

Presentation to: Audit Committee

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Audit Committee:

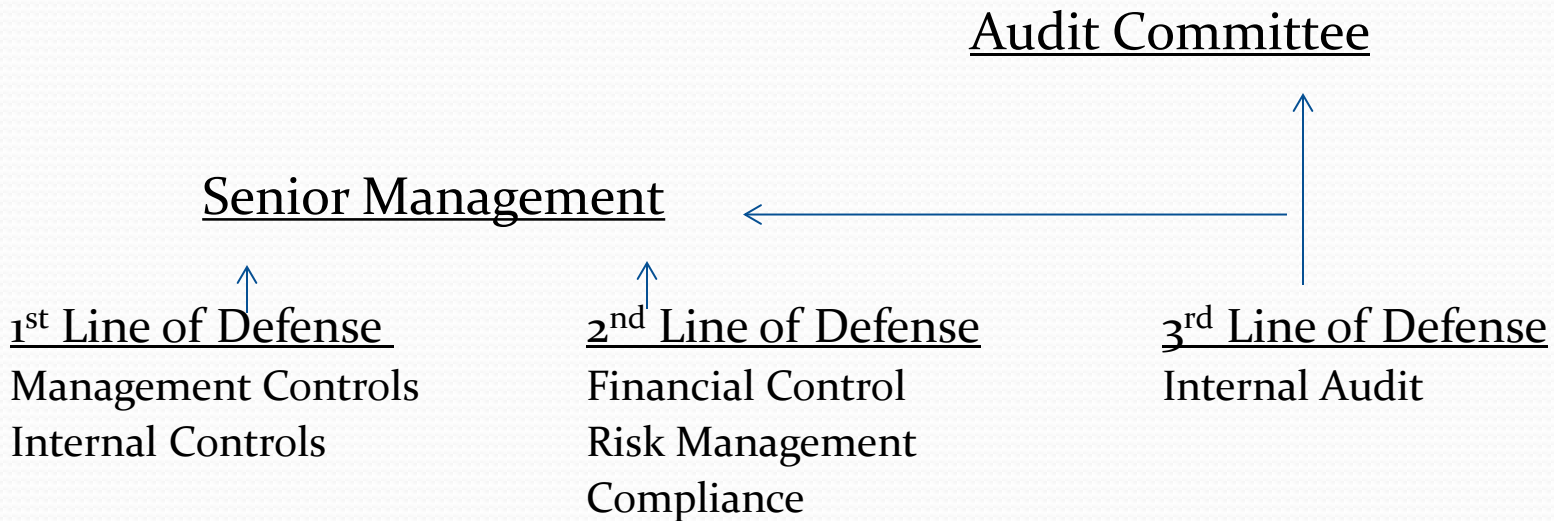
- The oversight of risk management
- Fiduciary responsibility
- Establish priorities
- Focus and reports on top risks

KPI (Key Performance Indicators)

KRI (Key Risk Indicators)

KCI (Key Control Indicators)

Three Lines of Defense Model for risk management



- 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