

GUIDE FOR THE PREPARATION OF THE SUMMARY SHEET OF FINDINGS

The Summary Sheet of Findings constitutes an endorsement in the determination of attributes of a finding, as well as a tool to assess its importance and draw the conclusions and recommendations determined in the audit conducted. It also introduces the possibility of assessing strategies to present these findings to the Administration.

The model proposed is a basic guide for the analysis of the information. In the event that internal auditing, as part of its internal procedures, has any similar instrument that meet this requirement, the use of this model is not necessary.

Elements comprising the summary of findings

The summary of findings is a process prior to the drafting of the type of product that the auditor or manager must prepare at the end of the review phase, therefore, while the information provided also serves as base for the drafting, the annotations on the aforementioned sheet format (see attached table) must be schematic, concrete and should include the main ideas that serve as a basis for discussion and approval of the findings by the team. In developing the summary sheet, it must be defined the condition, criteria, causes and effects of each finding and other associated elements, for which it should address the following concepts contained therein:

1) Condition

It is the situation found with respect to a transaction, activity or transaction. The condition reflects the degree to which the criteria are being achieved or implemented.

2) Criterion

It is the standard, value or measure against which the results (condition) obtained in the implementation of the programme is compared.

3) Effect

It is the result or the actual or potential consequence resulting from the comparison between the condition and the criterion that should be applied. In drafting the product of the study conducted, the effects must be developed to the point that justifies the recommendation and as far as possible it should be defined in quantitative terms. Its establishment helps demonstrate the need for corrective action and provide evidence of the importance of the find.

4) Cause

It is the fundamental reason or reasons why the condition arose or why the criterion or standard was not met. When the product is drawn, the cause must be developed to the point where its correction prevents the recurrence of a negative finding or strengthen the actions of the Administration with respect to certain transactions.

5) Conclusions

The conclusions are logical deductions result of the findings; they establish whether the objectives of the study have been achieved and they must be drawn with absolute independence of judgment, objectivity, transparency and responsibility. The team members are individually responsible for the conclusions prepared on the work done by each one and the criteria which have been applied. All the findings resulting of the research must be reviewed by the Auditor or the team manager.

6) Recommendations

The purpose of the recommendations is to establish the necessary measures to prevent, correct, or strengthen the situations observed during the study. They should be directly related to the causes identified in the findings.

7) Appropriate basics

The collected evidence supporting the findings, in order to verify that they are properly grounded should be evaluated. If not, the possibility of establishing additional procedures to gather the evidence needed is evaluated.

8) Strategy report

Based on the analysis of the above, the strategy that could be used to communicate these findings to the Administration is pointed out, which may be developed by means of partial project products or a single final product.

Levels of preparation and approval of the document

The summary sheet of findings will be prepared and reviewed by the competent officials, according to the organization of the internal audit.