Focused Assessment (FA) Sampling Methodology Table

Audit Action	Sampling Objective	Audit Area	Sampling Frame	Sampling Units	Anticipated Errors	Type of Sampling	Minimum Sample Size	Sampling Parameters	Sample Selection Methods	Sample Evaluation Methods
FA PAS (Pre-Assessment Survey)	To take a survey in order to help determine: (1) the adequacy of internal controls, (2) whether the risk to Customs is acceptable or unacceptable, and (3) if additional testing (FA ACT) is necessary to ascertain the extent of compliance and/or to compute revenue loss.	Any review area.	Any.	Physical units (e.g., items, transactions, files, etc.).	Any.	Nonstatistical (Judgmental)	1 to 20, depending on the initial risk exposure and internal control assessment. Low risk exposure = 1 to 10 items (depending on if internal controls are strong, adequate or weak). Moderate risk exposure = 5 to 15 items (depending on if internal controls are strong, adequate or weak). High risk exposure = 10 to 20 items (depending on if internal controls are strong, adequate or weak).	N/A	Any method appropriate for the circumstances. Purposive selection recommended if possible.	Auditor judgment.

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Audit Action	Sampling Objective	Audit Area	Sampling Frame	Sampling Units	Anticipated Errors	Type of Sampling	Minimum Sample Size	Sampling Parameters	Sample Selection Methods	Sample Evaluation Methods
FA ACT (Assessment Compliance Testing)	To review an identified unacceptable risk area (from FA PAS) in order to ascertain the extent of compliance and/or to compute revenue loss.	Any identified unacceptable risk area that is small enough to review in its entirety.	Any.	Physical units (e.g., items, transactions, files, etc.).	Any.	Nonstatistical (Judgmental)	100% of the identified unacceptable-risk area (generally not more than a typical statistical sample of 60 to 100).	N/A	All items are selected.	Actual results from 100% review.

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Audit Action	Sampling Objective	Audit Area	Sampling Frame	Sampling Units	Anticipated Errors	Type of Sampling	Minimum Sample Size	Sampling Parameters	Sample Selection Methods	Sample Evaluation Methods
FA ACT	To review an identified unacceptable risk area (from FA PAS) in order to ascertain the extent of compliance and/or to compute revenue loss.	Any identified unacceptable risk area that is too large to review 100% (except transshipment and undeclared ADD/CVD).	Electronic file, printout or listing, physical items. Frame may be highly variable in terms of dollars and/or characteristics.	Individual physical units. Clusters of physical units and reviewing entire clusters is acceptable (e.g., clusters consist of small number of items or reviewing whole clusters does not require significant additional effort).	Many errors, including small errors.	Statistical Variable Physical Unit	Homogenous frame (similar dollars and characteristics) with coefficient of variation < 50% (standard deviation of the frame / frame mean * 100) = 1 sample with 1 random stratum of 60 items.	Confidence Level = 95%. Desired Precision < 100%.	EZ-Quant STRAT - Physical Unit Sample Selection Procedure. Provides automatic equal horizontal strata (dollar). Suitable for an electronic frame or a small printout/listing that can be typed in.	EZ-Quant SAMPL Physical Unit Sample Evaluation Procedure.
									EZ-Quant RANUM - Random Numbers Generator. Generates random numbers. Suitable for an electronic frame, a numbered printout/listing, or a numbered physical item frame. Allows control of strata (horizontal/dollars or vertical/characteristics) .	
							Nonhomogenous frame (dissimilar dollars and/or characteristics) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = 1 sample with 3 random strata of 30 items each plus 1 100% review stratum (e.g., high dollar items).		EZ-Quant RASEQ - Sets of Random Numbers Generator. Generates sets of random numbers. Suitable for unnumbered printout/listing, unnumbered physical item frame with a hierarchical structure. Okay when stratification is not necessary, the frame is already stratified, or the frame can be stratified prior to sample selection.	Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic file is too large for SAMPL.
									Manual Systematic Interval Selection. Suitable for an unnumbered physical item frame where selecting every nth item would result in a better cross-section of items or would be easier and quicker than using RASEQ.	
									Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for analysis, manual stratification, or application of EZ-Quant RANUM) or too large fit into STRAT (for stratification and/or sample selection).	
			Electronic file or small printout or listing. Frame is not highly variable in terms of characteristics but may be highly variable in terms of dollars.	Dollars representing clusters of physical units and reviewing entire clusters is not acceptable (e.g., clusters consist of many items and reviewing all would require significant additional effort).	Few, primarily large errors.	Statistical Variable Dollar Unit	Homogenous frame (similar dollars and characteristics) with coefficient of variation < 50% (standard deviation of the frame / frame mean * 100) = 1 sample of 60 items.	Confidence Level = 95%. Desired Precision < 100%.	EZ-Quant DUSSEL - Dollar Unit Sample Selection Procedure. Suitable for an electronic frame. (Manual systematic interval selection procedures are used to identify the dollar hit items within clusters.)	EZ-Quant DUSAM Dollar Unit Sample Evaluation Procedure.
							Nonhomogenous frame (dissimilar dollars) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = 1 sample of 100 items. Nonhomogenous frame (characteristics) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = multiple samples of 60 items each.		Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for analysis) or too large to fit into DUSSEL (for sample selection).	Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic file is too large for DUSAM.

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Audit Action	Sampling Objective	Audit Area	Sampling Frame	Sampling Units	Anticipated Errors	Type of Sampling	Minimum Sample Size	Sampling Parameters	Sample Selection Methods	Sample Evaluation Methods
FA ACT	To review an identified sensitive unacceptable risk area (from FA PAS) in order to verify compliance (i.e., to determine if any systemic error exists) and to compute revenue loss if applicable/ appropriate.	Identified sensitive unacceptable risk areas of transshipment and undeclared ADD/CVD.	Any.	Physical units (e.g., items, transactions, files, etc.).	None.	Statistical Attribute Discovery	Generally 59 to 90, depending on the frame size. Determined by EZ-Quant ATTDISC - Discovery Acceptance Sample Size Procedure.	Confidence Level = 99%. Critical Error Rate = 5%. Government Risk = 1%.	EZ-Quant STRAT - Physical Unit Sample Selection Procedure. May be used for attribute discovery sampling by designating one stratum and no high dollar items.	EZ-Quant SAMPL Physical Unit Sample Evaluation Procedure (if possible, for revenue estimation).
									EZ-Quant RANUM - Random Numbers Generator. Suitable for an electronic frame, a numbered printout/listing, or a numbered physical item frame.	
									EZ-Quant RASEQ - Sets of Random Numbers Generator. Suitable for unnumbered printout/listing, unnumbered physical item frame with a hierarchical structure.	Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic file is too large for SAMPL.
									Manual Systematic Interval Selection. Suitable for an unnumbered physical item frame where selecting every nth item would result in a better cross-section of items or would be easier and quicker than using RASEQ.	
									Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for application of EZ-Quant RANUM) or too large fit into STRAT (for sample selection).	

Focused Assessment (FA) Sampling Methodology Table

Audit Action	Sampling Objective	Audit Area	Sampling Frame	Sampling Units	Anticipated Errors	Type of Sampling	Minimum Sample Size	Sampling Parameters	Sample Selection Methods	Sample Evaluation Methods
Follow-Up	To review an identified unacceptable risk area (from FA PAS), noncompliant area (from FA ACT), and/or importer quantification of compliance/revenue (from FA PAS or FA ACT) in order to: (1) determine if the implemented CIP corrected the internal control deficiencies, (2) ascertain the extent of compliance and/or to compute revenue loss, (3) determine whether the risk to Customs is acceptable or unacceptable, and/or (4) verify any importer quantification of compliance/revenue.	Any identified unacceptable risk area or noncompliant area that is limited in scope and number.	Any.	Physical units (e.g., items, transactions, files, etc.).	Any.	Nonstatistical (Judgmental)	100% of the identified unacceptable risk or noncompliant area (generally not more than a typical statistical sample of 60 to 100) or a sample sufficient to verify internal control adequacy, compliance, and/or revenue due.	N/A	All items are selected or any selection method appropriate for the circumstances.	Actual results from 100% review or auditor judgment from judgmental sample.

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									EZ-Quant RANUM - Random Numbers Generator. Suitable for an electronic frame, a numbered printout/listing, or a numbered physical item frame. Allows control of strata (horizontal/dollars or vertical/characteristics) .	
							Nonhomogenous frame (dollars and/or characteristics) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = 1 sample with 3 random strata of 30 items each plus 1 100% review stratum (e.g., high dollar items).		EZ-Quant RASEQ - Sets of Random Numbers Generator. Suitable for unnumbered printout/listing, unnumbered physical item frame with a hierarchical structure. Okay when stratification is not necessary, the frame is already stratified, or the frame can be stratified prior to sample selection.	Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic file is too large for SAMPL.
									Manual Systematic Interval Selection. Suitable for an unnumbered physical item frame where selecting every nth item would result in a better cross-section of items or would be easier and quicker than using RASEQ.	
									Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for analysis, manual stratification, or application of EZ-Quant RANUM) or too large fit into STRAT (for stratification and/or sample selection).	
			Electronic file or small printout or listing. Frame is not highly variable in terms of characteristics but may be highly variable in terms of dollars.	Dollars representing clusters of physical units and reviewing entire clusters is not acceptable (e.g., clusters consist of many items and reviewing all would require significant additional effort).	Few, primarily large errors.	Statistical Variable Dollar Unit	Homogenous frame (dollars and characteristics) with coefficient of variation < 50% (standard deviation of the frame / frame mean * 100) = 1 sample of 60 items.	Confidence Level = 95%. Desired Precision < 100%.	EZ-Quant DUSSEL - Dollar Unit Sample Selection Procedure. Suitable for an electronic frame.	EZ-Quant DUSAM Dollar Unit Sample Evaluation Procedure.
							Nonhomogenous frame (dollars) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = 1 sample of 100 items. Nonhomogenous frame (characteristics) with coefficient of variation >= 50% (standard deviation of the frame / frame mean * 100) = multiple samples of 60 items each.		Other computer programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for analysis) or too large to fit into DUSSEL (for sample selection).	

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									Manual Systematic Interval Selection. Suitable for an unnumbered physical item frame where selecting every nth item would result in a better cross-section of items or would be easier and quicker than using RASEQ.	
									Other programs (e.g., Microsoft Access or SAS) may be used if the electronic frame too large to fit into Microsoft Excel (for application of EZ-Quant RANUM) or too large fit into STRAT (for sample selection).	