**ENTITY NAME**

**IT Audit Planning Memorandum**

**Fiscal Year End**

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| **Purpose of Document** |
| The engagement leader shall ensure that the audit team has consulted the IT Audit Team in determining the audit strategy.  The advice received and conclusions reached as a result of this consultation should be adequately documented, agreed to by the IT Audit Team, and reflected in the audit strategy.  The planned involvement of the IT Audit Team shall be adequately documented in this Memorandum and signed off in the audit file by the engagement leader and a member of the IT Audit Team in a timely manner. *(*[*OAG Audit 3102*](http://localhost/intranet/financial-audits/manual/3102.shtm) *– Policy)* |

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| 1. **Summary of Consultation** |

This is a summary of the discussions that took place on **[Enter Date/time period]** between the Audit Team and the IT Audit Team. The following individuals were involved:

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| **Name** | **Level**  **(AP, DX, PX)** | **Team**  **IT Audit Team members or Audit Team** |
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**Provide a summary of meeting discussions:**

**Consider the following points:**

* **Discussion on audit strategy**
* **Review of audit plan and IT dependencies: automated and IT dependent controls, substantive analytics and test of details that use electronic evidence (i.e. system generated reports):** 
  + **Is information generated by an IT application used in the operation of a selected¹ control we plan to rely on or as a basis for our substantive testing procedures?**
* **Complexity of business process and IT environment**
* **Complexity of application systems and associated infrastructure**
* **Do we expect our testing of the ITGCs and IT dependencies related to the application system to be efficient and effective? (**[**OAG Audit 4028.4**](http://localhost/intranet/financial-audits/manual/4028-4.shtm)**)**
* **Current and future significant changes to processes, internal control risks or systems**
* **Considerations for joint audits**
* **Use of work of others (internal audit, consultants, third party service providers)**
* **Impact for future year audits**
* **Protocol for client contact and official languages**
* **Letter of Recommendation protocol and translation**
* **IT Audit Team resources allocated to the file.**
* **Required Travel (will be charged to entity product code)**
* **Product Code usage – IT Audit will use project 61**

**(¹Selected Control: Judgment is required to identify and select controls to test. It is not necessary to test controls that, even if deficient, would not present a reasonable possibility of material misstatement to the financial statements. Not all controls will be selected for testing. For example, a control addressing a significant risk is not a selected control if we do not plan to test the control because it is more efficient or effective to address the significant risk substantively. (**[**OAG Audit 5035.1**](http://localhost/intranet/financial-audits/manual/5035-1.shtm)**)**

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| 1. **Planned Involvement with IT Audit Team** |

Planned involvement of the IT Audit team in the audit based on the “*Audit Planning Template”* in **[ref.]** and the procedure “*Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”* **[ref.]**.

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|  | **The audit requires the involvement of the IT Audit Team**  **1.Planning and risk assessment:**  Assist in documenting the procedures “*Understand and assess complexity of the entity’s IT environment*” and “*Identify IT risks and understand and evaluate related ITGCs*” within folder“*Internal control framework”*, where (choose at least one):  No IT dependency identified: Control activities are not dependent on IT and all substantive evidence (i.e. reports) will be tested for reliability by the engagement team. (By completing the procedure “*Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”* as required*.* **[ref.]**)  *[Additional details:]*  IT dependency identified but no planned ITGC reliance: Control activities and substantive evidence are dependent on IT and an evaluation of related ITGC activities is required to assess internal controls, but no reliance on ITGCs is required by the audit approach. (By completing the procedure “*Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”* and documenting the ITGCs activities either in the worksheet included in the procedure or inserting a separate working paper in section B.3. **[ref.]**)  *[Additional details:]*  IT dependency identified and planned ITGC reliance: Control activities and substantive evidence are dependent on IT and an evaluation of related ITGC activities is required to assess internal controls and for reliance on controls and/or system generated reports as identified in the audit approach. (By completing the procedure “*Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”* with a link as applicable to the evaluation of the ITGC activities for design, implementation and operating effectiveness documented in the IT Audit section. **[ref.]**)  *[Additional details:]*  **2.Other IT considerations in planning:**  Cybersecurity: Assist in risk assessment procedures associated with cybersecurity risks that are relevant to the audit. Where reliance on ITGCs is planned, the IT Audit Team may also include procedures to determine whether a cybersecurity incident has impacted reliance on ITGCs. (Examples of involvement includes attending planning meetings with the entity where cybersecurity is discussed, reviewing third party reports on cybersecurity assessments and assistance in completing the procedures *“Understand and identify cybersecurity risks related to the audit”* **[ref.]**) within folder“*Assess Risk”* or *“Assess the impact of cybersecurity incident”* found in folder“*Other General Execution Procedures”* from the Document Library: Annual Audit-Supplemental Procedures. **[ref.]**)  *[Additional details:]*  Program Development: Assist in the understanding and the risk assessment associated with program development and implementation relevant to the audit, such as system conversion, upgrade, significant enhancement or introduction of a new system or tool. Documented at **[ref.]**.  *[Additional details:]*  IT Recommendations: Follow up on prior year’s IT recommendations where ITGCs are not required for audit reliance. Documented at **[ref.]**.  *[Additional details:]*  **3. ITGC testing for audit reliance (ITGCs scoping details documented in [ref].):**  Assess ITGCs in the current year for controls reliance purposes, as identified in the “*Audit Planning Template”* and tab *‘Risks & ITGCs’* of the procedure *“Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”*.  *[Additional details:]*  Assess ITGCs in the current year supporting the reliability of information generated by IT systems used in substantive testing, such as identity in electronic approvals or system generated data or reports, as identified in the “*Audit Planning Template”* and *tab ‘Risks & ITGCs’* of the procedure *“Identify IT risks and understand and evaluate related ITGCs”* within folder“*Internal control framework”*.  *[Additional details:]*  **4. And/or**  Assist with other matters.  *[Additional details:]* | |
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| **3. Deliverable Schedule and Important Dates** |

The completion of the work is dependent upon the availability of the audit entity and the IT Audit Team.

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| **IT Audit Activity** | **Timing/Deadline** |
| IT Audit fieldwork |  |
| Completion of IT Audit work |  |
| Draft Letter of Recommendations (If Applicable) |  |
| IT Audit Completion Memorandum(Applicable only when audit work is planned which requires conclusions.) |  |
| Status Reports (If required based on duration of engagement) |  |

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| 1. **Budget (Add rows where appropriate)** |

| **Activity Description** | **IT Audit** |
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| 1. Planning: |  |
| 2. Fieldwork: |  |
| 3. Reporting: |  |
| **Total Budget** | **XX hours** |