reliability,
- Prepare audit documentation that meet applicable auditing standards,
- Develop audit findings using condition, cause, criteria, effect, and recommendations,
- Understand the different audit phases and related activities, and
- Understand the importance of ethical behavior and professional conduct.”

According to the *FY 2006 IGATI Course Catalog*, this course is recommended for GS-5 through GS-9 auditors with less than 6 months experience in a Federal audit organization. However,

other newly hired employees needing a detailed knowledge of the audit process also may benefit from this course. The course level is listed as basic. Each participant earns 78 Continuing Professional Education credits by attending 10 days of class training, and the tuition is \$1,650.00 per student.

SAI held 20 *Introductory Auditor Training* classes from October 2003 to November 2005.

SAICRB COURSE ASSESSMENT

COURSE MATERIALS

We reviewed the Instructor's Presentation Manual and the Training Binder materials to gain an understanding of the course content and determine whether the course materials were current, relevant to the course objectives, substantive, complete to address the objectives, and useful as a reference resource "back at the office." We concluded that the materials discussed topics essential to enhancing the skills of entry-level auditors. The materials were current, relevant to the course objectives, and substantive. The exercises and activities were relevant and reinforced materials covered in the modules. The handouts were relevant and useful as reference resources. At the end of this report, we offer recommendations for additions to the course content that we believe will provide for a greater learning experience.

INSTRUCTION

To evaluate the instruction for this course, we reviewed student evaluations, interviewed former class participants and their current supervisors, and observed the course. Details are provided below.

Student Evaluations

To gain an understanding of prior students' reactions immediately upon completing the course, we obtained and reviewed the student evaluations for the classes held from October 2003 to December 2005. The evaluations document student assessments of course materials and instructors, using twelve standard ranking questions and four open-ended questions. We recomputed composite scores, analyzed for trends, and reviewed narrative responses to the four open-ended questions.

In recomputing the composite scores for the 40 evaluation packets, we found 14 composite scores that did not agree with the scores calculated by SAI. The differences were negligible and usually involved the assigning of scores, by SAI, to blank evaluations. Five evaluation packets we reviewed contained student evaluations that were left blank. SAI counted the blank evaluation questions as if students had responded to the questions with "Strongly Agree" or "Agree."

Overall, the students gave the course high marks. Composite scores we computed, factoring out the blank evaluations, ranged from 4.36 to 4.82 on a scale of 1 (strongly disagree (negative)) to 5 (strongly agree (positive)). We did not identify any trends in the composite scores. Both the highest and the lowest composite scores occurred in 2004. Of the highest 10 composite scores, 1

occurred in 2003, 6 in 2004, and 5 in 2005. Of the lowest 10 composite scores, 2 occurred in 2003, 7 in 2004, and 5 in 2005. Appendix A shows average composite scores.

Student narrative comments indicated that the course materials were well organized but dry. The students enjoyed the exercises and group activities, and found the Audit Connection exercise (a simulated audit exercise) to be very beneficial, even though some felt that not enough instruction was provided or enough time allotted to complete the exercise. Students found the videotaping and critiques of interviews to be beneficial. Students indicated that too many slides were used during instruction and found it hard to pay attention when the slides were just read to them without elaborating on the material. Students wanted more in-depth lectures, more activities, more real world examples, and more opportunities for interaction with the instructors. Many students indicated they could not hear one of the instructors and suggested this instructor use a microphone.

Interviews of Former Class Participants and Current Supervisors

We interviewed five former students and their current supervisors to determine: (1) if expectations were met, (2) class strengths and weaknesses, (3) suggestions for improvements, and (4) usefulness of the course material and the ability to use learned skills in the workplace. The former students, employed by different Federal agencies, were selected from classes held in February 2006, December 2005, October 2005, August 2005, and June 2005. The interviews were conducted via telephone. A standard set of seven questions was asked of each student and eight questions of each supervisor (see Appendices B and C).

The expectations of the four students who expected to gain knowledge of the audit process were met. The expectations of the one student who expected to learn more ideas and tools to become a more effective auditor were not met. Students indicated the course's strong points were the segments about evidence and audit documentation, mock interviewing, and group work. Two students indicated the course had no weak points. Of the other three students, one felt the course could be reduced to one week, one felt the material was presented too quickly, and the other felt class was rushed and needed an additional week. Two students provided recommendations for improvement; one would change the order of the information presented and break up some sections to allow for better absorption of the material, and one would extend the course to cover the material better. Four of the five students told us they had applied some of the knowledge and skills gained from the course on the job. The student who had not applied knowledge and skills from the course told us most of his knowledge and skills were obtained from job training onsite. Four of the five students interviewed liked the course. Three liked it because it gave them knowledge of the audit process and one liked it because of the group interaction. One student did not like the course because it did not help with his skills and was not effective in making him a better auditor.

We interviewed the supervisors of the five former students. The supervisors sent the employees to the course to get an understanding of auditing. Three supervisors stated the employee acquired expected skills and knowledge. One supervisor stated he did not have a way to assess the employee's skills before and after the course. One supervisor stated that there had not been sufficient time to know whether expected skills and knowledge were acquired, but the course was beneficial. Four supervisors stated that their employees gave positive feedback on the class,

and these supervisors did not have any suggestions to improve the course. One supervisor stated that some of the class was applicable to his employee, but a lot was not, since his office focuses on financial auditing. This supervisor would like to see more emphasis on financial auditing. All five supervisors were complimentary of their employees, indicating that the skills and knowledge obtained from the course had been applied on the job. All five supervisors felt the course was a benefit to their staff member's professional development, and would continue to send employees to this course as needed.

Course Observations

Two observers attended the May 8-19, 2006, class to gain an understanding of the course curriculum and effectiveness of the course instruction. The observers found the instructors to be very good. The instructors were organized and prepared. They demonstrated knowledge of the subject and communicated the subject matter effectively. For the most part, instructors displayed enthusiasm for the topics and did their best to arouse interest in the topic. The instructors encouraged course participation and interaction through class exercises, activities, sharing real world examples, and posing questions. The instructors were considerate of, and responsive to, participant needs and used class time effectively. We noted that one instructor had a quiet voice that some participants found difficult to hear. The use of a microphone by this instructor would be beneficial.

We obtained and reviewed the student evaluations for the May 2006 class. The student evaluations agreed with our observer evaluations. Overall, students gave the course high marks. The composite score for the first week was 4.66, and 4.85 for the second week. The student narrative comments for the first week of the course indicated students found the course material good and useful. The students enjoyed the exercises and group activities, and found the interviewing module and the instructor's real life experiences to be beneficial. Several students indicated they could not hear one of the instructors. The student narrative comments for the second week indicated students enjoyed the exercises and group activities and found the Audit Connection exercise to be very beneficial. A few students commented on the need for better acoustics.

CONCLUSIONS, RECOMMENDATIONS, and SAI RESPONSE

The *Introductory Auditor Training* course is providing training that is useful to the Federal audit community. To increase effectiveness, we recommend SAI:

1. Continue to offer the current Introductory Auditor Training course as a basic course.

SAI Response: Agree

SAI agrees that the Introductory Auditor Training course is valuable to the Office of Inspector General (OIG) community.

2. Include only evaluations completed by students when computing course composite scores.

SAI Response: Agree

SAI agrees that only completed evaluations will be used in computing course composite scores.

3. Avoid reading slides to students without elaborating on the material.

SAI Response: Agree

SAI will advise each instructor that they should avoid reading slides without further clarification and detail on the topic under discussion.

4. Have microphones available for instructors.

SAI Response: Agree

SAI is aware of the speaking situation of one instructor and has purchased a sound system. Beginning in October 2006, this instructor will no longer be part of the school.

5. Use official agency audit report and related work papers to demonstrate the audit steps required to create the final product. Note: As each audit step is discussed during the class, the instructor could show these actual references. For example, Government Auditing Standards require an auditor to gather background information during the planning phase. Providing an example of a work paper that shows the gathering of background information, and where this information appears in the audit report, would be beneficial for students.

SAI Response: Disagree

SAI always tries to avoid using material (reports, audit guides, and work papers) from any one OIG because they do not want to give students the impression that the particular OIG material represents the only correct way of doing things.

6. Revise instructor guides and participant handouts to include a discussion of the following:

- a) Collaboration between the Office of Audit and the Inspector General's Office of Counsel, given the legal issues that may be encountered during an audit.

SAI Response: Disagree

SAI believes that during the 2-week course, the need of expert advice, including legal advice is brought into discussion in many areas. SAI added that actual communication with legal counsel is usually done by senior auditors, not new auditors.

- b) Preliminary discussions with the auditee (staffing of results) prior to issuing findings to maintain relations with the auditee and develop recommendations.

SAI Response: Agree

SAI is currently encouraging auditors to meet with the auditee prior to issuing the draft report.

- c) Development of findings and recommendations. The material provides the elements of a finding but does not elaborate on how to develop findings that lead to recommendations.

SAI Response: Disagree

SAI stated they spend a considerable amount of time discussing the elements of a finding and believe the information provided to the students provides them with the understanding to go back to their assignment ready to prepare report findings using what they learned in the course as a guide. Developing audit findings is discussed in SAI's Intermediate Auditing course.

- d) Performing follow-up audits, which require special consideration of previous findings and methodologies.

SAI Response: Agree

SAI stated they currently discuss the need to review prior audits in planning the audit. SAI believes that follow-up reviews are not typically assigned to entry-level auditors and suggests that follow-up audits be discussed in the Intermediate Auditor course.

- e) Information on conducting surveys and using data collection instruments (such as structured questionnaires, mailings, etc.).

SAI Response: Agree in Principle

SAI does not believe it is appropriate to get into details of how to develop good questionnaires or other data collection instruments, and suggests that it would be better to discuss data collection methods in the Intermediate Auditor course.

- f) Elaboration on types of risk (inherent risk, control risk, and detection risk), especially the distinctions between them and special considerations given for each type.

SAI Response: Disagree

SAI stated these topics are discussed in detail in their Intermediate Auditor course.

- g) Questioned Costs or Funds Put To Better Use because a discussion of Section 106(d) of the Inspector General Act (Definitions) will assist students in determining what costs can be claimed as savings to the Government.

SAI Response: Disagree

SAI stated these areas are discussed in detail in their Intermediate Auditor course.

- h) The Inspector General's mission and reporting requirements to Congress as a possible introduction of the course, and discussions of semiannual reporting and the overall charge given to Inspectors General. Addressing these issues will provide students with a broader picture of the Inspector General community and

our goals/missions. In addition, a brief history of important milestones/findings in the Inspector General community may be appropriate.

SAI Response: Agree

SAI stated that while discussing the history of the Inspector General and the various reports generated by the OIG, they could include additional comments on the Inspector General Act.

- i) The process of independent referencing, to include responsibilities and resolution of concerns.

SAI Response: Agree in principle

SAI indicated they removed the module on independent referencing from the Introductory Auditor course in response to a 2003 recommendation made by a group reviewing the course. SAI noted the school provides a course on peer reviews.

- 7. Include copies of actual start notices, entrance and exit conference notifications, etc., in the class materials.

SAI Response: Agree

SAI will obtain copies and use as examples start notices, entrance and exit conference notifications, and any other type of documentation deemed appropriate to show the audit process.

- 8. Modify the Government Auditing Standards materials to include references back to the actual sections in the Yellow Book.

SAI Response: Agree

SAI will modify the module on the Government Auditing Standards to include references to the actual sections in the manual.

SAICRB COMMENTS

SAI agreed with the majority of the recommendations, but disagreed with our recommendation to use an actual audit report and working papers. Given the variability in operations among the Offices of Inspector General, SAI prefers to use generic materials as teaching aids. SAI also disagreed with other recommendations to expand the discussion of certain topics. SAI maintains that such matters are better suited for discussion in its Intermediate Auditing course.

We accept SAI's comments and will be sharing recommendations 6c through 6g and 6i with the SAICRB subgroup reviewing the Intermediate Auditing course for their consideration.

Appendix A

Average Composite Scores

Dates of Class	Week	Organized and prepared	Knowledgeable	Effectively communicated	Aroused interest/enthusiasm	Encouraged participation/interaction	Considerate/Responsive	Used class time effectively	Achieved Objectives	Content Organized	Course materials relevant and useful	Course will improve current or future job performance	Course was valuable experience	Total Composite Score
October 20-24, 2003	1	4.79	4.74	4.28	4.21	4.37	4.53	4.32	4.42	4.42	4.21	4.26	4.26	4.40
October 27-31, 2003	2	4.67	4.67	4.38	4.33	4.55	4.62	4.33	4.38	4.52	4.24	4.38	4.29	4.45
December 9-12, 2003	1	4.61	4.74	4.47	4.50	4.70	4.68	4.65	4.59	4.66	4.72	4.63	4.53	4.62
December 15-19, 2003	2	4.74	4.85	4.59	4.50	4.76	4.68	4.53	4.68	4.74	4.59	4.71	4.68	4.67
Jan 26-30, 2004	1	4.76	4.68	4.60	4.48	4.56	4.60	4.20	4.48	4.52	4.36	4.44	4.40	4.51
February 2-6, 2004	2	4.58	4.50	4.46	4.50	4.38	4.62	4.16	4.50	4.50	4.46	4.38	4.46	4.46
March 8-12, 2004	1	4.94	4.94	4.67	4.63	4.88	4.81	4.81	4.69	4.88	4.75	4.81	4.94	4.81
March 15-19, 2004	2	4.88	5.00	4.82	4.71	4.65	4.82	4.76	4.82	4.94	4.82	4.76	4.82	4.82
April 12-19, 2004	1	4.78	4.83	4.78	4.44	4.72	4.78	4.78	4.78	4.72	4.67	4.83	4.94	4.75
April 19-23, 2004	2	4.80	4.80	4.60	4.60	4.67	4.73	4.80	4.60	4.67	4.67	4.73	4.80	4.71
June 7-11, 2004	1	4.81	4.85	4.78	4.44	4.74	4.85	4.89	4.67	4.70	4.63	4.78	4.74	4.74
June 14-18, 2004	2	4.71	4.75	4.57	4.57	4.50	4.82	4.68	4.71	4.75	4.68	4.71	4.71	4.68
July 12-16, 2004	1	4.73	4.87	4.57	4.47	4.60	4.80	4.63	4.47	4.60	4.50	4.53	4.53	4.61
July 19-23, 2004	2	4.73	4.80	4.69	4.40	4.73	4.87	4.57	4.53	4.60	4.57	4.60	4.53	4.64
Aug 9-13, 2004	1	4.84	4.84	4.48	4.42	4.65	4.65	4.48	4.55	4.65	4.61	4.55	4.48	4.60
Aug 16-20, 2004	2	4.70	4.67	4.58	4.39	4.55	4.61	4.18	4.48	4.52	4.33	4.48	4.42	4.49
Sep 13-17, 2004	1	4.83	4.77	4.63	4.51	4.69	4.62	4.31	4.60	4.60	4.57	4.51	4.40	4.59
Sep 20-24, 2004	2	4.60	4.71	4.63	4.29	4.49	4.54	3.94	4.43	4.54	4.51	4.37	4.43	4.46
Nov 29-Dec 3, 2004	1	4.86	4.77	4.50	4.23	4.32	4.55	4.59	4.55	4.77	4.55	4.45	4.41	4.55
Dec 6-10, 2004	2	4.63	4.71	4.25	4.21	4.33	4.50	4.38	4.39	4.50	4.26	4.42	4.38	4.41
Dec 6-10, 2004	1	4.59	4.62	4.17	4.07	4.34	4.38	4.14	4.38	4.38	4.41	4.48	4.41	4.36
Dec 13-17, 2004	2	4.47	4.63	4.43	4.33	4.53	4.57	4.10	4.43	4.43	4.30	4.30	4.30	4.40
Feb 7-11, 2005	1	4.76	4.85	4.68	4.56	4.68	4.65	4.62	4.53	4.65	4.53	4.44	4.59	4.63
Feb 14-18, 2005	2	4.68	4.68	4.53	4.44	4.62	4.62	4.56	4.44	4.53	4.48	4.56	4.50	4.55
March 28 - April 1, 2005	1	4.77	4.77	4.30	4.23	4.52	4.61	4.45	4.45	4.61	4.48	4.48	4.52	4.52
April 4-8, 2005	2	4.67	4.70	4.45	4.42	4.48	4.52	4.55	4.55	4.61	4.48	4.61	4.61	4.55
May 9-13, 2005	1	4.70	4.73	4.58	4.45	4.76	4.70	4.70	4.67	4.67	4.67	4.61	4.61	4.65
May 16-20, 2005	2	4.57	4.60	4.49	4.29	4.40	4.43	4.34	4.40	4.54	4.43	4.49	4.46	4.45
June 13-17, 2005	1	4.62	4.76	4.62	4.34	4.59	4.66	4.45	4.45	4.55	4.34	4.41	4.59	4.53
June 20-24, 2005	2	4.47	4.52	4.43	4.43	4.47	4.53	4.27	4.40	4.40	4.33	4.37	4.47	4.42
Aug 15-19, 2005	1	4.75	4.88	4.50	4.34	4.66	4.81	4.66	4.59	4.69	4.66	4.72	4.72	4.67
Aug 21-26, 2005	2	4.71	4.74	4.58	4.44	4.62	4.71	4.65	4.59	4.53	4.56	4.74	4.71	4.63
Sept 12-16, 2005	1	4.71	4.77	4.47	4.40	4.55	4.71	4.50	4.58	4.61	4.52	4.50	4.50	4.57
Sept 19-23, 2005	2	4.59	4.65	4.49	4.27	4.51	4.57	4.54	4.54	4.59	4.59	4.59	4.62	4.55
Oct 17-21, 2005	1	4.59	4.62	4.35	4.26	4.47	4.44	4.55	4.53	4.53	4.44	4.24	4.38	4.45
Oct 24-28, 2005	2	4.66	4.63	4.49	4.31	4.31	4.40	4.38	4.57	4.57	4.31	4.26	4.23	4.43
Oct 31 - Nov 4, 2005	1	4.86	5.00	4.61	4.61	4.86	4.79	4.68	4.68	4.68	4.43	4.50	4.54	4.69
Nov 7-11, 2005	2	4.83	4.87	4.73	4.60	4.70	4.77	4.83	4.77	4.83	4.60	4.60	4.70	4.74
Dec 5-9, 2005	1	4.85	4.88	4.53	4.09	4.44	4.79	4.56	4.65	4.73	4.71	4.65	4.59	4.62
Dec 12-16, 2005	2	4.85	4.82	4.65	4.53	4.71	4.82	4.68	4.79	4.82	4.74	4.71	4.68	4.73

Former Student Interview Questions

Course Title: Introductory Auditor Training

Former Student Participant:

Name	Agency	Location	Class Attended (Month/Year)

SAICRB Subgroup Participants:

Name	Agency

Date of Interview Meeting:

Explain the purpose of the SAICRB and the interview. Thank the former students for their participation.

1.	Did you like the course? Why or why not?
2.	What did you expect to get out of the course?
3.	Were your expectations met?
4.	What do you consider to be the course's strong points?
5.	What do you consider to be the course's weak points?
6.	How have you applied the skills and knowledge gained from the course on the job?
7.	If you could change two or three things with the course, what would they be?

Supervisor Interview Questions

Course Title: Introductory Auditor Training

Supervisor Participant:

Name	Agency	Student Name	Class Attended (Month/Year)

SAICRB Subgroup Participants:

Name	Agency

Date of Interview Meeting:

Explain the purpose of the SAICRB and this interview. Thank the supervisors for their participation.

1.	What was your objective for sending our staff member to the course?
2.	What new skills and knowledge did you expect the staff member to acquire from the training?
3.	Did staff member acquire expected skills and knowledge or meet you other objectives?
4.	How has your staff member applied the new skills and knowledge on the job?
5.	What feedback did the staff member provide you on the strengths and weaknesses of the course?
6.	Overall, do you feel the course was of benefit to your staff member's professional development and the needs of your agency? Why?
7.	Do you plan to send other staff to this course? If not, why?
8.	Do you have any suggestions on ways IGATI could improve the course content and delivery?

School of Audit and Inspections Audits



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July 27, 2006

MEMORANDUM FOR: John T. Walsh
 Deputy Inspector General for Audit
 Environmental Protection Agency
 Office of Inspector General

FROM: Danny L. Athanasaw
 Director,
 School of Audit and Inspections (SAI)

SUBJECT: SAI Response to Draft Report of ICRB Review of Course:
 Introductory Auditor Training

Thank you for the opportunity to review and respond to the draft report of SAI's Course: Introductory Auditor Training.

SAI is presently in a transition year and will formally consolidate in Fiscal Year (FY) 2007 with the Criminal Investigative Academy and the Management Institute. Additionally, there is a new Board of Governors that will provide policy direction to the new consolidated Inspector General Institute. The Board of Governors will have final approval on the FY 2007 course offerings. It is also anticipated that all courses starting in FY 2007 will be contracted out. As a result, there is an opportunity to re-evaluate all course materials and make any necessary changes for this course. The SAI will work with George Mason University to ensure that the course materials are updated to incorporate new concepts and processes as recommended in this report.

SAI's response to each recommendation follows:

Recommendation 1: Agree

SAI agrees that the Introductory Auditor Training course is valuable to the OIG community. Since being developed in 1992, this course has been evaluated several times. With each revision the course has become stronger.

Recommendation 2: Agree

SAI agrees that only completed evaluations are used in computing course composite scores.

Recommendation 3: Agree

SAI will discuss with each instructor that they should avoid reading slides without further clarification and detail on the topic under discussion.

Recommendation 4: Agree

SAI is aware of the speaking situation of one instructor. In trying to alleviate this problem the school did purchase a sound system. However, the instructor preferred not to use it after several uses. Beginning October 1, 2006 this instructor will no longer be part of the school.

Recommendation 5: Disagree

On the surface this may sound appropriate and well meaning, however, we have always tried to avoid using materials (reports, audit guides, and workpapers) from any one OIG because we do not want to give the impression to the students (who are from many different OIGs) that this particular OIG material represents the only correct way of doing things. This cause students to disregard the concepts we are trying to instill, especially in light that OIGs all do things differently because of the general guidance in the Government Auditing Standards.

The Introductory auditor class is just that, introducing the student to the world of government auditing. The concepts are provided along with a number of examples through discussions and exercises. This course provides a lot of information to the student to grasp.

Recommendation 6: Generally agree with exceptions and comments.

- 6a:** Disagree. We discuss the need of auditors requiring expert advice regarding legal issues. This is emphasized in the competency standards discussion. In our opinion, during the 2 week course, the need of expert advice, including legal advice is brought into discussion in many areas. Also, any actual communication with legal counsel is usually done by senior auditors, not new auditors.
- 6b:** Agree. We believe we are currently encouraging auditors to meet with the auditee prior to the draft report going out. This is emphasized in our case study.
- 6c:** Disagree: Development of findings is discussed in our Intermediate Auditing class. In the Introductory auditor class we do spend a considerable amount of time discussing the elements of a finding. Also, we provide opportunities for the students to prepare the elements. While findings are important, we believe that the information provided to the students provides them with the understanding to go back to their assignments ready to prepare report findings using what they learned in this course as a guide.

- 6d:** Agree. We believe that we are currently discussing the need to review prior audits in planning the current audit. Performing follow-up audits or reviews is not something beginning auditors are assigned to do. Probably discussion on follow-up audits is best brought into the Intermediate Auditor course.
- 6e:** Agree in Principle: We currently discuss the survey phase of the audit. We can include the various types of data collection methods as examples. In our opinion it is not appropriate to get into details of how to develop and write good questionnaires or other methods. Probably discussion on data collection methods is best brought into the Intermediate Auditor course.
- 6f:** Disagree. These areas are discussed in detail in our Intermediate Auditor course.
- 6g:** Disagree. These areas are discussed in detail in our Intermediate Auditor course.
- 6h:** Agree. While we do discuss the history of the IG and the various reports generated by the OIG to include the Semiannual Report, we could include additional comments on the IG Act.
- 6i:** Agree in principle. The Introductory Auditor course up until 2003 had a module on independent referencing. However, in 2003 the review group doing the review of the Introductory Auditor course recommended that this particular module be moved in light of new auditors not being involved in independent referencing. As a note, the school does provide a course on Peer Reviews.

Recommendation 7: Agree

SAI will obtain copies and use as examples start notices, entrance and exit conference notifications and any other type of documentation deemed appropriate to show the audit process.

Recommendation 8: Agree

SAI will modify the module on the Government Auditing Standards to include references to the actual sections in the manual.

Again thank you and your team members for the opportunity to comment on this report. I appreciate your time and energy involved in this review. I also believe your review will improve the delivery of this course.

If you have any questions, please contact me at (703) 248-4589.

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