





The New GAO Yellow Book and an ISO 55000 Approach To Audits

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Approach To Audits

- GAO issues audit standards established by a group of experts
 - Standards are reviewed and updated periodically
 - Is used by:
 - Those who audit government expenditures
 - Those who are audited
 - Internal auditors
 - Covers attestations of financials, performance audits and internal controls
- ISO Publishes Management System Standards, e.g., ISO 55000
- These standards are aligned to the extent that they need to be.

Approach To Audits

- Key Word Search of the Yellow Book and ISO 55000 Overview, ISO 55001 Requirements, ISO 55002 Application and ISO 55010 Alignment
- Key words are included in both but skewed based upon purpose
 - **GAO:** Audit, performance audit, effective, internal control, compliance, assurance, objectives, must, should (GAO)
 - **ISO:** Align, operations, improvement, performance, evaluation, value, efficient, corrective, conform, COSO, shall, should (ISO)

Approach To GAO Audits For Auditors and Audit Organizations

- **Must** be independent
- **Must** use professional judgment
- **Must** ... collectively possess the competence needed
- **Must** establish and maintain a system of **quality control** ...
designed to provide the audit organization with **reasonable assurance**
- **Must** obtain an external peer review
- **Must** properly supervise
- **Must** obtain sufficient, appropriate evidence

Approach To ISO Audits For Auditors and Audit Organizations

- **Shall** conduct internal audits at planned intervals to ... in the determination ...the asset management system:
 - a) conforms to: —its asset management system; — Standard;
 - b) is effectively implemented and maintained.
- **Shall:** a) plan, establish, implement and maintain an audit programme(s)
- Top management **shall** review the organization's asset management system, ... its continuing suitability, adequacy and effectiveness... audit results.



Approach To Audits

- Key Word Search for “**Audit**” in ISO 55001 Requirements
 - Leadership - 5.1 – audits by role
 - Support - 7.6 – general documentation audit reports
 - Operation - 8.1 – Operational and planning control
 - 8.3 – Outsourced reporting
 - Performance Evaluation - 9.1 – Monitoring, measurement, analysis and evaluation
 - 9.2 – Internal audit
 - 9.2 – who gets the report
 - 9.2.2 – how information is kept and controlled
 - 9.3 – information audit
 - 9.3 – management review



Yellow Book-Guide Rail or Guard Rail?





Governance ... The Big Four

GAO Green Book Standards for Internal Control...

ISO 55000 Asset Management

ISO 9000 Quality Management

GAO Yellow Book ... Auditing Standards





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GOVERNMENT AUDITING STANDARDS

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