

There has been much discussion about the increasing expectations placed on internal audit and the importance of technology – specifically audit analytics, continuous auditing and continuous monitoring solutions – to help audit achieve its goals. Not only is internal audit expected to become more efficient and effective in performing its traditional assurance role assessing the effectiveness of risk management processes, but it is also expected to add value to the organization. How can the audit team do this? Largely by leveraging the benefits of data analysis techniques, which have been used for years, to improve business performance.

Working closely with our 14,700 customers worldwide, we understand how organizations can achieve great benefits from the use of data analytics, as well as why some have encountered challenges along the way. As a result, ACL developed the **Audit Analytic Capability Model**, five stages that help organizations track their progress along the continuum of analytic capabilities.

Here is the ACL **Continuous Auditing solution offering** for level four of the capability model.

# Continuous Auditing

## Gain more timely insight into fraud, errors and inefficiencies

Moving from the traditional cyclical audit approach to continuous auditing has numerous benefits for the audit team and the organization. A recent survey (2010) by The Institute of Internal Auditors identified “using automated tools or techniques” by internal audit as a strategic priority for any organization.

Continuous auditing allows the audit team to provide their organizations with insight and assurance that is current and timely and therefore far more valuable. Automated analysis reduces the manual effort and time typically required for cyclical audits, allowing audit to focus on more areas of the business without additional resources.

### Provide More Value with Timely Insight

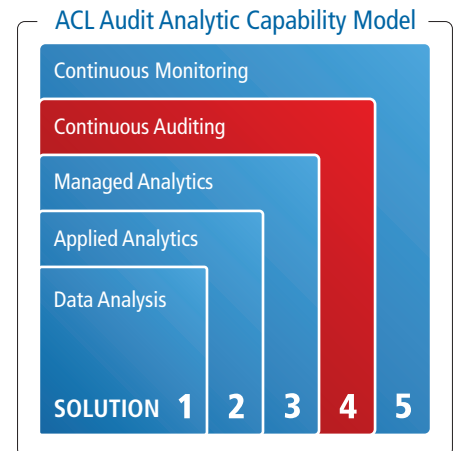
Automating analytics to run on a continuous basis allows for auditors to move from a historical, ad-hoc review process to one that is both current and timely. Rather than identifying control breakdowns and instances of fraud, errors and abuse that have occurred in the past, audit teams can now meet the increasing expectations of audit committees and management through timely insight. Insight that will reduce operational inefficiencies and risk to the business.

### Create a More Efficient and Effective Audit Process

By achieving a higher level of audit automation and tracking risk and control issues, organizations will have a more efficient and effective audit process overall. Auditors can keep track of areas in which risk and control issues are increasing and focus efforts on them as needed. At the same time, the effort to perform audit procedures that are typically expected in core business process areas can be dramatically reduced if continuous auditing procedures show that there are no significant issues. This saves considerable expense and effort and allows audit resources to be assigned to areas where more significant risks have been identified.

### Expand Your Audits to Cover More Areas, More Often

Continuous auditing allows senior audit management to provide a greater level of insight to management and the audit committee alike. By leveraging audit analytic technology and running scheduled analytics on a recurring basis, audit teams can gain greater coverage across multiple business process areas without an increase in staff resources.



## Solution Components

ACL's Continuous Auditing solution is a combination of powerful analytic technology, consulting services from subject matter experts and training guidance from a global network of ACL certified trainers.

### Technology

ACL's Continuous Auditing solution is powered by ACL AuditExchange™ and supports audit teams in conducting automated continuous analysis. The AuditExchange platform is a server-based technology that provides automated data access capabilities and supports the scheduling and automation of audit analytics.

### Consulting

ACL provides end-to-end implementation and consulting services to support its solution offerings, ensuring clients realize the full value of their ACL investment. Our subject matter experts and technical consultants bring years of industry experience and a rigorously tested and proven methodology to all engagements. Consultants work with each client to understand their audit objectives, processes and data environments in order to provide a solution that best addresses their needs.

### Training

Introductory, intermediary and advanced training courses, delivered by ACL certified trainers, provide hands-on guidance as participants learn key ACL concepts, techniques and procedures for conducting analysis in a central server environment. Training options include open enrollment classes, on-site classes, virtual classrooms and online learning. All courses are National Association of State Boards of Accountancy (NASBA) certified and offer Continuing Professional Education (CPE) credits.



### Continuous Auditing Case Study

Founded in 2005, Emergency Medical Services Corporation (EMSC) is the leading provider of emergency medical services in the United States. With headquarters in Greenwood Village, Colorado, EMSC has 250 administrative offices and annual revenues of USD \$3 billion.

#### Results Using ACL

With ACL, Emergency Medical Services Corporation has:

- Experienced significant cost recoveries
- Automated AP testing to reduce time consuming manual processes
- Freed employees to pursue high value exceptions

The AP team engaged ACL consulting to lead the implementation and ensure a seamless experience. An ACL consultant spent one week working on-site to create and schedule custom analytics. Each test was tailored specifically to address the AP group's needs. The consultant also provided hands-on training, real-time troubleshooting, and answered questions as they emerged. After another two weeks of remote collaboration, the automated analytics were fully up and running.

Once a week, nine different analytics automatically compare data populations to find outstanding credit memos, duplicate payments, one-time payments disbursed to recurring vendors, repetitive invoice numbers, and other red flags in the data. By Monday morning, the team has a complete report to guide deeper investigations.



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### About ACL Services Ltd.

ACL Services Ltd. is the leading global provider of business assurance technology for audit and compliance professionals. Combining market-leading audit analytics software with centralized content management and exception reporting, ACL technology provides a complete end-to-end business assurance platform that is flexible and scalable to meet the needs of any organization.

Since 1987, ACL technology has helped organizations reduce risk, detect fraud, enhance profitability, and improve business performance. ACL delivers its solutions to 14,700 organizations in over 150 countries through a global network of ACL offices and channel partners. Our customers include 98 percent of Fortune 100 companies, 89 percent of the Fortune 500 and over two-thirds of the Global 500, as well as hundreds of national, state and local governments, and the Big Four public accounting firms. Visit us online at [www.acl.com](http://www.acl.com).