

# Blending of Investigators and Auditors

## Case Coordination



# Audits vs. Investigation

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- Audits

- Regulatory Compliance
- Scope of work
- Interviews
  - ✦ Specific questions
  - ✦ Controls-Oriented
  - ✦ Voluntary or Compelled
- Documents
  - ✦ Walk-throughs
- Observations
  - ✦ Procedural

- Investigations

- Fact Gathering
- Administrative, Civil and Criminal Scope
- Legal Process
- Interviews
  - ✦ Open-Ended
  - ✦ Voluntary or Compelled

# Challenges

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- Audit scope not as expansive as investigations
- Audit vs. Investigative Interviews
  - Limitations of audit interviews (walk-throughs/procedures oriented)
  - Voluntary vs. compelled statements
  - Difference in skillset and training
- Maintaining contact with your team

# Challenges

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- Exchange of Information
  - Audit reporting requirements and timeline differs from investigations
  - Access and use of records obtained through judicial process
- Balancing Administrative Actions with Civil and Criminal Investigations

# Overcoming Challenges

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- Teamwork
  - Resources (match skills to needs of the task)
- Communication & Information Sharing
  - Plan
  - Discuss concerns prior to and following interviews
  - Blending interview approach to meet needs of both
  - What should we keep in mind when developing questions
    - ✦ Open ended & 'conversational'
    - ✦ target factual information
    - ✦ run timeline of events

# Overcoming Challenges

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- Understanding audit and investigative authorities
  - Know audit documentations and work papers
  - Requirements to return client records
  - Methods to obtain records (\*Pros and Cons)
    - ✦ Audit Requests
    - ✦ Administrative or Judicial Requests
  - Comparison of records
  - Conduct voluntary interview whenever possible
  - Provide effective and appropriate notification for joint audit work
  - Notifications to audit client

# Overcoming Challenges

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- Documentation and Record Keeping
  - Chain of custody (what documentation are maintained by auditors)
    - ✦ Names, dates, times, locations, other specifics
    - ✦ Documenting analysis performed
  - What is discoverable and what does this mean for audit
    - ✦ Discuss with investigations to understand
    - ✦ Ensure discoverable materials are organized, documented, and maintained
- Stay in regular contact
  - Call once a week or so just to touch base if nothing else.
  - Conversations between audit and investigations often yield new ideas on both sides, contact and open discussion is important.
  - Joint analysis efforts in the field and in the office.

# Overcoming Challenges

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- Get Prosecutors Involved
  - Early on as soon as possible
  - Involve prosecutors in the strategy
  - Present periodic updates and findings