IIA – Advocacy Project
Conservation Starters
June 11, 2006

1) **Friends/neighbors/acquaintances**

Internal audit (IA) evaluates operations/processes and reports the results to management/board of directors. IA adds value to the organization by validating/ providing assurance that performance is occurring as expected and making recommendations to improve performance. Part of IA's role is to audit management/key stakeholders (e.g. shareholders, regulators, public, employees).

2) **Business colleagues**

IA is an important part of the organization's governance process with management, board and external audit. Audits help focus management on what's important to an organization's key stakeholders when looking at the organization from another perspective. IA reports at the board/executive management level to provide organizational independence to enable fulfillment of its oversight role.

3) **Other professional organizations**

IA is an independent appraisal function within the organization that reviews all aspects of the entity based on risk. Results of the reviews are communicated to management/board of directors to ensure recommendations for improvement receive appropriate attention/action. IA normally reports to the board of directors (audit committee) to ensure organizational independence.

4) **Regulators/legislators**

IA is an important part of the organization's governance process. It reviews/evaluates all areas of the organization based on risk and provides the results to management/ board of directors/regulators/other publics as appropriate. IA follows professional standards and a code of ethics to promote quality and add an optimum level of value to the organization. By performing this important function IA serves as a key control and can be the eyes/ears of the board of directors/executive management to facilitate improvement/reduce risk