

From: The Institute of Internal Auditors [mailto:governance@theiia.org]
Sent: Friday, January 06, 2006 2:04 PM
To: All Canadian IIA members
Subject: IIA Canadian Leadership Committee Moves Forward

Canadian Update - December 2005

In our last newsletter we informed you that the Canadian Leadership Committee (composed of Canadian members of IIA global committees plus Canadian chapter leaders) would meet on November 30 to discuss the recommendations of three task forces established in July 2005 to look into the needs of IIA-Canada. I am happy to report that the Committee met as planned and has unanimously agreed to move forward with a number of recommendations aimed at improving The IIA's service to its Canadian members.

Over the next few weeks briefing meetings will be held with the Boards of Governors and Chapter Officers for each of the 11 IIA Canadian chapters in conjunction with a chapter special meeting. At these meetings representatives of the Canadian Leadership Committee, your district representative, and/or members of The IIA global staff will discuss the details of the recommendations and proposed implementation plans while being available to answer any questions concerning the proposals.

The recommendations fall within the framework of three areas:

1. Establishment of a Canadian Council

This recommendation focuses on establishing a volunteer group to oversee the specific needs of our IIA Canadian members - including, for example, supporting initiatives at the federal government level and responding to proposed governance rules by regulators regarding internal auditing and control assessment. This group would enhance, but not replace, the current infrastructure in Canada regarding our chapters, district representatives, and the North American Board. The Council's focus would be on strategic plans and priorities, national issues, and advocacy with key constituents who impact the practice of internal auditing in Canada. The Canadian Council would be composed of approximately 12 individuals representing the broad geographical, industry, and government bases in Canada. Specific selection criteria and processes have been proposed to enable the senior Canadian leaders to help drive the profession of internal auditing in Canada.

2. Formalizing Advocacy Efforts with Key Constituency Groups in Canada

Over the past couple of years efforts have been expended to enable The IIA and internal auditing to become more visible in Canada, primarily as a result of responding to opportunities, individual efforts, and chapter initiatives. These efforts have been, for the most part, uncoordinated and without the benefit of a specific strategy in mind. This does not mean that these efforts have been unsuccessful; quite the contrary, many good things have been accomplished. However, this series of recommendations will enable a coordinated, strategically aligned, and properly supported effort to identify, strategize, impact, and measure results that can have a major impact on the overall direction of internal auditing in Canada. An analysis of key groups in Canada has been performed and top targets have been identified with preliminary plans developed regarding the objectives and approaches to be used to influence these groups.

3. Establishing an IIA Office in Canada

It has been concluded that Canadian IIA members would benefit from having a physical

office in Canada for The IIA, staffed with one or more full time individuals who can coordinate activities across Canada. This office would be responsible for the national membership and chapter support, as well as day-to-day interaction with government and regulatory bodies, professional organizations, and key constituents who influence the perception and environment in which internal auditing is practiced in Canada. Linking this office to the Global Office in Orlando will enable the existing support structure to continue to be readily available while being sensitive to the need for a more visible presence. Opening an office in Canada will not preclude the continued need for more volunteer involvement in many of the initiatives needed to bring about the kind of interaction envisioned by the Leadership Committee. For example, it is anticipated that the proposed Canadian Council would have direct influence over the activities of the Canadian office.

Space does not allow for me to fully explain the many specific aspects of these recommendations. Thus, we are preparing several documents for you to have access to over the coming weeks to better explain the rationale and details, along with the tentative implementation schedule. This information will be forwarded to you by your chapter leadership in preparation for open forums to be held in January.

It is my hope that each of you will take the time to look over the forthcoming information and provide feedback to your chapter leaders. I would also encourage your participation in any open forums offered by your chapter, so you may become more familiar with the anticipated changes and contribute your thoughts. Information on the scheduled meetings will be finalized and available around January 3.

These meetings are the first step in the approval process to move forward with the recommendations. It is our expectation that these meetings will enable Canadian members the opportunity to provide input and express their support for these recommendations. Other steps in the process will include discussions with the North American Board, tentatively scheduled for February 2006, and final review with the Executive Committee of The IIA Global Board of Directors in March 2006.

In the meantime, if you have any questions, please feel free to contact me (drichards@theiia.org) or Brian Brown (bbrown@agricoreunited.com).

Dave Richards, CIA
President
The Institute of Internal Auditors