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# SAS® Enterprise GRC
# Enterprise Audit Capability

Addressing all the important issues facing audit and assurance functions

## Overview

Demands for transparency and reliability continue to increase for corporations. These demands flow from the shareholders and regulators directly to boards and executive management – roles that now have codified duties to ensure the ongoing efficacy of company systems and processes, as well as the overall governance of the enterprise. As a result, the internal audit function is evolving beyond its roots as an investigative function and emerging as a true corporate management instrument.

Chief audit executives (CAEs) and the expert auditors who work for them must now generate more than just a past-performance retrospective; they need to operate as a process-oriented, forward-looking group with international perspectives that can provide education, assurance and insight beyond traditional annual audit plans. **The enterprise auditing component of SAS Enterprise GRC is key to making this happen.**

SAS Enterprise GRC helps internal audit departments provide greater value to their boards and companies. Using the solution's enterprise auditing component, users can prioritize the audit universe, create effective audit plans, employ computer assisted auditing techniques (CAAT), conduct continuous audit assignments, record issues and create action plans, as well as monitor status through resolution.

## ■ Challenges

- **Disconnected, inefficient processes**. Audit planning processes are time-consuming, resulting plan coverage often fails to consider areas of highest risk and making revisions to accommodate changes or special board requests is practically impossible.

- **Disparate systems.** Disconnected systems throughout an organization result in fragmented data, inconsistent metadata and incompatible technology mixes, which could lead to inaccurate/incomplete risk management data.

- **Directional views.** Differing directional views and no single version of the truth can result in incomplete issue framing, lost context and underestimated risk across all risk management functions (e.g., risk managers, internal auditors and compliance officers).

- **Inadequate documentation.** Business rules and data are often stored in disconnected repositories that use time-consuming, manual processes, and this can lead to stale information, human error, broken linkages and data leakage.

## How SAS® Can Help

As a key part of the overall GRC capability provided by SAS Enterprise GRC, the enterprise audit capability:

- Tightly integrates continuous control monitoring abilities with audit planning and execution features.

- Fully supports a true, risk-based approach to internal auditing.

- Gives audit departments an expansive and flexible facility for building and modifying their audit universe so that it always reflects the organization's current state and the internal and external factors affecting their audit scopes.

- Enables audit departments to control and standardize activities through the use of audit plans, workflows, rule sets and reporting.

- Enables two-way communication between fieldwork and the system's central libraries to ensure that new data is captured, vetted and used to drive the appropriate activities.

- Securely maintains audit plans, data and activities to maximize visibility and the ability to take action.

- Centralizes issue management, allows for action plans and optimizes follow-up audits.

## Solution Overview

The enterprise audit capability of SAS Enterprise GRC enables users to identify and deal with the full range of important issues facing audit and assurance functions today.

### A Risk-Based Approach

The enterprise audit capability supports risk-based approaches to internal auditing and enables internal audit groups to increase efficiency, consistency and coverage. In addition, the capability lets you:

- Manage and share information with other GRC functions.

- Conduct and manage risk assessments with configurable workflows and scoring rules.

- Link auditable entities to risk-based perspectives.

- Plan audits based on priorities and perspectives.

- Conduct testing and report findings with respect to risks, controls and processes.

- Automatically and continuously monitor hundreds of controls, and launch appropriate activities based on rules and thresholds.

- Perform forward-looking statistical analysis with easy-to-use CAATs.

### Efficiency, Consistency and ROI

With the enterprise audit capability, you can create and prioritize audit plans that can span multiple years, with prebuilt testing and sampling linked to controls.

CAATs and continuous monitoring and auditing of controls help maximize coverage without sacrificing quality. Centralized issue management is an important component of a broader infrastructure that enables internal auditing to keep track of all significant day-to-day developments apart from the more detailed workpapers where important facts reside, and lack visibility prior to reporting of findings.

### Management of Moving Parts

The system allows audit managers to accurately build and securely modify the audit universe structure, which is based on the current risk management structure. This avoids duplication and wasted effort by using previously defined risks. With the enterprise audit capability, you can manage all moving parts and respond to changes in outside requirements, identifiable audit areas, new risks and more. This means that managers can record and track changing external influencing factors, such as financial reporting and process standards and business hierarchies.

The system also maintains a full view of audit activities, as well as internal and external requirements and the related strategic and operational reporting objectives of the enterprise.

### A Guaranteed Corporate Governance System

The enterprise audit capability provides a reliable way for boards to see and demonstrate how they have delegated their fiduciary responsibility for direct compliance with the internal audit function. The system also captures and manages the results stemming from fieldwork associated with corporate financial reporting, monitors risk management systems and can help to safeguard the internal control system to prevent fraud and unforeseen losses.

In addition, the system fosters greater collaboration between risk and compliance areas, so that the auditing function can take advantage of activities already being conducted by those teams, such as assessments and remediation actions.

### A Central Part of the GRC Strategy

The enterprise audit capability is the centerpiece of any GRC strategy where information and activities need to move securely between GRC functions. The enterprise audit capability is a fully integrated component of the SAS Enterprise GRC offering and is designed to integrate easily with other on-site systems that support low-level needs, such as document and timesheet management and detailed audit project scheduling.

# Benefits

### Prioritize the Audit Universe

Risks, controls, policies, regulations, themes, goals, historical views, key metrics and assessments all work together to best apply the expertise of auditors and support the growing audit mandate. Prioritization of the audit universe is essential. The enterprise audit capability provides the place to build and maintain information about your audit universe and both external and internal influencing factors and requirements. The data that is captured – risks, controls, incidents, issues, KRIs, etc. – is combined in order to calculate an overall audit score for each business unit. This gives auditors valuable input they can use to prioritize the audit universe. As a result, the right business units are targeted for review within their audit plan.

### Reduce Testing and Sampling Time

The enterprise audit capability provides the best, most extensive tools for computer-aided audit testing and continuous control monitoring. The testing and sampling of many key company controls is now automated and integrated directly into audit planning and execution processes. Data querying, outlier spotting and trend reporting are all supported in a fully developed and powerful CAAT environment. Through continuous monitoring, internal auditors are able to spend more time on analysis and consulting with business units instead of having to constantly consolidate and manage multiple spreadsheets and documents.

## ■ The SAS® Difference

The enterprise audit capability of SAS Enterprise GRC smoothly connects the key elements of audit planning – from risk identification and measurement, to control testing, to policy and procedure linkages, issue identification, development of associated action plans, issue status monitoring, through to reporting of audit findings – by delivering feature depth and breadth in a logical, secure, workflow-directed environment. The solution would be a productive addition for any audit departments ranging from medium-sized companies to the largest, most complex global enterprises. With the solution, you can:

- Define and prioritize audit missions.

- Assign control tests to auditors.

- Continuously audit controls.

- Perform computer-aided audit testing.

- Capture audit findings/audit points.

- Follow up on mitigating actions.

## Support Multiple Audit Types

The enterprise audit capability is applicable to audits of all types, including corporate security, quality management, risk management, business, financial and forensic audits.

## Provide a Valuable Service to the Board and Executive Management

Internal auditing is evolving from solely an investigative function into a valuable corporate management instrument. Audit dashboards, which cover key aspects of the business operation and provide a view that penetrates organizational layers down to individual business units, enable corporate executives and their boards to stay on top of issues and ensure that internal control processes are performing adequately.

Departments that adopt the enterprise audit capability can demonstrate the consistency, coverage, data relevance and quality needed to provide assurance based on more than just a retrospective view.

In addition, the enterprise audit capability of SAS Enterprise GRC gives CAEs the power to more effectively implement requests outside the annual audit plan, including ad hoc audits, board requests for comment, pre-investigations and other support projects, such as auditing against strategic risk and reporting the results to the board.

## About SAS

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