



AUDITING OUTSOURCED CONTRACTS (CONA)

This course is designed to introduce you to the concepts of outsourcing and the potential impact on business processes. It enables you to consider how you can provide the assurance that senior management, the Board and other stakeholders seek when considering the accountability of contracting processes and the achievement of objectives.

DURATION: 1 DAY

CPD HOURS: 8

COURSE SYNOPSIS

Develop techniques which enable you to audit outsourcing arrangements at all stages, from the original assessment of viability and decision making process, through the agreement of objectives, selection of partner and effective monitoring of the service delivery itself.

COURSE CONTENT

- The objective of outsourcing – why do organisations seek to outsource?
- Key stages within the outsourcing process
- The objectives and elements of contract management.
- Internal audit's role – what impact does an outsourcing arrangement have on the planning and delivery of the auditor's work?
- What are the system risks within the different stages of the contract:
 - o identification of need and assessment of viability
 - o identification of potential contractors
 - o tendering and award of the contract
 - o handover of the activity
 - o monitoring contract performance
 - o evaluation against objectives
 - o termination of the contract
- How to evaluate and map of controls for considerable risks
- The development of an audit programme to test the effectiveness of key controls identified.
- Overview of contract management
 - o outsourcing objectives
 - o transfer of risk
 - o roles and responsibilities
 - o elements of the management process
 - o different approaches to outsourcing
 - o legal and contractual issues
- Internal audit's role
 - o changes to the internal audit approach
 - o who are we providing assurance to?
 - o the new challenges to face
 - o a focus on client management roles instead of operations management information needs
 - o communication flows
 - o where can we add value
- Risk
 - o business seeking to transfer risk through the outsourcing process
 - o cost implications
 - o balancing risk and the cost of control
 - o what different risks are introduced through the outsourcing arrangement
- Contract control and management
 - o developing the right structure
 - o matching control to contractual requirements
 - o qualitative v quantitative assessment
 - o development and use of KPIs
 - o introducing changes in service or activity requirements
 - o performance reporting
 - o poor performance – remedy and review

A 10% group discount will apply to organisations placing a simultaneous booking for 2 or more registrants.

Please click [here](#) for **general course information** and **IIA SA Terms and Conditions**.

Delegates are also requested to review the content and the levels of the courses presented before booking, to ensure they are attending the right course.



TECHNICAL SKILLS

AUDITING OUTSOURCED CONTRACTS (CONA)

- Audit approach
 - o considering the drivers for the business
 - o considering business history and inherent risk
 - o determining key risks
 - o assessing the business control framework
 - o developing a structured approach to the audit work
 - o focusing on key risk areas.

WHO SHOULD ATTEND?

Level 1

Entry or introductory level for those requiring a fundamental understanding of the subject.

Level 2

Internal auditors who are already practicing internal audit and have a basic understanding of the subject

Level 3

Supervisory/competent/senior internal auditors: those who already have a sound, practical grasp of the fundamentals of internal auditing and manage staff

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