



<b>FACULTY/COLLEGE</b>	College of Business and Economics
<b>SCHOOL</b>	School of Consumer Intelligence and Information Systems
<b>DEPARTMENT</b>	Applied Information Systems
<b>CAMPUS(ES)</b>	APB
<b>MODULE NAME</b>	The IS Audit Process
<b>MODULE CODE</b>	PGD001
<b>SEMESTER</b>	First
<b>ASSESSMENT OPPORTUNITY, MONTH AND YEAR</b>	Suplemenrary Summative Assessment Opportunity June 2019

<b>ASSESSMENT DATE</b>	00 July 2019	<b>SESSION</b>	08:30 – 11:30
<b>ASSESSOR(S)</b>	Mr. Lucas Khoza		
<b>MODERATOR(S)</b>	Mr. Tebogo Mabitsela		
<b>DURATION</b>	3 hours (180 min)	<b>TOTAL MARKS</b>	100

<b>NUMBER OF PAGES OF QUESTION PAPER (Including cover page)</b>	3
---	---

**INFORMATION/INSTRUCTIONS:**

---

- Question papers must be handed in.
  - This is a closed-book assessment.
  - Read the questions carefully and answer only what is required.
  - Number your answers clearly and correctly as per the question paper.
  - Write neatly and legibly on both sides of the paper in the answer book, starting each question on the first page.
  - The general University of Johannesburg policies, procedures and rules pertaining to written assessments apply to this assessment.
-

**QUESTION 1****[45 MARKS]**

- 1.1 List and describe **FOUR (4)** different types of Standards relevant to IT Auditing. (8)
- 1.2 In this age of advanced technology and computer based information systems, discuss **SIX (6)** reasons why accountants are concerned about *physical* (human) controls? (12)
- 1.3 Discuss any **FIVE (5)** tips for Conducting a Successful Interview. (6)
- 1.4 Discuss any **FIVE (5)** examples of irregularities and illegal activities in organisations. (9)
- 1.5 Discuss the ISACA Code of Ethics. (10)

**QUESTION 2****[15 MARKS]**

Management is currently considering ways in which to enhance the physical security and protection of its data centre. The IS auditor has been asked to assist in this process by evaluating the current environment and making recommendations for improvement. The data centre consists of 1,395 square meters of raised flooring on the ground floor of the corporate headquarters building. A total of 22 operations personnel require regular access. Currently, access to the data centre is obtained using a proximity card, which is assigned to each authorized individual. There are three entrances to the data centre, each of which utilizes a card reader and has a camera monitoring the entrance. These cameras feed their signals to a monitor at the building reception desk, which cycles through these images along with views from other cameras inside and outside the building. Two of the doors to the data centre also have key locks that bypass the electronic system so that a proximity card is not required for entry. Use of proximity cards is written to an electronic log. This log is retained for 45 days. During the review, the IS Auditor noted that 64 proximity cards are currently active and issued to various personnel. The data centre has no exterior windows, although one wall is glass and overlooks the entry foyer and reception area for the building.

- 2.1 Discuss some of the issues that would be of concern to the IS Auditor. (10)
- 2.2 Discuss how the proximity card system could be supplemented with an additional access control measure to add a further level of access control. (3)
- 2.3 The audit may uncover irregularities and illegal acts that require disclosure. Is the auditor obliged to promptly disclose this information to management? Discuss your response. (3)

**QUESTION 3****[20 MARKS]**

- 3.1 Discuss the purpose of key performance indicators. (5)
- 3.2 Part of the auditor's responsibility is to identify **POTENTIAL RISK RESPONSE** strategies that can be used in the audit with each identified risk. Discuss these risk response strategies. (8)
- 3.3 **Change Management** is the **Key Control Process** in an IS organization upon which many security and quality related audit opinions depend. Discuss what should be included in the **Change Control Process**. (7)

**QUESTION 4****[20 MARKS]****CASE STUDY**

An IS auditor has been asked to review the draft of an outsourcing contract and SLA and recommend any changes or point out any concerns prior to these documents being submitted to senior management for final approval. The agreement includes outsourcing support for Windows and UNIX server administration and network management to a third party. Servers will be relocated to the outsourcers' facility that is located in another country and connectivity will be established using the Internet. Operating systems software will be upgraded on a semiannual basis. All requests for addition or deletion of user accounts will be processed within three business days. Intrusion detection software will be continuously monitored by the outsourcer and the customer notified by email if any anomalies are detected. New employees hired within the last three years were subject to background checks. Prior to that time there was no policy in place. A right to audit clause is in place but 24-hour notice is required prior to an onsite visit. If the outsourcer is found in violation of any terms or conditions of the contract, the outsourcer will have 10 business days to correct the deficiency. The outsourcer does not have an IS auditor but is audited by a regional public accounting firm.

- 4.1 What is a Service Level Agreement (SLA)? (5)
- 4.2 Discuss **FIVE (5)** items that should be considered in a SLA (5)
- 4.3 Discuss **FIVE (5)** general guidelines that should be used for the preparation of working papers. (5)
- 4.4 IT Audit work papers are the internal set of documentation that house all of the relevant information about the audit. Discuss the purpose and the contents of IT audit work papers. (5)