



# COSO Based

# Auditing

Additional Modul to Credit Auditing

( 1 )

Facilitator : Dr. Ahmad Subagyo

# Latar Belakang

- Selama sepuluh tahun terakhir, IC menjadi obyek utama para auditor intern-ekstern, penyusun laporan keuangan, asosiasi profesional dan legislator.
- Tahun 1992 COSO mengeluarkan laporan – *Internal Control – Integrated framework*.
- Laporan COSO tersebut disponsori oleh 4 organisasi besar di USA, yaitu: AICPA, IIA, IMA, AAA.

## DEFINITION

Internal control is a *process* effected by the board of management (Direktur Utama & Anggota Direksi), senior management and all levels of personnel. It is not solely a procedure or policy that is performed at a certain point in time, but rather it is continually operating at all levels within the bank.

The board of management and senior management are responsible for establishing the appropriate culture to facilitate an effective internal control process and for monitoring its effectiveness on an ongoing basis; however, each individual within an organisation must participate in the process.

# The main objectives of the internal control

1. Efficiency and effectiveness of activities (**performance objectives**);
2. Reliability, completeness and timeliness of financial and management information (**information objectives**); and
3. Compliance with applicable laws and regulations (**compliance objectives**).

# The Major Elements of an Internal Control Process

1. Control environment
2. Risk assessment;
3. Control activities;
4. Information and communication; and
5. Monitoring activities and correcting deficiencies.

# Principles for the Assessment of control environment

I = Integrity

C = Commitment

H = Human Resources policies

A = Assignment of Authority

M = Management Operating

B = Board of director or Audit Committee

O = Organizational Structure

# Principles for the Assessment of Risk Assessment

Material risks that could adversely affect the achievement of the bank's goals are being recognised and continually assessed, i.e.: credit risk, country and transfer risk, market risk, interest rate risk, liquidity risk, operational risk, legal risk and reputational risk.

# Principles for the Assessment of Control Activities and Segregation of Duties

- 1. Control activities should be an integral part of the daily activities of a bank. Include top level reviews; appropriate activity controls for different departments or divisions; physical controls; checking for compliance with exposure limits and follow-up on non-compliance; a system of approvals and authorisations; and, a system of verification and reconciliation.**
- 2. Appropriate segregation of duties, Personnel are not assigned conflicting responsibilities.**
- 3. Areas of potential conflicts of interest should be identified, minimised, and subject to careful, independent monitoring.**

# Principles for the Assessment of Information and communication

1. Adequate and comprehensive internal financial, operational and compliance data.
2. Information should be reliable, timely, accessible, and provided in a consistent format.
3. There are reliable information systems in place that cover all significant activities of the bank.
4. Data in an electronic form, must be secure, monitored independently and supported by adequate contingency arrangements.
5. Effective channels of communication to ensure that all staff fully understand and adhere to policies and procedures affecting their duties and responsibilities and that other relevant information is reaching the appropriate personnel.

# Principles for the Assessment of Monitoring Activities and Correcting Deficiencies

1. Monitoring of key risks should be part of the daily activities of the bank as well as periodic evaluations by the business lines and internal audit.
2. Effective and comprehensive internal audit of the internal control system carried out by operationally independent, appropriately trained and competent staff.
3. Internal control deficiencies should be reported in a timely manner to the appropriate management level and addressed promptly.

# Evaluation of Internal Control Systems

1. Internal Control System should be **effective**, and
2. **Consistent** with the nature, complexity, and risk inherent in on- and off-balance-sheet activities and that responds to changes in the bank's environment and conditions.
3. Appropriate action should be taken if the internal control system is determined not not adequate or effective for that bank's specific risk profile.

# Types of control breakdowns

1. Lack of adequate management oversight and accountability, and failure to develop a strong control culture within the bank
2. Inadequate recognition and assessment of the risk of certain banking activities, whether on- or off-balance sheet.
3. The absence or failure of key control structures and activities, such as segregation of duties, approvals, verifications, reconciliations, and reviews of operating performance.

# Types of control breakdowns

4. Inadequate communication of information between levels of management within the bank, especially in the upward communication of problems.
5. Inadequate or ineffective audit programs and monitoring activities.

# Contoh Analisis Pengendalian Internal Oleh Manajemen - Struktur

Item Review	Indikator
<p><b>Kesesuaian jabatan dan persyaratan jabatan</b></p> <p>Posisi-posisi strategis dijabat oleh orang-orang yang memiliki kualifikasi dengan persyaratan jabatan (job requirement) yang memadai.</p>	<p>Penempatan pejabat/pegawai sesuai dengan persyaratan jabatan.</p>
<p><b>Pendelegasian wewenang</b></p> <p>Bank memiliki sistem pendelegasian wewenang yang jelas untuk masing-masing tingkatan manajemen yang tercermin pada kegiatan operasional.</p>	<p>Bank memiliki ketentuan tertulis mengenai pendelegasian wewenang.</p>

# Contoh Analisis Pengendalian Internal Oleh Manajemen - Sistem

Item Review	Indikator
<p><b>Penggunaan TSI</b></p> <p>Penggunaan TSI (Teknologi Sistem Informasi) oleh bank minimal telah memuat aspek pengamanan sesuai dengan ketentuan Bank Indonesia.</p>	<p>Bank memiliki pedoman penyelenggaraan TSI.</p>
<p><b>Penerapan fungsi audit intern</b></p> <p>Bank telah menerapkan fungsi audit intern sesuai dengan yang ditetapkan dalam SPFAIB (Standar Pelaksanaan Fungsi Audit Intern Bank).</p>	<p>Fungsi audit intern bank dilaksanakan secara aktif.</p>

# Contoh Analisis Pengendalian Internal Oleh Manajemen – Budaya Kerja

Item Review	Indikator
<p><b>Komunikasi atasan dengan bawahan</b></p> <p>Komunikasi antara pimpinan dengan bawahan berjalan secara efektif.</p>	<p>Terdapat pola komunikasi terbuka yang dapat menjamin kelancaran arus informasi dari atas ke bawah dan dari bawah ke atas.</p>
<p><b>Sarana kerja</b></p> <p>Sarana kerja (physical working environment) mendukung terciptanya suasana kerja yang sehat.</p>	<p>Adanya sarana dan prasarana kerja yang dapat mendukung kelancaran pelaksanaan tugas secara optimal.</p>

