

Frequently Asked Questions

QUESTIONS AT A GLANCE

- » What's the difference between Continuous Monitoring and Auditing?
- » Where do organization's start and should they be implemented and executed together?
- » Relationship of Continuous Auditing/Monitoring Assurance

What's the difference between Continuous Monitoring and Auditing?

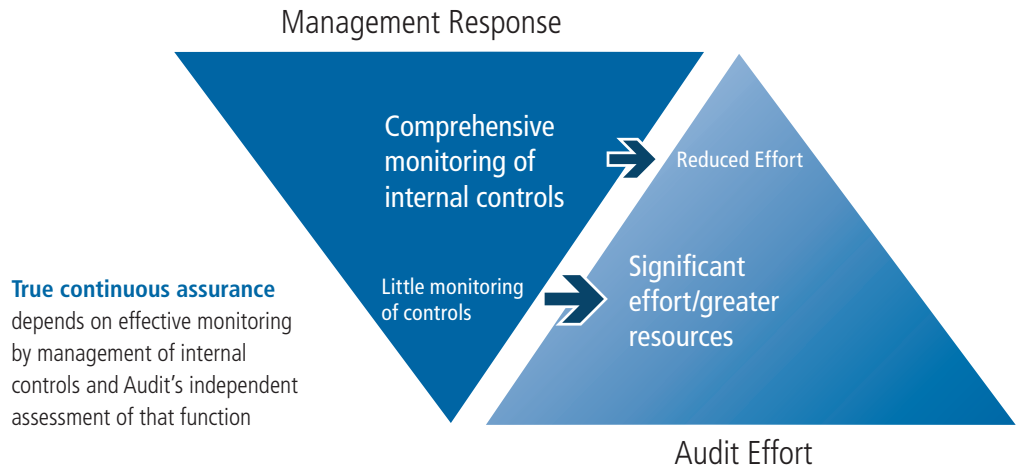
Continuous auditing is the responsibility of internal audit and is a method used to perform control and risk assessments frequently and automatically. The continuous monitoring process is owned and performed by management or the business process owner, as part of their responsibility to implement and maintain effective control systems.

Since management is responsible for the effectiveness of internal controls, continuous monitoring provides the means to determine whether the controls are operating as designed and intended. By being able to identify and correct control systems quickly, the overall effectiveness of the system can be improved. A typical additional benefit to the organization is that instances of error and fraud are significantly reduced, operational efficiency is enhanced, and bottom-line results are improved through a combination of cost savings and a reduction in overpayments and revenue leakage.

Where do organization's start and should they be implemented and executed together?

In the majority of cases it is audit that commences the process of continuous auditing and provides results to management for response. Once management sees the value of timely notification of control weaknesses and transaction problems, it is not unusual for management to take on direct responsibility for performing the monitoring processes. At this point, with the right technology, audit can then limit its efforts to assessing the appropriateness of management's response to findings.

Relationship of Continuous Auditing/Monitoring Assurance



■ acl.com
info@acl.com

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