Introduction

The commands in this chapter are a continuation of those in Chapter 3, but they are used primarily to help the auditor evaluate the likelihood of errors or fraud. Examine the Quick Reference Guide – Category of Command. All five commands in this chapter are in the Investigation category. They can all be thought of as being a form of analytical procedure.

Proceed through each command in the same way as for Chapter 3, reading the command requirements in this chapter and then using the Reference material. Again, also use the Quick Reference Guide to identify and learn the buttons, and to better understand each command.

As in Chapter 3, all practice activities and assignments in this chapter require you to use tables from the ACL project called Sample Project. You will not be reminded again in this chapter which project to use.

Classify Command (Click the heading to open the Reference materials)

Use the Classify command on the Payroll table.

- 📁 *Payroll_Analysis*
- 🔲 *Payroll*
- *Use the Classify command to determine the gross pay for each work department. Additionally, accumulate the net pay of each work department.*

If you executed the Classify command correctly, the command results show the following information:

As of:	05/26/2017 10:32:07				
Command:	CLASSIFY ON WORK_DEPT_ SUBTOTAL GROSS_PAY NET_PAY TO SCREEN				
Table:	Payroll				

WORK_DEPT_	Count	Percent of Count	Percent of Field	GROSS_PAY	NET_PAY
A00	5	11.36%	17.12%	17,062.49	13,656.82
B01	1	2.27%	3.45%	3,437.50	2,749.75
C01	4	9.09%	9.94%	9,907.49	7,925.73
D11	11	25%	23.12%	23,051.69	18,440.88
D21	7	15.91%	15.02%	14,973.34	11,978.43
E01	1	2.27%	3.36%	3,347.92	2,678.34
E11	6	13.64%	9.87%	9,840.84	7,882.84
E21	8	18.18%	16.45%	16,401.69	13,120.63
E83	1	2.27%	1.67%	1,662.50	1,329.25
Totals	44	100%	100%	99,685.46	79,762.67

■■ *Next, identify all employees in work department D11.*

You can obtain this information by returning to the Payroll table. However, an easier way is to use the "drill-down" feature, which is described next.

■■ *Click on work department D11. Observe that the filter box includes WORK_DEPT = "D11", the same as if you had used a filter.*

■■ *Next, determine how employees with a gross pay of $2,500 or more are included in work department D11.*

If you revised the filter correctly, you should have determined that only one employee in work department D11, #000060, has gross pay of $2,500 or more.

Summarize Command (Click the heading to open the Reference materials)

Use the Summarize command on the AP_Trans table.

■■ ▢ *Accounts_Payable*

■■ ▦ *AP_Trans*

■■ *Use the Summarize command to determine which five vendors had the highest total dollar value of invoices (purchases) for the year. Create an output file (a new ACL table) called "AP_Trans_Summ_by_VendorNo" with the results of the Summarize command.* **Hint: To quickly find the five vendors with the most purchases for the year, right-click on the Invoice_Amount heading in the new table to highlight the entire column. Select "Quick Sort Descending."**

If you executed the Summarize command correctly, the five vendors with the highest dollar value of purchases for the year were #10025, #11475, #12130, #10134, and #11922.

Cross-tabulate Command (Click the heading to open the Reference materials)

Use the Cross-tabulate command on the Empmast table.

■■ ▢ *Payroll_Analysis*

■■ ▦ *Empmast*

■■ *Use the Cross-tabulate command to accumulate the Salary by work department (Work_Dept) and job description (Job_Desc). Select Work_Dept in the Rows box and Job_Desc in the Columns box. Do not include a count. Send the results to the screen.*

If you executed the Cross-tabulate command correctly, the command results show the following information:

As of: 05/04/2017 13:26:00
Command: CROSSTAB ON Work_Dept COLUMNS Job_Desc SUBTOTAL Salary TO SCREEN
Table: Empmast

Work_Dept	Salary Job_Desc ANALYST	Salary Job_Desc CLERK	Salary Job_Desc DESIGNER	Salary Job_Desc FIELDREP	Salary Job_Desc MANAGER	Salary Job_Desc OPERATOR	Salary Job_Desc PRES	Salary Job_Desc SALESREP
A00	0	58,500	0	0	0	0	52,750	93,500
B01	0	0	0	0	41,250	0	0	0
C01	80,640	0	0	0	38,250	0	0	0
D11	0	0	244,370	0	32,250	0	0	0
D21	0	143,510	0	0	36,170	0	0	0
E01	0	0	0	0	40,175	0	0	0
E11	0	0	0	0	29,750	118,090	0	0
E21	0	0	0	118,370	26,150	0	0	0
Totals	80,640	202,010	244,370	118,370	243,995	118,090	52,750	93,500

Next, assume that you now decide you want a count of the number of employees in each cell. Double-click on the Command line and check the "Include Count" box in the bottom right of the cross-tabulate window before running the command.

If you executed the Cross-tabulate command correctly, including the cell count, the command results show the following information (only a portion of the grid may be visible on the screen):

As of: 05/04/2017 13:26:42
Command: CROSSTAB ON Work_Dept COLUMNS Job_Desc SUBTOTAL Salary COUNT TO SCREEN
Table: Empmast

Work_Dept	Salary Job_Desc ANALYST	Count ANALYST	Salary Job_Desc CLERK	Count CLERK	Salary Job_Desc DESIGNER	Count DESIGNER	Salary Job_Desc FIELDREP	Count FIELDREP	Salary Job_Desc MANAGER	Count MANAGER	Salary Job_Desc OPERATOR	Count OPERATOR	Salary Job_Desc PRES	Count PRES	Salary Job_Desc SALESREP	Count SALESREP
A00	0	0	58,500	2	0	0	0	0	0	0	0	0	52,750	1	93,500	2
B01	0	0	0	0	0	0	0	0	41,250	1	0	0	0	0	0	0
C01	80,640	3	0	0	0	0	0	0	38,250	1	0	0	0	0	0	0
D11	0	0	0	0	244,370	10	0	0	32,250	1	0	0	0	0	0	0
D21	0	0	143,510	6	0	0	0	0	36,170	1	0	0	0	0	0	0
E01	0	0	0	0	0	0	0	0	40,175	1	0	0	0	0	0	0
E11	0	0	0	0	0	0	0	0	29,750	1	118,090	6	0	0	0	0
E21	0	0	0	0	0	0	118,370	5	26,150	1	0	0	0	0	0	0
Totals	80,640	3	202,010	8	244,370	10	118,370	5	243,995	7	118,090	6	52,750	1	93,500	2

Stratify Command (Click the heading to open the Reference materials)

Use the Stratify command with the AP_Trans table.

- ▪▪ 🗀 *Accounts_Payable*
- ▪▪ ▦ *AP_Trans*
- ▪▪ *Use the Stratify command to stratify the Invoice_Amount field into 5 even intervals. Execute the Statistics command first, and the minimum and maximum values will be automatically entered. Change the default number of intervals of 10 to 5 in the box located below maximum. Print the results to the screen.*

If you executed the Stratify command correctly, the command results show the following information:

As of: 05/04/2017 13:33:21
Command: STRATIFY ON Invoice_Amount INTERVALS 5 TO SCREEN
Table: AP_Trans

Minimum encountered was 14.88
Maximum encountered was 56,767.20

Invoice_Amount	Count	Percent of Count	Percent of Field	Invoice_Amount
14.88 - 11,365.34	97	95.1%	54.02%	150,517.24
11,365.35 - 22,715.80	4	3.92%	25.61%	71,356.89
22,715.81 - 34,066.27	0	0%	0%	0.00
34,066.28 - 45,416.73	0	0%	0%	0.00
45,416.74 - 56,767.20	1	0.98%	20.37%	56,767.20
Totals	102	100%	100%	278,641.33

Age Command (Click the heading to open the Reference materials)

Use the Age command on the Trans table.

- ▪▪ 🗀 *Accounts_Receivable_Audit*
- ▪▪ ▦ *Trans*
- ▪▪ *Use the Age command to age the Invoice_Amount field, using December 31, 2018, as the cutoff date and the default aging intervals shown in the Age window.*

If you ran the Age command correctly, the command results show the following:

As of: 05/04/2017 13:41:02
Command: AGE ON Invoice_Date CUTOFF 20181231 INTERVAL 0,30,60,90,120,10000 SUBTOTAL Invoice_Amount TO SCREEN
Table: Trans

Minimum encountered was 0
Maximum encountered was 363

Days	Count	Percent of Count	Percent of Field	Invoice_Amount
0 - 29	47	13.86%	7.34%	22,070.02
30 - 59	31	9.14%	8.85%	26,616.79
60 - 89	26	7.67%	3.86%	11,610.19
90 - 119	21	6.19%	23.78%	71,510.85
120 - 10,000	214	63.13%	56.16%	168,874.19
Totals	339	100%	100%	300,682.04

Homework pages are available on www.armonddaltonresources.com