Audit Committee:

- The oversight of risk management
- Fiduciary responsibility
- Establish priorities
- Focus and reports on top risks

KPI (Key Performance Indicators)
KRI (Key Risk Indicators)
KCI (Key Control Indicators)
Three Lines of Defense Model for risk management

1. Senior Management
   - 1st Line of Defense: Management Controls
   - Internal Controls

2. 2nd Line of Defense
   - Financial Control
   - Risk Management
   - Compliance

3. 3rd Line of Defense
   - Internal Audit

Audit Committee

- External Audit
- Legislative Audit

Source: IIA Position Paper, January 2013
Internal Audit

2 Roles

- Assurance Services (traditional role)
- Advisory Services (insight generator, forward-looking advice)

Modify department title from “Internal Audit Department” to “Audit & Consulting Services”;
Captures focus, better description of services, emphasizes values, correlates with IIA standards.
No change in mission or activities.

Examples:
- University of Tennessee – “Audit & Consulting Services”
- Montana State University – “Institutional Audit & Advisory Services”
- University of Nebraska – “Internal Audit & Advisory Services”
• Modify title from “Director of Internal Audit” to “Chief Audit Executive”;
  will bring title in alignment with other higher education systems and industry standards.

• Examples of universities that use the title of CAE:
  • Arizona Board of Regents for the State of Arizona University System
  • California State University System
  • Ohio University
  • Oregon University System
  • University of Florida
  • University of Houston System
  • University of Nebraska Kearney
  • University of Texas San Antonio
  • University of Toledo
  • University of Virginia
  • Virginia State University