PUBLIC SECTOR ENTITIES OF XXX

INTERNAL AUDIT
STRATEGIC PLAN-TEMPLATE

(Month, Year)

Forward

Commitment by the Audit Committee to ensure the Internal Audit Strategic Plan is achieved.

Preface

Commitment by the Accounting Officer on the support that management will give to Internal Audit to ensure the Internal Audit Strategic Plan is achieved.

Acknowledgement

Note by the Head of Internal Audit Unit thanking the stakeholders that offered support in the development of the Internal Audit Strategic Plan.

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1. Introduction

1.1 Background

This section will contain information on:
- Background information about the Public Sector Entity
- Mandate of the Internal Audit Function (IAF) as per Internal Audit Charter
- Background information about the IAF

1.2 Rationale

This section will contain information on:
- Requirement of the PFM Act on the IAF preparing a strategic plan.
- How implementation of this plan will support the Public Sector Entity achieve its Integrated Strategic Plan.
- Standard guiding the IAF planning process.

2. Objectives
The IAF should contribute to the achievement of the entity's strategic, operational, reporting, and compliance objectives. This section demonstrates:
- Understanding what the entity seeks to accomplish
- Also, understanding the industry in which it operates and the laws and policies that govern it.

3. Strategic Analysis

This section evaluates the environment in which the IAF operates in to identify value at stake and establish critical success factors required to capture and deliver this value.

2.1 Environmental Scan
This involves undertaking a SWOT Analysis which will help identify what should be incorporated in the strategic plan. It includes identifying the below factors of the internal audit activities:
- Strengths
- Weaknesses
- Opportunities
- Threats

2.2   Key Initiatives

This is where key factors that will have a major impact on the success of the activities of the internal audit. Each initiative should have an implementation timeline, what each initiative seeks to accomplish, how the performance of each will be measured and finally what are the associated SWOT elements.

2.3   Stakeholder Analysis

This section contains information on:

- Clear identification of the relevant stakeholders
- How and what information will be communicated to them
- Value to be delivered by IAF to the stakeholders
- IAF expectations of the stakeholders

2.4   Critical Success Factors

This section is where crucial factors are identified so as to enable the IAF focus on value addition activities that are most important allowing it to achieve its mandate.

4.   Strategic Direction

3.1   Vision

To be the trusted business advisor to Accounting Officers and the Audit Committee of the public sector entity by striving to offer ways of enhancing and protecting the entity's value.

3.2   Mission

To enhance and protect the value of the entity by providing risk-based and objective assurance, advice and insight.

3.2   Values

IIA Code of Ethics:

- Integrity
- Objectivity
- Confidentiality
- Competency

3.3   Strategic Area

This section provides information on

- Strategic issue or strategic area of focus
- Objective/s in each area of focus
- Strategies of achieving the objectives

5. IAF Structure

This section provides information on:

- The organogram required to achieve the objectives
- The roles and responsibilities of each role in supporting the achievement of the plan

6. Monitoring and Evaluation

This section provides information on how the Head of IAF, Audit Committee and the Accounting Officer will monitor the achievement of the strategic plan.

7. Assumptions and Risks

This section provides information on:

- Assumptions underlying the successful achievement of the plan;
- Risks that may make the objectives not to be achieved and the strategies that will be implemented to manage the risks

8. Implementation Matrix

This section provides information on:

- Activities to be implemented to achieve the objectives and strategies
- Timelines for implementing each activity
- Key performance indicators
- Output of each activity
- Responsibility of implementing each activity
- Resources required to implement each activity.

Current Risk Assessment				Year of Recent Reviews			Proposed Staff Hours Current Year			Proposed Schedule Current Year				Proposed Schedule Next Year				Proposed Schedule Two years From			
Rank	Auditable Unit	Residual Risk Rating	Priority	Three Years Ago	Two Years Ago	Last Year	Service Provider	IAA	Total	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1	Auditable Unit 6	4.5	High	✓	✓																
2	Auditable Unit 3	4.4	High	✓		✓															
3	Auditable Unit 7	4.2	High	✓	✓																
4	Auditable Unit 5	3.1	Medium	✓		✓															
5	Auditable Unit 11	3.0	Medium		✓																
6	Auditable Unit 8	2.8	Medium		✓																
7	Auditable Unit 9	2.6	Medium		✓																
8	Auditable Unit 1	2.2	Medium		✓																
9	Auditable Unit 2	2.1	Medium			✓															
10	Auditable Unit 4	1.2	Low			✓															
11	Auditable Unit 10	1.0	Low		✓																

Non-Auditable Areas																					
1.	Preparation for Audit &Risk Audit Committees																				
2.	Updating Risk Assessment & Internal Audit Plan																				
3.	Consulting Assignments and Other Projects																				
4.	Follow-Up Audits																				
5.	Staff Training																				
6.	Strategic Initiatives																				
7.	Engagements Carried Forward																				
8.	Quality Assurance																				

Total Effort Required in a Year

Figure 1: Risk-based Internal Audit Plan Three-Year Summary