

# Understanding Internal Auditing

# Why does the Internal Audit Department Exist

- No – It is not to be a thorn in your side.
- We are required by TBR.
- Per TBR Policy 4:01:05:00, each 2 year- institution shall have at least 1 full-time auditor or have an approved agreement with a university or other two-year institution to provide the required audit services.
  - Here at Cleveland State, the department is 1 FTE. In the internal auditing world we are called a “one man shop”

# Who does Internal Audit report to?

- Internal Audit has a dual reporting responsibility.  
Administratively, we report to the campus president and functionally to the Director of System-wide Internal Audit at TBR

# What is Internal Audit's role?

- Our mission is to provide independent, objective assurance and consulting services designed to add value and improve College operations.
- To accomplish this mission, we systematically evaluate the effectiveness of risk management, internal controls and governance processes and recommend improvements where needed.
- Internal audit is different from external audit in that internal audit primarily serves the interests of the college where the auditor is employed.
- These interests include compliance with external regulations, laws and expectations, but also encompass goals and objectives that are internal to the college.
- Internal Audit is also responsible for handling Fraud, Waste, and Abuse concerns received from employees. Any concerns received can be made anonymously.

# How can Internal Audit help your department?

- Internal Audit can consult with your department in the development of internal controls.
  - Controls are the responsibility of management, but we can evaluate your developed controls and offer suggestions for improvement.
    - This process does not have to wait for an audit of your department.
  - We can serve on implementation teams to provide suggestions for controls as well as to help the team navigate regulatory requirements.

- Internal Audit can assist you in training and creating that tone at the top.
- For Example, We can speak to you department or direct reports regarding the importance of a internal controls pertaining to your area or a specific internal control and safeguarding of assets.
  - Internal Audit's presence at a meeting can signal the importance of a topic to your staff.

- Internal Audit is also open to your suggestions each year when the annual audit plan is developed.
  - If you have a concern or need some assistance, please let us know.
  - We reserve time each year for investigations and consulting engagements that arise throughout the year.
  - My door is always open, feel free to stop by my office in the bottom of the Library L-116 or call me anytime at Ext 705.