

D6: DOMAIN V SUPPLEMENTAL PROGRAM – ENGAGEMENT WORKPAPER REVIEW

Purpose: The tool is used to document the results of a review of engagement workpapers, to support the conclusions on Conformance with the Standards and Achievement of the Principles in Domain V: Performing Internal Audit Services.

Note to the Assessor: Comment on assessment results of Domain V Supplemental Program and highlight best practices noted as well as areas of improvement

Entity Name: [enter entity name]

Date Prepared: [enter your date]

Prepared By: [enter your preparer]

Reviewed By: [enter your reviewer]

Instructions for Completion:

1. Obtain the population of relevant Internal Audit Function engagements, classify each as assurance or advisory, and determine the subtotals by type.
2. Determine whether any engagement subjects were covered by Topical Requirements in effect at the time the engagements were performed.
3. Select an appropriate sample of assurance and advisory engagements. It may be helpful to divide the engagements into two samples with separate test approaches. If there were assurance engagements in the population that were covered by Topical Requirements, those engagements should be included in the assurance sample.
4. Obtain and review the workpapers related to the sampled engagements to conclude on the conformance with requirements and standards, and achievement of the principles.

5. For each standard and principle, the assessor should note particularly successful practices, to recognize the Internal Audit function's efforts. Where a conclusion of less than Full Conformance or Achievement is made, the factors leading to the conclusion must be described. Similarly, the assessor should describe any opportunities for improvement identified during the assessment.

6. The results from the Workpaper Review are reflected in the 'Achieve-Conform' and 'Summary' sheets.

Engagement Sample List

Sample Item #	Engagement Name	Assurance or Advisory	Topical Requirement in effect?	Reviewed by	Date Reviewed
1	Assurance example 1 - Cybersecurity	Assurance			
2	Assurance example 2	Assurance			
3	Assurance example 3	Assurance			
4	Advisory example 1	Advisory	N/A		
5	Advisory example 2	Advisory	N/A		
6	Advisory example 3	Advisory	N/A		
...		
Coverage Summary					
Assurance	Sampled Assurance Engagements		Can be summarized when the Topical Requirements start to become effective.		
	Population of Assurance Engagements	enter the data			
	Gross Coverage - Assurance Engagements	=sample/population			

Advisory	Sampled Advisory Engagements	3	
	Population of Advisory Engagements	enter the data	
Gross Coverage - Advisory Engagements		=sample/population	

		Conclusion	Assessor Notes	Program Notes							
Standard 13.1 Engagement Communication											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
13.1.a	Internal auditors must communicate effectively throughout the engagement.			Methodologies tested in Program step #6 in 'Achieve-Conform' sheet (D5). (See also Principle 11 Communicate Effectively and its related standards and Standard 15.1 Final Engagement Communication.)							
13.1.b	Internal auditors must communicate the objectives, scope,			A fieldwork "kickoff" meeting or presentation may be used to							

	and timing of the engagement with management.			summarize the engagement work program for communicating with management.							
13.1.c	Subsequent changes must be communicated with management timely.			Determine whether the initial work program was completed and whether any steps were added. If there were changes, verify whether management was notified timely. (See also Standard 13.3 Engagement Objectives and Scope.)							
13.1.d	At the end of an engagement, if internal auditors and management do not agree on the engagement results, internal auditors must discuss and try to reach a mutual understanding of the issue with the			Review communication between the HIA and management on the the results and conclusions prior to releasing final report (Minutes of meetings)							

	management of the activity under review.										
13.1.e	If a mutual understanding cannot be reached, internal auditors must not be obligated to change any portion of the engagement results unless there is a valid reason to do so.			Determine whether the communications reviewed for 13.1.d indicate any significant disagreements, and if so, evaluate whether the internal audit function demonstrated sufficient independence in the final engagement report.							
13.1.f	Internal auditors must follow an established methodology to allow both parties to express their positions regarding the content of the final engagement communication			Review the methodologies for the internal audit function and management to express conclusions, opinions, or other responses in final engagement communications,							

	and the reasons for any differences of opinion regarding the engagement results.			then verify whether each project adequately included such statements in their respective reports. (See also Standards 9.3 Methodologies and 14.4 Recommendations and Action Plans.)							
Standard 13.2 Engagement Risk Assessment											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
13.2.a	Internal auditors must develop an understanding of the activity under review to assess the relevant risks. For advisory services, a formal, documented risk assessment may not be necessary, depending on the agreement with			Methodologies tested in Program step #8 in 'Achieve-Conform' sheet. For engagement-level testing, determine whether each requirement is applicable for advisory engagements.							

	relevant stakeholders.										
13.2.b	<p>To develop an adequate understanding, internal auditors must identify and gather reliable, relevant, and sufficient information regarding:</p> <ul style="list-style-type: none"> • The organization's strategies, objectives, and risks relevant to the activity under review. • The organization's risk tolerance, if established. • The risk assessment supporting the internal audit plan. • The governance, risk management, and control 			<p>Evaluate whether risk-control matrices and relevant external control frameworks were referenced in the workpapers for the activity under review.</p>							

	<p>processes of the activity under review.</p> <ul style="list-style-type: none"> • Applicable frameworks, guidance, and other criteria that can be used to evaluate the effectiveness of those processes. 										
13.2.c	<p>Internal auditors must review the gathered information to understand how processes are intended to operate.</p>			<p>Evaluate whether process narratives and flowcharts were referenced in the workpapers for the activity under review.</p>							
13.2.d	<p>Internal auditors must identify the risks to review by:</p> <ul style="list-style-type: none"> • Identifying the potentially significant risks to the objectives of the activity under review. • Considering specific risks related to fraud. • Evaluating the 			<p>Evaluate whether general and subject-specific risks were documented, along with decisions of which to prioritize for assessment.</p>							

	<p>significance of the risks and prioritizing them for review.</p>										
13.2.e	<p>Internal auditors must identify the criteria that management uses to measure whether the activity is achieving its objectives.</p> <p>When internal auditors have identified the relevant risks for an activity under review in past engagements, only a review and update of the previous engagement risk assessment is required.</p>			<p>Evaluate whether the workpapers include evidence of management reporting for the activity under review.</p>							
			Assessor Notes	Program Notes							

Standard 13.3 Engagement Objectives and Scope											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
13.3.a	Internal auditors must establish and document the objectives and scope for each engagement.			Methodologies tested in Program step #10 in 'D5.' For assurance engagement testing, determine whether the workpapers demonstrate conformance with Topical Requirements, if applicable.							
13.3.b	The engagement objectives must articulate the purpose of the engagement and describe the specific goals to be achieved, including those mandated by laws and/or regulations.			Evaluate whether engagement objectives were documented in the workpapers.							

13.3.c	<p>The scope must establish the engagement's focus and boundaries by specifying the activities, locations, processes, systems, components, time period to be covered in the engagement, and other elements to be reviewed, and be sufficient to achieve the engagement objectives.</p>			<p>Evaluate whether engagement scope was documented in the workpapers.</p>							
13.3.d	<p>Internal auditors must consider whether the engagement is intended to provide assurance or advisory services because stakeholder expectations and the requirements of the Standards</p>			<p>Evaluate whether the type of service (assurance or advisory) was documented in the workpapers.</p>							

	differ depending on the type of engagement.										
13.3.e	Scope limitations must be discussed with management when identified, with a goal of achieving resolution. Scope limitations are assurance engagement conditions, such as resource constraints or restrictions on access to personnel, facilities, data, and information, that prevent internal auditors from performing the work as expected in the audit work program.			For assurance engagements only, evaluate whether workpapers indicate any limitations imposed by management during the engagement. (See also Standard 13.5 Engagement Resources.)							
13.3.f	If a resolution cannot be achieved with management, the			For any instances of potential scope limitation identified in							

	<p>Head of Internal Audit must elevate the scope limitation issue to the board according to an established methodology.</p>			<p>13.3.e, determine whether the issue was properly escalated.</p>							
13.3.g	<p>Internal auditors must have the flexibility to make changes to the engagement objectives and scope when audit work identifies the need to do so as the engagement progresses.</p>			<p>For assurance engagements only, evaluate whether workpapers indicate any limitations imposed by management during the engagement regarding changes to the engagement objectives and scope.</p>							
13.3.h	<p>The Head of Internal Audit must approve the engagement objectives and scope and any changes that occur during the engagement.</p>			<p>Evaluate whether the Head of Internal Audit approved the engagement objectives and scope, including any changes.</p>							

			Assessor Notes	Program Notes							
Standard 13.4 Evaluation Criteria											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
13.4.a	Internal auditors must identify the most relevant criteria to be used to evaluate the aspects of the activity under review defined in the engagement objectives and scope. For advisory services, the identification of evaluation criteria may not be necessary, depending on the agreement with relevant stakeholders.			Methodologies are tested in Program step #12 in 'Achieve-Conform' sheet.							
13.4.b	Internal auditors must assess the extent to which the board and senior management have established adequate criteria			Evaluate whether the engagement team considered the adequacy of management's evaluation criteria for whether the							

	to determine whether the activity under review has accomplished its objectives and goals.			activity under review is accomplishing its objectives.								
13.4.c	If such criteria are adequate, internal auditors must use them for the evaluation.			If internal auditors used management's evaluation criteria, verify whether they documented the rationale.								
13.4.d	If the criteria are inadequate, internal auditors must identify appropriate criteria through discussion with the board and/or senior management.			If internal auditors did not use management's evaluation criteria, verify whether they documented the rationale and support for the criteria ultimately used.								
			Assessor Notes	Program Notes								
Standard Resources	13.5 Engagement											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	

13.5.a	<p>When planning an engagement, internal auditors must identify the types and quantity of resources necessary to achieve the engagement objectives.</p>			<p>Methodologies are tested in Program step #14 in 'Achieve-Conform' sheet.</p>							
13.5.b	<p>Internal auditors must consider:</p> <ul style="list-style-type: none"> • The nature and complexity of the engagement. • The time frame within which the engagement is to be completed. • Whether the available financial, human, and technological resources are appropriate and sufficient to achieve the engagement objectives. 			<p>Evaluate whether the engagement resources were allocated and assigned based on factors necessary to achieve the engagement objectives.</p>							

13.5.c	If the available resources are inappropriate or insufficient, internal auditors must discuss the concerns with the Chief Audit Executive/Head of Internal Audit to obtain the resources.			If the assigned resources appear to have been insufficient to achieve the engagement objectives, determine whether concerns were discussed with the Head of Internal Audit.								
			Assessor Notes	Program Notes								
Standard 13.6 Work Program												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
13.6.a	Internal auditors must develop and document an engagement work program to achieve the engagement objectives.			Methodologies are tested in Program step #16 in 'Achieve-Conform' sheet.								
13.6.b	The engagement work program must be based on the information obtained during engagement planning,			Evaluate whether the engagement work program was based on information obtained during planning.								

	including, when applicable, the results of the engagement risk assessment.											
13.6.c	<p>The engagement work program must identify:</p> <ul style="list-style-type: none"> • Criteria to be used to evaluate each objective. • Tasks to achieve the engagement objectives. • Methodologies, including the analytical procedures to be used, and tools to perform the tasks. • Internal auditors assigned to perform each task. 			Evaluate whether the engagement work program included adequate information about the methodology and assignment of tasks.								
13.6.d	The Head of Internal Audit must review and approve the engagement work program before it is implemented and promptly when			Evaluate whether the Head of Internal Audit approved the work program, including any changes.								

	any subsequent changes are made.											
Standard 14.1 Gathering Information for Analyses and Evaluation												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
14.1.a	To perform analyses and evaluations, internal auditors must gather information that is: <ul style="list-style-type: none"> • Relevant – consistent with engagement objectives, within the scope of the engagement, and contributes to the development of engagement results. • Reliable – factual and current. Internal auditors use professional skepticism to evaluate whether 			Methodologies are tested in Program step #18 in 'Achieve-Conform' sheet.								



information is reliable. Reliability is strengthened when the information is:

- o Obtained directly by an internal auditor or from an independent source.
- o Corroborated.
- o Gathered from a system with effective governance, risk management, and control processes.
- Sufficient – when it enables internal auditors to perform analyses and complete evaluations and can enable a prudent, informed, and competent person to repeat the engagement work program and reach the same conclusions as the internal auditor.

<p>14.1.b</p>	<p>Internal auditors must evaluate whether the information is relevant and reliable and whether it is sufficient such that analyses provide a reasonable basis upon which to formulate potential engagement findings and conclusions.</p>			<p>Evaluate whether the information obtained was relevant, reliable, and sufficient for the conclusions that were reached. (See also Standard 14.2 Analyses and Potential Engagement Findings.)</p>							
<p>14.1.c</p>	<p>Internal auditors must determine whether to gather additional information for analyses and evaluation when evidence is not relevant, reliable, or sufficient to support engagement findings.</p>			<p>Evaluate whether the engagement team considered performing additional testing in situations where management challenged conclusions.</p>							

14.1.d	If relevant evidence cannot be obtained, internal auditors must determine whether to identify that as a finding.			Evaluate whether a lack of information for any control test was treated as a potential finding.								
		Conclusion	Assessor Notes	Program Notes								
Standard 14.2 Analyses and Potential Engagement Findings												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
14.2.a	Internal auditors must analyze relevant, reliable, and sufficient information to develop potential engagement findings. For advisory services, gathering evidence to develop findings may not be necessary, depending on the agreement with relevant stakeholders.			Methodologies are tested in Program step #20 in 'Achieve-Conform' sheet.								

14.2.b	Internal auditors must analyze information to determine whether there is a difference between the evaluation criteria and the existing state of the activity under review, known as the “condition.”			Evaluate whether test results were based on comparing the condition to the criteria. (See also Standard 13.4 Evaluation Criteria.)							
14.2.c	Internal auditors must determine the condition by using information and evidence gathered during the engagement.			Evaluate whether the condition was adequately supported by the evidence.							
14.2.d	A difference between the criteria and the condition indicates a potential engagement finding that must be noted and further evaluated.			Evaluate whether differences between the condition and criteria were adequately evaluated as potential findings.							

14.2.e	<p>If initial analyses do not provide sufficient evidence to support a potential engagement finding, internal auditors must exercise due professional care to determine whether additional analyses are required.</p>			<p>Evaluate whether the engagement team considered performing additional testing when potential findings were identified.</p>							
14.2.f	<p>If additional analyses are required, the work program must be adjusted accordingly and approved by the Chief Audit executive/Head of Internal Audit.</p>			<p>For any instances of additional testing identified in 14.2.e, verify whether the change was approved by the Head of Internal Audit.</p>							
14.2.g	<p>If internal auditors determine that no additional analyses are required and there is no difference between the criteria and the</p>			<p>Evaluate whether the engagement team concluded positively when no potential findings were identified.</p>							

	condition, the internal auditors must provide assurance in the engagement conclusion regarding the effectiveness of the activity's governance, risk management, and control processes.											
		Conclusion	Assessor Notes	Program Notes								
Standard 14.3 Evaluation of Findings												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
14.3.a	Internal auditors must evaluate each potential engagement finding to determine its significance.			Methodologies are tested in Program step #22 in 'Achieve-Conform' sheet.								
14.3.b	When evaluating potential engagement findings, internal auditors must collaborate with management to			Evaluate whether the engagement team collaborated with management to identify root causes and evaluate the								

	<p>identify the root causes when possible, determine the potential effects, and evaluate the significance of the issue.</p>			<p>significance when potential findings were identified.</p>							
14.3.c	<p>To determine the significance of the risk, internal auditors must consider the likelihood of the risk occurring and the impact the risk may have on the organization's governance, risk management, or control processes.</p>			<p>Evaluate whether the engagement team documented any inputs (based on IAF methodologies) to the determination of risk likelihood or impact estimates when potential findings were identified.</p>							
14.3.d	<p>If internal auditors determine that the organization is exposed to a significant risk, it must be documented and communicated as a finding.</p>			<p>Verify whether significant risks noted in the workpapers were reported as findings.</p>							

14.3.e	Internal auditors must determine whether to report other risks as findings, based on the circumstances and established methodologies.			If less-significant risks were reported as findings, determine whether they were appropriately communicated.								
14.3.f	Internal auditors must prioritize each engagement finding based on its significance, using methodologies established by the Head of Internal Audit.			Verify whether findings were appropriately prioritized based on significance.								
		Conclusion	Assessor Notes	Program Notes								
Standard 14.4 Recommendations and Action Plans												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
14.4.a	Internal auditors must determine whether to develop recommendations, request action plans from management, or collaborate with management to			Methodologies are tested in Program step #24 in 'Achieve-Conform' sheet.								

	<p>agree on actions to:</p> <ul style="list-style-type: none"> • Resolve the differences between the established criteria and the existing condition. • Mitigate identified risks to an acceptable level. • Address the root cause of the finding. • Enhance or improve the activity under review. 										
14.4.b	<p>When developing recommendations, internal auditors must discuss the recommendations with the management of the activity under review.</p>			<p>Evaluate whether the engagement team documented discussions with management regarding recommendations when potential findings were identified.</p>							

14.4.c	If internal auditors and management disagree about the engagement recommendations and/or action plans, internal auditors must follow an established methodology to allow both parties to express their positions and rationale and to determine a resolution.			(See also Standard 9.3 Methodologies.)							
		Conclusion	Assessor Notes	Program Notes							
Standard 14.5 Engagement Conclusions											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
14.5.a	Internal auditors must develop an engagement conclusion that summarizes the engagement results relative to the engagement objectives and			Methodologies are tested in Program step #26 in 'Achieve-Conform' sheet.							

	of when processes are effective.											
		Conclusion	Assessor Notes	Program Notes								
Standard 14.6 Engagement Documentation												
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X	
14.6.a	Internal auditors must document information and evidence to support the engagement results.			Methodologies are tested in Program step #28 in 'Achieve-Conform' sheet.								
14.6.b	The analyses, evaluations, and supporting information relevant to an engagement must be documented such that an informed, prudent internal auditor, or similarly informed and competent person, could repeat the work			Evaluate whether the engagement workpapers are sufficiently documented to enable reperformance of the work.								

	and derive the same engagement results.										
14.6.c	Internal auditors and the engagement supervisor must review the engagement documentation for accuracy, relevance, and completeness.			Evaluate whether engagement supervision was adequately documented.							
14.6.d	The Head of Internal Audit must review and approve the engagement documentation.			Evaluate whether the Head of Internal Audit reviewed and approved the engagement workpapers.							
14.6.e	Internal auditors must retain engagement documentation according to relevant laws and/or regulations as well as policies and procedures of the internal audit			A. Evaluate whether engagement documentation was adequately retained or destroyed, in accordance with applicable policies. B. Determine							

	function and the organization.			whether sensitive information in the engagement workpapers was adequately protected; for example, with encryption or masking. [Use this test to conclude on requirement 5.2.d, program step #50.]							
Standard 15.1 Final Engagement Communication											
Requirement Ref. #	Requirement	Conclusion	Assessor Notes	Program Notes	Project 1	Project 2	Project 3	Project 4	Project 5	Project 6	Project X
15.1.a	For each engagement, internal auditors must develop a final communication that includes the engagement's objectives, scope, recommendations and/or action plans if applicable, and conclusions.			Methodologies are tested in Program step #30 in 'Achieve-Conform' sheet.							

<p>15.1.b</p>	<p>The final communication for assurance engagements also must include:</p> <ul style="list-style-type: none"> • The findings and their significance and prioritization. • An explanation of scope limitations, if any. • A conclusion regarding the effectiveness of the governance, risk management, and control processes of the activity reviewed. 			<p>For assurance engagements only, evaluate whether the final communication includes the required elements.</p>							
<p>15.1.c</p>	<p>The final communication must specify the individuals responsible for addressing the findings and the planned date by which the actions should be completed.</p>			<p>Evaluate whether the final communication specifies corrective action owners and due dates.</p>							

15.1.d	When internal auditors become aware that management has initiated or completed actions to address a finding before the final communication, the actions must be acknowledged in the communication.			Evaluate whether the final communication acknowledges corrective actions initiated or completed before the final communication.							
15.1.e	The final communication must be accurate, objective, clear, concise, constructive, complete, and timely, as described in Standard 11.2 Effective Communication.			Evaluate whether the final communications exhibit the required attributes.							
15.1.f	Internal auditors must ensure the final communication is reviewed and approved by the			Evaluate whether the Head of Internal Audit reviewed and approved the final communication.							

	Head of Internal Audit before it is issued.											
15.1.g	The Chief Audit Executive/Head of Internal Audit must disseminate the final communication to parties who can ensure that the results are given due consideration. (See also Standard 11.3 Communicating Results.)			Evaluate whether the final communication was appropriately distributed.								
15.1.h	If the engagement is not conducted in conformance with the Standards, the final engagement communication must disclose the following details about the nonconformance: • Standard(s) with which conformance was not achieved.			Determine whether the final communications include a statement on conformance with the Standards and if so, whether the statement was appropriately supported. If no statement of conformance was								

	<p>a risk-based approach.</p> <ul style="list-style-type: none"> • Updating the status of management's actions in a tracking system. 			
15.2.b	<p>The extent of these procedures must consider the significance of the finding.</p>			
15.2.c	<p>If management has not progressed in implementing the actions according to the established completion dates, internal auditors must obtain and document an explanation from management and discuss the issue with the Head of Internal Audit. The Head of Internal Audit is responsible for determining whether senior</p>		<p>(See also Standard 11.5 Communicating the Acceptance of Risks.)</p>	

	management, by delay or inaction, has accepted a risk that exceeds the risk tolerance.				

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