

Seven Step Process for Testing the Reliability of Data Worksheet Corresponding Audit Steps

Step 1: Conduct Data File Survey

- 1. Determine which file(s) we want to analyze.**

- 2. Determine the types and attributes of data in the selected file.**

- 3. Ascertain if a data retrieval/extraction program or some other generalized audit software can be used to analyze the selected file.**

- 4. Identify the specific information to be collected.**

5. Determine the intended use of the data extracted.

6. Decide how any initial audit findings disclosed will be addressed.

Step 2: Create a Data Test Plan

1. Document the stated conditions or objectives to be accomplished with the test.

2. Determine what specific type of evidence will be examined.

3. Determine who is responsible for conducting the test.

4. Ascertain the start and stop dates of the test.

Step 3: Develop Test Tools

1. Determine the specific data to be used.

2. Decide what processing needs to be performed on the data selected.

3. Determine the type of output reports needed.

4. Identify the output specs necessary to generate the required output.

5. Determine the specific input information to be gathered to provide the required output.

Step 4: Verify File Integrity

- 1. Determine what can be accomplished to prove the correctness of the data in the file.**

- 2. Ascertain if any of the common methodologies identified can be used to satisfy this step (i.e. Key Field Proof, Completeness Proof, or Simple Accounting Proof).**

Step 5: Evaluate Correctness of Test Process

- 1. Determine what can be done to test the program logic of the programs being used to ensure ourselves that it will produce the desired results (i.e. what we can do to test the structure and function of the program(s) being used).**

Step 6: Conduct Data Test

- 1. Outline the specific steps to be performed in accomplishing the test in our environment.**

Step 7: Review Data Test Results

- 1. Document the answers to the three questions listed.**

- 2. Assess whether the output generated appears logical.**

- 3. Determine if the results can be reconciled with our expected results.**

- 4. Evaluate the results for reasonableness.** _____