

Template 22: Internal Audit Assessment by the Audit Committee

The audit committee should consider the effectiveness of internal audit and make recommendations on some of the following areas;

	Assessment	Comments
	5. Very Good 4. Good 3. Satisfactory 2. Needs Improvement 1. Completely unsatisfactory	Please add extra pages if you require more space.
Internal Audit Charter		
1. Has the internal audit charter been approved by the entity management?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
2. Is the role of the internal audit known and understood by all levels of management?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
3. Does internal audit have adequate contact with management and the audit committee to ensure appropriate responses are made to its recommends and comments?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
4. Does the internal audit function receive appropriate support from the Accounting Officer and other members of senior management?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
Compliance with IIA Standards		
5. Does the internal audit function operate in accordance with internal audit regulations, internal audit charter, code of ethics and the IPPF Standards set by the Institute of Internal Auditors?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
6. Does the internal audit function implement a quality assurance and improvement program and report results to the audit committee?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
7. Does internal audit provide the audit committee a statement of its independence on an annual basis?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	

Internal audit plan		
8. Is the internal audit plan reviewed by an appropriate level of management and their comments incorporated and approved by the committee?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
9. Has management placed any scope limitations on the internal audit coverage?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
10. To what extent can the planned scope of the internal audit be relied on to detect significant errors, fraud, and material weaknesses in internal control over financial reporting?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
11. Do you have adequate human resources in terms of trained, experienced staff to achieve the annual plan?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
12. Are there areas of high priority, especially related to risks and control involving financial information, where internal audit work has been deferred due to budget or other limitations?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
13. What areas are not covered by the internal audit plan and how does management and the audit committee obtain assurance in those areas?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
14. Is the internal auditors' interface with external auditors effective?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
Internal audit results		
15. Does internal audit obtain concurrence of management on audit findings and has management adequately addressed the recommendations set forth in internal audit reports?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
16. Are management responses substantive, including a timetable for implementation?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
17. Do follow-up audits indicate that the process for addressing important audit report issues is timely and effective?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
18. Has the audit activity during the year identified areas of serious concern	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	

relative to the overall control environment?		
19. Are copies of the internal audit reports made available to the external auditors?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
20. Are quarterly internal audit reports to the Audit Committee adequate?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
21. Are internal audit reports to the audit committee informative, timely and clear?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
General		
22. Are you satisfied with the level of performance of the internal audit function?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
23. Are you satisfied that the ‘tone at the top’ is appropriate?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
24. Does internal audit receive the necessary level of management support and cooperation?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
25. Are you satisfied that the entity has adequate controls over its major risks?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	
26. Are you satisfied with the professional performance of individual internal auditors?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> 5 4 3 2 1	

27. Please explain here each area that you indicate above a “Needs Improvement” or “completely unsatisfactory” and suggest any improvements.

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28. Please raise any concerns related to Internal Audit performance. Identify issues that Internal Audit should address in the future, and ways the internal audit can address those issues.

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