



TRUSTEE AUDIT COMMITTEE TRAINING

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Welcome to Auditing



Objectives

1. Review the role of internal audit
2. Understand audit committee responsibilities



Role of Internal Auditors

Internal auditing:

- Is independent and objective
- Provides assurance and consulting activities
- Adds value to an institution's operations
- Evaluates effective risk management

Derived from the definition of "internal auditing," The Institute of Internal Auditors

Role of Internal Auditors

- Risk-based assurance
- Assurance on the effectiveness of risk management
- Insight and foresight
- Insight on the health of the [institution] culture

Chambers, Richard. (2016). [An Open Letter to Newly Appointed Audit Committee Members](https://iaonline.theiia.org/blogs/chambers/2016/Pages/An-Open-Letter-to-Newly-Appointed-Audit-Committee-Members.aspx?utm_source=SilverpopMailing&utm_medium=email&utm_campaign=Publications_IA_Online_100516%20(1)&utm_content=&spMailingID=13551982&spUserID=Njl1NTA0NTkzMTAS1&spJobID=843141791&spReportId=ODQzMTQxNzkxS0). Retrieved from: [https://iaonline.theiia.org/blogs/chambers/2016/Pages/An-Open-Letter-to-Newly-Appointed-Audit-Committee-Members.aspx?utm_source=SilverpopMailing&utm_medium=email&utm_campaign=Publications_IA_Online_100516%20\(1\)&utm_content=&spMailingID=13551982&spUserID=Njl1NTA0NTkzMTAS1&spJobID=843141791&spReportId=ODQzMTQxNzkxS0](https://iaonline.theiia.org/blogs/chambers/2016/Pages/An-Open-Letter-to-Newly-Appointed-Audit-Committee-Members.aspx?utm_source=SilverpopMailing&utm_medium=email&utm_campaign=Publications_IA_Online_100516%20(1)&utm_content=&spMailingID=13551982&spUserID=Njl1NTA0NTkzMTAS1&spJobID=843141791&spReportId=ODQzMTQxNzkxS0)

Role of Internal Auditors

- **Risk** – The possibility of an event occurring that will have an impact on the achievement of objectives.
- **Measurement** – Impact and likelihood.

-Institute of Internal Auditors

Audit Committee Responsibilities

- **Oversee the internal audit function**
 - Appoints internal audit director
 - Meets regularly with internal audit director
 - Approves internal audit budget and resource plan
 - Approves audit plan
- **Review control environment**
- **Review internal audit reports**

-Utah Internal Audit Act ([Utah Code 531-5](#))

Audit Committee Responsibilities

- Develop strong communications with the CAE
- Demand and support a dual-reporting system
- Ensure adequate resources
- Ensure the [institution] has a strong CAE

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QUESTIONS?

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