

Internal Audit of Public Organizations and Services

Course Outline

1. General

SCHOOL	School of Finance and Statistics		
ACADEMIC UNIT	Department of Banking and Financial Management		
LEVEL OF STUDIES	Postgraduate Program		
COURSE CODE	MEXΔO108	SEMESTER	2nd
COURSE TITLE	Internal Audit of Public Organizations and Services		
INDEPENDENT TEACHING ACTIVITIES		WEEKLY TEACHING HOURS	CREDITS
Lectures (Total Hours)		39	7,5
COURSE TYPE:	General Background		
PREREQUIRE COURSES:	None		
LANGUAGE OF INSTRUCTION and EXAMINATIONS:	Greek		
IS THE COURSE OFFERED TO ERASMUS STUDENTS:	No		
COURSE WEBSITE (URL)	https://bankfin.unipi.gr/mathimata/xddom-esoterikos-elegxos-dimosion-organismon-kai-ypiresion		

2. Learning Outcomes

Learning Outcomes

The aim of the course is to introduce the students to the principles of internal audit, control and assurance of internal processes. Both the theoretical and practical aspects of the audit process will be analyzed. The learning process takes into account and analyzes the recent developments of the auditing profession, the regulatory framework which govern the professionals and the factors influencing the future development of the practice of auditing and other control as well as assurance services. The student will understand the key audit and assurance issues that auditors must deal with and learn how to apply the appropriate framework and strategy with a view to providing effective services in Public Sector. The student will also focus on the principles of auditing and other assurance services. The module also aims to understand the nature of the audit operations as well as other assurance services and the principles of the relevant procedures.

Upon successful completion of the course, the student will be able to:

- Understand audit findings.
- Understand the impact of risks on corporate operations.
- Evaluate the effectiveness of management decisions in matters of corporate governance.
- Gain knowledge about the issues of compliance towards the obligations to the Capital Market Committee and other regulations.
- Be able to allocate audit resources and conduct internal audits.
- Be able to prepare audit reports to the Board of Directors.

General Competences

- Adapting to new situations
- Decision-making
- Working independently
- Teamwork
- Working in an international environment
- Working in an interdisciplinary environment
- Production of new research ideas Teamwork
- Project planning and management
- Respect for difference and multiculturalism

- Respect for the natural environment
- Showing social, professional, and ethical responsibility and sensitivity to gender issues
- Criticism and self-criticism
- Production of free, creative and inductive thinking

3. Syllabus

Thematic units:

1. Introduction to Internal Audit,
 - Internal audit – definition
 - The necessity of internal audit
 - Internal audit as a culture
 - Internal audit and value creation
 - Independence and objectivity of Internal Audit
 - Autonomy of Internal Auditors
 - Jurisdiction of the internal audit
 - Purpose of Internal Audit
 - The position of the Internal Audit dpt in the organizational chart
1. Standards of Professional Practice of Internal Audit,
 - Introduction to the Standards for the Professional Practice of Internal Auditing
 - Purpose of the Standards
 - Separation of Standards
 - Feature standards
 - Conduct standards
1. System of Internal Control,
 - The profile of the Internal Auditor
 - Duties and responsibilities of an Internal Auditor
 - Relationship between Internal and External Auditors
 - Success factors of the Internal Audit Department
 - Internal Control System
 - Internal Control system design
 - Content of the Internal Control system
 - Purpose of the Internal Control system
 - Effectiveness of the Internal Control system
 - Internal Control and risk
 - Understanding of the Internal Control system of the financial unit
 - Corporate culture in matters of Internal Controls
 - Process that the financial unit has established for the assessment of risk
 - Information system
 - Control procedures that the financial unit has established
 - Monitoring of the organizational effectiveness
 - Measuring risk – effectiveness of controls
 - Benefits from the evaluation of the Internal Control system
 - Auditing controls
1. Internal Audit Methodology,
 - Types of audit
 - Internal Audit Methodology
 - Preparation of the annual audit plan
 - Frequency of audits
 - Approval of the annual audit plan
 - Carrying out the audit
 - Audit design
 - Carrying out the audit
 - Audit methodology cycle

- Identification of risks
 - Risk assessment and prioritization
 - Design / implementation / improvement of controls
 - Conclusions and report drafting
 - Monitoring the process
 - Internal audit tools
 - Flow charts
 - Operating manuals
 - Questionnaires
 - Internal Audit Programs
 - Worksheets
 - Interviews
 - Audit files
 - Audit report
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1. Transaction cycle of purchases and accounts payable,
 - Purchases and accounts payable Questionnaire
 - Purchases and accounts payable audit program

 1. Management of inventory transaction cycle,
 - Inventory management questionnaire
 - Inventory management audit program

 1. Management of Cash and Banks transaction cycle,
 - Cash and banks questionnaire
 - Cash and banks audit program

 1. Management of fixed assets transaction cycle,
 - Management of fixed assets questionnaire
 - Management of fixed assets audit program

 1. Sales and accounts receivable transaction cycle,
 - Sales and accounts receivable questionnaire
 - Sales and accounts receivable audit program

 1. Audit of IT systems,
 - Questionnaire on IT systems
 - Audit program on IT systems

 1. Human Resources Management transaction cycle,
 - Human Resources Management questionnaire
 - Human Resources Management audit program

 1. Corporate governance
 - Introduction to Corporate Governance
 - The importance of Corporate Governance
 - The Role of Shareholders
 - The Role of Boards of Directors
 - The Role of the Executive members of the Board of Directors
 - The Role of the non-Executive Members of the Board of Directors
 - Voluntary application of rules
 - Cadbury Code (Committee report 1992)
 - Greenbury Code
 - Combined Code (2000)
 - Turnbull Code (Financial Reporting Council 2005)
 - FRC Guidance for boards and board committees
 - Advantages and disadvantages of voluntary compliance with Corporate Governance rules

- Principles, recommendations
 - Non-executive members of the Management
 - Audit Committee
 - The Role of Internal Audit
 - Responsibilities of external auditors
 - Corporate Governance audit program
1. Specialized questionnaires and audit programs.
 - Questionnaires on promotional and advertising expenses, company vehicles, insurance coverage, parent company relations, new product development, research and development, labor relations, compliance with legislation
 - Promotion and advertising expense control programs, company vehicles, insurance coverage, parent company relations, new product development, research and development, labor relations, compliance with legislation
1. Audit reports
 - Content of the report
 - Characteristics of the report
 - Categories of the Audit Report
 - Communication about the Internal Control environment
 - Communication with those in charge of Corporate Governance
 - Audit Sheets
 - Purpose of the Worksheets
 - Good practices for writing and using Worksheets
 - Audit file

A combination of teaching and learning methods will be used, aiming at the active participation of the students and the practical application of the thematic units under examination; there will also be lectures using audiovisual media, discussions, and analyses of case studies on real business issues, experiential (group) activities, as well as projections of relevant videos. The students will also potentially undertake an individual or group project. Furthermore, articles, web links/addresses, useful information, case studies and exercises for further practice are posted in digital form on the Open e-Class platform.

4. Teaching and Learning Methods - Evaluation

DELIVERY	Face-to-face and distance learning	
USE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY	<ul style="list-style-type: none"> • Support of the learning process through the University's Open eClass platform (integrated e-Course Management System) • Support of lectures using presentation software • Use of audiovisual material • Use of web applications • Use of web applications for plagiarism 	
TEACHING METHODS	Activity	Semester Workload
	Lectures	39
	Independent Study	81
	Writing Paper/Papers	60
	Advisory Support	5,5
	Exams	2
	Course Total	187,5
STUDENT PERFORMANCE EVALUATION	<p>The evaluation process is in the language that the course is taught (Greek or English) and consists of: Compulsory written final examination at the end of the semester (weighting factor 70% at least) which may includes:</p> <ul style="list-style-type: none"> • Multiple choice questionnaires • Open-ended questions • Problem solving • Oral examination <p>Evaluation criteria: correctness, completeness, clarity</p>	

	<p>Optional written exam or essay during the semester (weighting factor 30%) which may includes:</p> <ul style="list-style-type: none"> • Multiple choice questionnaires • Open-ended questions • Problem solving • Essay/report • Oral examination <p>Evaluation criteria: correctness, completeness, clarity</p> <p>Special learning difficulties: Students with special learning difficulties in writing and reading (as they are certified and characterized by a competent body) are examined based on the procedure provided by the Department.</p> <p>Specifically-Defined Criteria: The evaluation criteria are made known during the first lesson and are clearly stated on the course website and the Open e-class platform. The students are allowed to see their exam paper after its grading (during the announced office hours) and receive explanations about the grade they received.</p>
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5. Attached Bibliography

-Suggested Bibliography

- - Βασιλείου Δ., Ηρειώτης Ν., Μενεξιάδης Μ., Μπάλιος Δ., 2017. Εσωτερικός Έλεγχος Επιχειρήσεων και Οργανισμών. Εκδόσεις: Rosili.
- Ελεγκτική βάσει των διεθνών Προτύπων Ελέγχου και των Ελληνικών Λογιστικών Προτύπων, 2019, Εκδόσεις Διπλογραφία
- Ο σύγχρονος Εσωτερικός έλεγχος και η πρακτική εφαρμογή του, Παπαστάθης, 2014.
- Σύγχρονα θέματα Ελεγκτικής και Εσωτερικού Ελέγχου, Νεγκάκης Χ. Ταχυνάκης Π., 2013, Εκδόσεις Διπλογραφία

-Related Academic Journals

Suggested Bibliography in Greek Language:

- Βασιλείου Δ., Ηρειώτης Ν., Μενεξιάδης Μ., Μπάλιος Δ., 2017. Εσωτερικός Έλεγχος Επιχειρήσεων και Οργανισμών. Εκδόσεις: Rosili.
- Ελεγκτική βάσει των διεθνών Προτύπων Ελέγχου και των Ελληνικών Λογιστικών Προτύπων, 2019, Εκδόσεις Διπλογραφία
- Ο σύγχρονος Εσωτερικός έλεγχος και η πρακτική εφαρμογή του, Παπαστάθης, 2014.
- Σύγχρονα θέματα Ελεγκτικής και Εσωτερικού Ελέγχου, Νεγκάκης Χ. Ταχυνάκης Π., 2013, Εκδόσεις Διπλογραφία

Suggested Bibliography in English Language:

- Arens, A. and Loebbecke, J. *Auditing: An integrated Approach*. Prentice-Hall, latest edition.

Instructor's Notes