



Quality Assurance and Improvement Program

Office of Internal Audit

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The Standards

(International Standards for the Professional Practice of Internal Auditing 1300 through 1312)

- *The chief audit executive must develop and maintain a quality assurance and improvement program (QAIP) that covers all aspects of the internal audit activities.*
- A QAIP is both
 - *Internal (self) Assessments*
 - *External Assessments*

The Implementation

Internal Assessments

Must include ongoing monitoring and periodic self-assessments or assessments by other persons within the organization (Standard 1311)

- Ongoing Monitoring at the Engagement Level
 - Audit Efficiency
 - Audit Effectiveness
 - Audit Close-out Checklist
 - Post Audit Survey

The Implementation

Internal Assessments

- Periodic Self-assessment at the Office of Internal Audit (OIA) Activity Level

Objectives		Measures	Deliverable
1	Determine whether or not OIA's activities are consistent with its charter and the expectations of the board/audit committee and senior management	Annual review and approval of the Charter Post-audit survey results	Annual/Biennial Self-assessment Report
2	Provide insights into the level of audit effectiveness and efficiency; determine whether or not assurance and consulting services add value to ETF's business processes	Engagement productivity Post-audit survey results Audit plan review and adjustment in relation to the ETF's risk profile and business priority	
3	Demonstrate the degree to which OIA's activities conform to the definition of Internal Auditing, to the Code of Ethics, and to the Standards	Established key performance metrics (Balanced Scorecard) and continued improvement	
4	Provide recommendations for improving OIA's activities	Balanced Scorecard results	
5	Prepare OIA for an external assessment		

Date

The Implementation

External Assessments

- *Must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organization (Standard 1312)*
 - Assess the efficiency and effectiveness of the internal audit activities
 - Provide an opinion on the internal audit activity's conformance to the Definition, the Code of Ethics and the Standards
 - Identify opportunities and offer ideas for improvement

Balanced Scorecard

Audit Committee

Satisfaction survey

Risk Concerns

Plan input

Internal Audit Process

Risk coverage

Percent completed vs. planned audits

Number of recommendations per audits

Actual vs. planned costs

Elapsed audit time start to finish

Conformance to policy and standards

Quality assurance techniques developed

Management and Auditees

Post-audit survey

Average number of recommendations per audit

Percent of recommendations implemented by corrective action date

Cost savings

Changes to processes

Innovation & Capabilities

Staff experience

Training hours per auditor

Percentage of staff holding relevant designations

Number of innovative improvements implemented

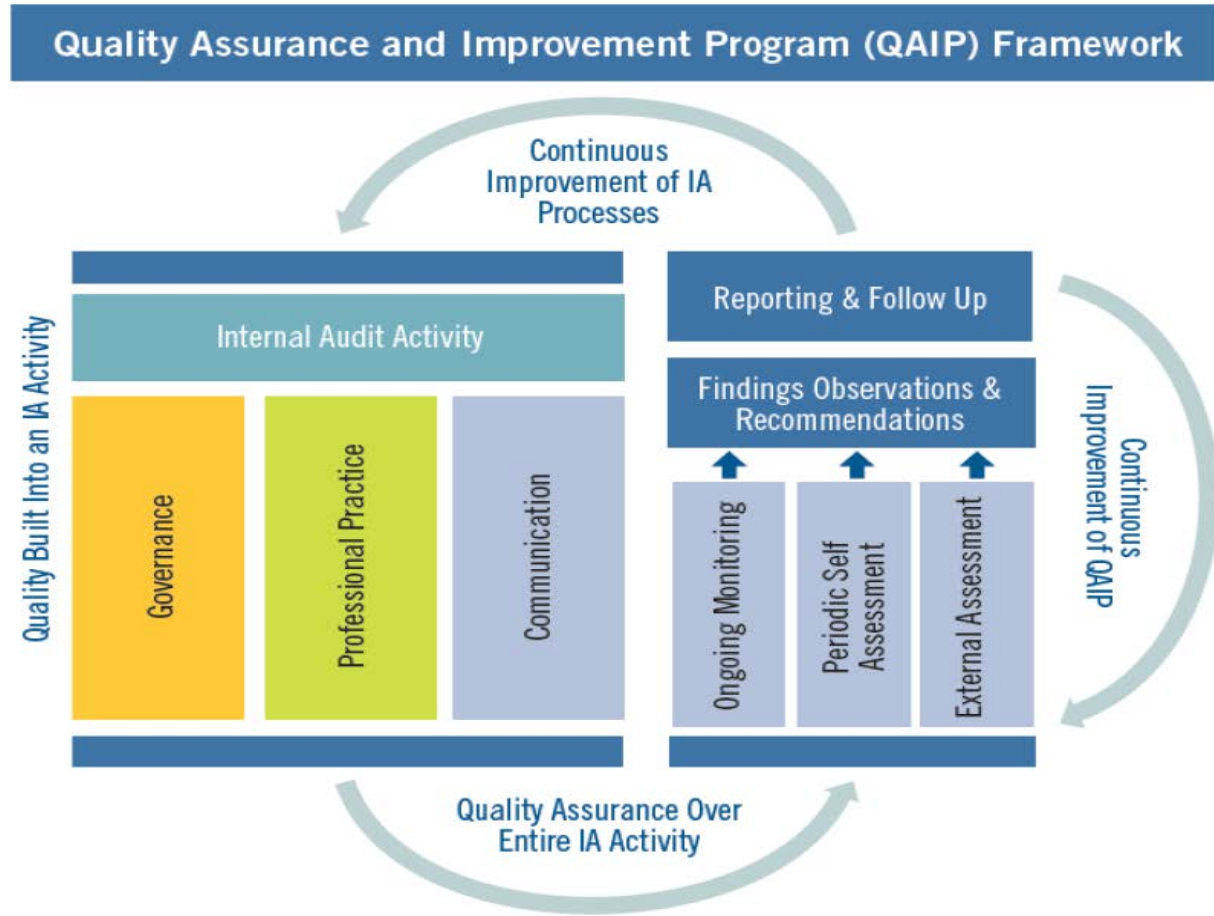
Number of process improvements

Practice Guide: “Measuring Internal Audit Effectiveness and Efficiency” - The IIA, December 2010

Balanced Scorecard

OIA [Key Performance Measurements](#)

QAIP Framework



Practice Guide "Quality Assurance and Improvement Program" – The IIA, March 2012

Date