

Positioning Internal Audit to Contribute to More Strategic Organizational Outcomes

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Flow

- **Objectives for the Session**
- **Internal Audit in a Nutshell**
- **Need for Renewal**
- **Direction for Cultural Change**
- **Opportunities**
- **Enhanced Stakeholder Engagement in IA**
- **Canadian Benchmarking References**

Objectives for the Session

Within the Government of Canada context:

- **Awareness that cultural change is needed**
- **Operational changes leading to greater integration and better outcomes for their organization**
- **TB/IIA Standards enable cultural change**

Internal Audit In A Nutshell

- **Independence and objectivity**
- **Neutral stance**
- **Governance, Risk Management and Internal Control**

Need for Renewal

- **GoC Internal Audit is not adequately meeting Treasury Board and International Standards for Internal Audit**
- **Increases to the value of internal audit reports**
- **Internal Audit needs new stories to tell**

Direction for Cultural Change

- **Example provided by Financial Attest Auditing**
- **Canadian IA Innovation -> Control Self-Assessment**
- **Example of cultural change elsewhere – expanded paradigms in health and psychology**

Opportunities

- **Work within ‘Knowledge Contexts’ – recognize limits to “one size fits all” approaches**
- **Greater collaboration - enhanced learning for key stakeholders in publicly funded programs**

Enhanced Stakeholder Engagement in IA

- **Risk-based internal audit planning**
- **Individual audit planning**
- **Internal audit examinations**
- **Public internal audit reporting**

Risk-based audit planning

- **Working with corporate initiatives**
- **Addressing risks across, within and beyond organizations**
- **Reinforcing strengths as well as addressing weaknesses**
- **Include positive audits**

Individual audit planning

- **Tailoring of internal audit objectives**
- **Sources for assessment criteria**
- **Enhanced scopes**

Internal audit examinations

- **Relations of findings, causes and impacts**
- **Prepare to examine and report on over control**
- **Cost/benefit of potential recommendations**

Public internal audit reporting

- **Provide benchmarking information**
- **Address needs of public stakeholders in story telling and messaging**

Canadian Benchmarking References

- **OCG Review of Practice Inspections (October 2015)**
- **Government Internal Auditors Council of Canada (GIACC) Enhancing The Value Of Internal Auditing In The Public Sector (Distributed January 2017) – National Study**
- **OCG Analysis of Departmental Risk-Based Audit Plans (RBAPs) for Fiscal Year 2016-2017**
- **OCG Analysis of Audit Reports (November 2015)**