Appendix 1

Ticking and Tying

Properly ticking and tying your work papers enables the reviewer or user of your documentation to understand how each document relates to each other. Work papers should be able to "stand alone" meaning you don't need to explain what you did and how you did it because the work papers tell the complete story. They should be logically organized, and the naming convention should follow a consistent pattern.

For example, if you are testing three controls in Procure-to-Pay (the payables cycle), each control would be labelled as follows: PTP-1 (first PTP control), PTP-2 (second PTP control) and PTP-3 (third PTP control).

If there are multiple work papers for a control (such as PTP-1, which is the first control in the payables section), the first work paper for PTP-1 would be PTP-1.1, followed by PTP-1.2, PTP-1.3, etc.

If there are multiple samples and each sample has multiple work papers, see the following example:

If you are performing a three-way match (purchase order, invoice and bill of lading have to agree), the following would represent the first PTP control, the first sample and three supporting documents:

Sample 1: PTP-1.1a would be the purchase order

PTP-1.1b would be the invoice

PTP-1.1c would be the bill of lading

If there are multiple pages, name the first page (PTP-1.1a) and then add page numbers to the following pages. Then you can tie a specific page number to another document:

PTP-1.1a 3/ This would show the first control of PTP, the first sample selection, and the third page of the first supporting document.

The second sample tested would be:

PTP1.2a (purchase order)

PTP1.2b (invoice)

PTP1.2c (bill of lading)

Reference names should go in the bottom right corner.

Let's look at a "real" example:

Notice that when a document is tied to a preceding document, the reference is on the left, and when a document is tied to a subsequent document, the reference is on the right.

In this example, the red notations were done by the auditor. The checkmarks were done by the AP Supervisor.
ABC Company

Purchase Order Number: 56789 PTP1.1b
Purchase Order Date: 5/15/15

ABC Company to Purchase from XYZ Company

<table>
<thead>
<tr>
<th>Product</th>
<th>Quantity</th>
<th>Unit Cost</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computers</td>
<td>10 PTP1.1b</td>
<td>$1,000 PTP1.1b</td>
<td>$10,000 PTP1.1b</td>
</tr>
<tr>
<td></td>
<td>PTP1.1c</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This is the sign-off of the AP Supervisor, Jane Smith, evidencing her review of the three-way match. During her review process, she verifies that the purchase order number, invoice number, quantity, unit cost and total cost match between the three documents as noted with a check mark.

PTP1.1a

Source: Purchase order, invoice and bill of lading provided by Sally Miller, AP Supervisor
XYZ COMPANY

Bill to: ABC Company  
Invoice Number: 12345

Ship to: ABC Company  
Invoice Date: 6/30/15

Purchase Order Number: PTP1.1a 56789

<table>
<thead>
<tr>
<th>Product</th>
<th>Quantity</th>
<th>Unit Cost</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computers</td>
<td>PTP1.1a 10 PTP1.1c</td>
<td>PTP1.1a $1,000</td>
<td>PTP1.1a $10,000</td>
</tr>
</tbody>
</table>

Mail payments to XYZ Company within 30 days of receipt
Bill of Lading

Transportation Corporation

From: XYZ Company

To: ABC Company

Product: Computers

<table>
<thead>
<tr>
<th>Invoice #</th>
<th>Quantity</th>
<th>Date Shipped</th>
<th>Date Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTP1.1b 12345</td>
<td>PTP1.1a, PTP1.1b 10</td>
<td>6/30/15</td>
<td>7/3/15</td>
</tr>
</tbody>
</table>