

Gæðastjórnun Gæðaeftirlit

Morgunfundur FIE 11. desember 2009

Umfjöllunarefni

- Söguleg nálgun gæðaeftirlits (e.Quality Assessments (QA))
- Kröfur alþjóðastaðla IIA um gæðastjórnun og gæðaeftirlit
- Ytra gæðaeftirlit (External QA)
- Ítarlegt sjálfsmat með yfirferð ytri gæðaeftirlitsaðila (Self Assessment with Independent Validation)

Opnun umfjöllunar

- Hafið þið farið í gegnum ytra gæðaeftirlit í ykkar innri endurskoðunardeildum nú þegar?
- Hafið þið framkvæmt kerfisbundið sjálfsmat á ykkar innri endurskoðunardeildir nú þegar?

Söguleg nálgun gæðaeftirlits

- Aðrar sambærilegar fagstéttir heyra undir ytra gæðaeftirlit, t.d. Félag löggiltra endurskoðenda, einnig á alþjóðavísu.
- IIA hóf að gera ytra gæðaeftirlit árið 1986
- QA Manual, 6th Edition, sjá IIA.org

Attribute *Standards*

For the Professional Practice of Internal Auditing

- 1000: Purpose, Authority, and Responsibility
- 1100: Independence and Objectivity
- 1200: Proficiency and Due Professional Care
- 1300: **Quality Assurance and Improvement Program**

Performance *Standards*

For the Professional Practice of Internal Auditing

- 2000: Managing the Internal Audit Activity
- 2100: Nature of Work
- 2200: Engagement Planning
- 2300: Performing the Engagement
- 2400: Communicating Results
- 2500: Monitoring Progress
- 2600: Management's Acceptance of Risks

Quality Assessment Related Standards

- 1300: Quality Assurance and Improvement Program
- 1310: Quality Program Assessments
- 1311: Internal Assessments
 - Ongoing Reviews
 - Periodic Reviews
- 1312: External Assessments
 - Independent Five Year Requirements

Quality Assessment Related *Standards*

- 1320: Reporting on the Quality Program
- 1330: Use of “Conforms with the International Standards for the Professional Practice of Internal Auditing”
- 1322: Disclosure of noncompliance

Quality Standards

1300: Quality Assessment and Improvement Programs (QA&IP)

- The chief audit executive should develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity and continuously monitors its effectiveness. The program should be designed to help the internal auditing activity add value and improve the organization's operations and to provide assurance that the internal audit activity is in conformity with the *Standards* and the *Code of Ethics*.

Quality Standards

1310: Requirements of the Quality Assurance and Improvement Program

- Monitoring QA&IP
- Assessing QA&IP through:
 - Internal quality assessments
 - Ongoing monitoring
 - Periodic testing
 - External quality assessments
 - External validation at least once every five years

Quality Standards

1311: Internal Assessments

Should include:

- Ongoing reviews of the performance of the internal audit activity; and
- Periodic reviews performed through self-assessment or by other persons within the organization, with knowledge of internal auditing practices and the Standards.
 - Person(s) conducting assessment can be part of internal audit activity or from another area in the company.

Quality Standards

1312: External Assessments

External assessments such as quality assurance reviews, should be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organization.

- Person **cannot** be part of or related to the company where the IA Activity is operating.

Quality Standards

1320: Reporting on the Quality Program

- The CAE should report the results of external assessments to the Board
 - Recommended also sharing results of the external assessment with senior management.

Quality Standards

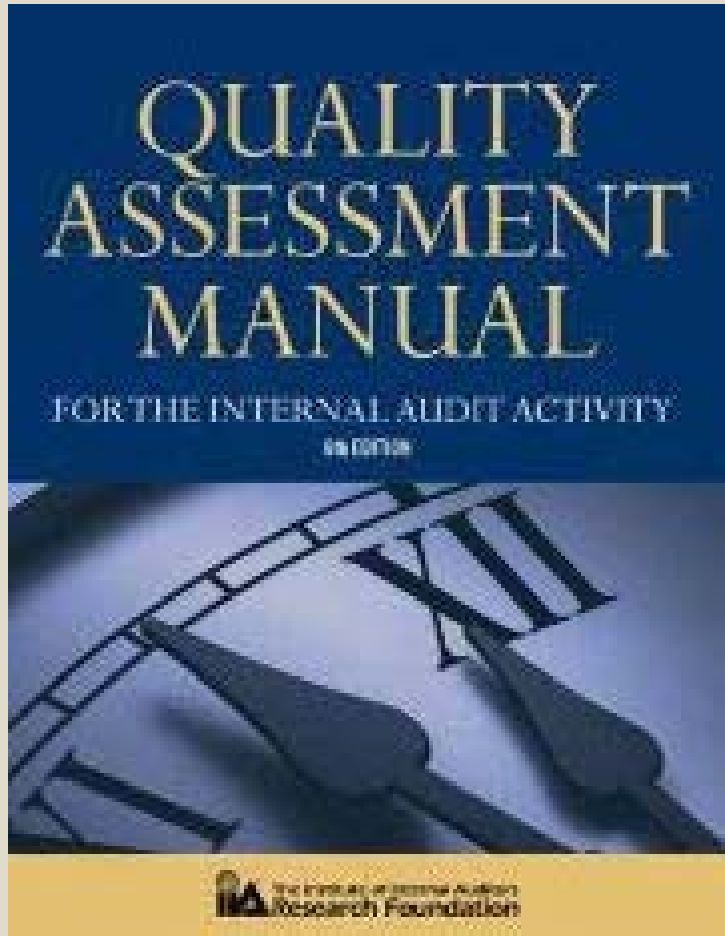
1321: Use of “Conducted in Accordance with the *Standards*”

Internal auditors are encouraged to report that their activities are "conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*." However, internal auditors may use the statement only if assessments of the quality improvement program demonstrate that the internal audit activity is in compliance with the *Standards*.

Quality Standards

1322: Disclosure of Noncompliance

...there may be instances in which full compliance is not achieved. When noncompliance impacts the overall scope or operation of the internal audit activity, disclosure should be made to senior management and the board.



Assessment Types

Standard 1300
Quality Assurance &
Improvement Program

S 1312
External Assessments
Self Assessment with
Independent Validation

S 1311
Internal Assessments

Periodic

Ongoing

Objectives of an External Quality Assessment

- **Provide an opinion** on the internal audit activity's conformance to the spirit and intent of the *Standards*
- **Assess the efficiency and effectiveness** of the internal audit activity in light of:
 - Its charter
 - Expectations of the board, executive management, and the CAE
- **Identify opportunities** and offer ideas and counsel to the CAE and staff for:
 - Improving their performance
 - Increasing the value they add to the enterprise.

Aðferðir við ytra gæðaeftirlit:

- Determine the method to be used:
 - Independent team with independent validation (External QA):
 - higher external cost and lower internal resource requirement
 - Self assessment with independent validation (SAIV):
 - lower external cost and higher internal resource requirement

Aðferðir við ytra gæðaeftirlit (frh):

- Contract with outside provider to perform review, determine the conformance with the *Standards* and write the report:
 - Regional accounting firms
 - Outsource providers
 - Independent consultants
- Or – Select Self Assessment with Independent Validation
- Or - Establish a peer review process

Why Conduct an External Quality Assessment?

To provide independent analyses:

- Do we meet professional *Standards*?
- Are we operating efficiently?
- Is maximum value being received for each dollar of expense?
- Can we add more value to management the audit committee, and the company?
- Can we enhance our image, perceptions, and credibility within the organization?

Self Assessment with Independent Validation

General Considerations:

- Alternative means for complying with *Standard 1312* external assessments
- Benefits:
 - Economics – less external resource requirement
 - Practical fit with existing internal quality assessment process
 - May be easier to locate a validator

Quality Assessment Resources

<http://www.theiia.org>

- ✓ Quality Assessment Manual, 6th Edition

Quality Assessment Resources *(cont.)*

- ✓ Self study
- ✓ Audit customer (client) survey and historical results
- ✓ Internal audit staff survey and historical results
- ✓ Self assessment guide
- ✓ Sample Quality Assurance & Improvement Program
- ✓ Models:
 - Audit Committee Charter
 - Internal Audit Activity Charter
 - Management Control Policy

Questions?

