STATE OF OREGON: Internal Audit

Mentorship Program Guidance

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Oregon CAEC Mentorship Program

Handbook for Mentoring New Chief Audit Executives

Purpose

This document specifies the goals, plans, and suggested procedures and protocols of the State of Oregon's Chief Audit Executives Council (CAEC) and Department of Administrative Services (DAS) mentorship program for new Chief Audit Executives (CAEs).

Mentorship program objective

The objective of the mentorship program is to promote the success of CAEs and the agency's internal audit program.

This manual contains examples of charters and other documentation for reference, and highlights important considerations for a new CAE. These items are provided to help a new CAE quickly establish an audit function in conformance with professional audit standards; the materials are not intended to be directive or exhaustive. Recognizing that each audit function is different, individual CAEs will need to adapt the approach based on the unique structure and circumstances of their agency.

This document is owned by the CAEC, and administered in coordination with the Statewide Internal Audit Coordinator at DAS.

Date created: August 8, 2019
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    The Mentorship Subcommittee of the CAEC (see Appendix G for list of original members)

Approved by the CAEC at its meeting on: ___August 14, 2019_____
                                                                    Date

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1. Introduction for the mentee

Welcome to Internal Auditing at the State of Oregon! The Mentorship Subcommittee of the CAEC has put together some resources to assist you in your new CAE role. In the short-term, there is a jumpstart packet of materials provided. The table of contents for this packet is included with this manual (see Appendix F) and can also be found on the DAS website.

Within the first 30 days of your tenure as a CAE, you will be contacted by a member of the CAEC Mentorship Subcommittee or the DAS Statewide Internal Audit Coordinator. Please fill out the 'Mentee Experience Survey' that will be provided to you to match you to a mentor. Please feel free to ask this person any questions you have about this mentorship program. The intention for the mentorship relationship is to last at least 6 months. However, most members of the CAEC are willing and able to help provide answers to immediate questions or provide information to help assist!

Although your success and satisfaction as a CAE are ultimately your responsibility, you have the active support of the CAEC, and DAS, and your new mentor, who are all committed to helping develop proficiency and promoting the success of new CAEs! This mentorship program is the primary vehicle for this commitment.

If your agency previously has not had an internal audit function, your initial months will be demanding as you begin creating the administrative infrastructure for an effective internal audit function that complies with auditing standards, Laws/Oregon Revised Statutes (ORS), Oregon Administrative Rules (OAR), policies, procedures and leading practices. DAS and the CAEC propose a suggested timetable (Appendix D) for implementation to help prioritize where your efforts should be focused. Following this timeline it may take you several years to implement most components, so be patient in committing to your long-term success.

Guidance

From: the Mentoring Toolkit[1]
Top qualities of successful mentees:
- Listens and considers advice.
- Is open and accepts constructive feedback and coaching.
- Is willing to assume responsibility for personal growth and development.
- Collaborates with mentor to design action plans for personal and professional growth.
- Evaluates their progress periodically.

Getting the most out of the mentoring relationship[2]:
- Be committed. Look for opportunities to observe, evaluate and practice new skills to enhance your personal and professional growth. The degree of your participation and commitment will significantly influence your success. Your intention is what will make the difference.
  The best outcome depends on your desire and commitment to collaborate with your mentor to develop goals and your willingness to communicate what you need. This includes being honest and being open to feedback. Learn to consider feedback a valuable gift. Communication and honesty are

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[1] Warner S (2017) Mentoring Toolkit. Oregon Department of Administrative Services, Office of the Chief Human Resources Officer. p. 4
[2] Ibid.

keys to building a positive mentoring relationship.
You must also be willing to assume responsibility for your own development. Prepare for meetings with your mentor by generating a list of goals and questions. Work with your mentor to set goals and identify specific needs.

- <u>Have an open mind</u>. The best way to go into a mentor relationship is with the mindset that you are there to learn. While you may have been the smartest kid in your college class or the brightest new hire at your agency, [internal auditing is a unique [challenge]. It is critical that you go into your relationship humbly and with an open mind. Checking your ego at the door can make your mentor relationship much more fruitful.
- <u>Have goals</u>. Going into a mentor relationship just to pick your mentor's brain can be counterproductive. Rather, you should have a clear goal for the relationship and what you want to cover in your meetings. Be honest and up front with what you need from your mentor and work together to achieve those goals throughout the mentor relationship.
- <u>Shine</u>. In order to get the most out of a mentor relationship it is critical to use the tools you learn from your mentor and be a star in your field.

From: <u>The mentoring process: mentee</u>[3]
   The Mentee's Commandments
   1. It's your job, not your mentor's job.
   2. Think commitment.
   3. Show up for the relationship.
   4. Give back and get more.
   5. Keep expectations realistic.
   6. It's risky, but it's healthy.
   7. Be yourself; we already have everybody else.
   8. Don't be afraid of your mentor's silence.
   9. Pay it forward.

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[3] www.management-mentors.com/resources/mentoring-process-mentoree

2. Guidance for the mentor

Thank you for volunteering to mentor newly-appointed CAEs within Oregon State Government. Your efforts will help promote their success, as well as that of their agency's internal audit program, and the overall effectiveness of internal auditing in Oregon state government. As you know, internal auditing is a challenging profession. Your support can help determine whether a new CAE is successful in their new position and career!

Below we've provided ideas and leading practices to support you. The mentorship subcommittee of the Oregon CAEC is also available to help and support. Your role is to support your mentee in getting off to a good start by:
- Understanding and implementing the components of an internal audit function;
- Developing relationships with stakeholders; and
- Complying with auditing-related ORSs, OARs and professionally accepted auditing standards, as well as other policies, procedures, and leading practices.

If at any time you have concerns regarding either the mentorship relationship or your mentee's development or success, it is important that you discuss this with a member of the mentorship subcommittee of the CAEC or the DAS Statewide Audit Coordinator.

Mentorship Guidance

From: the Mentoring Toolkit[4]
Top qualities of successful mentors:
- Gives honest advice when needed.
- Is generous with praise, but make it specific, honest, and immediate.
- Is gentle with corrections, not pointing out every little mistake.
- Is clear about expectations of the mentoring relationship.
- Coaches the mentee through difficult situations at work.
- Guides them to challenge and stretch themselves and be ready to help and support.
- Helps guide the mentee through all the hidden rules and political confusion.

Actively listen
The average person can speak 150 words per minute, but they can listen to 1,000 words per minute. That discrepancy gives the listener plenty of time for their mind to wander. So the key to a great mentoring is to create a space for active listening – a place where the mentee not only feels heard, but empathized with. Additionally, letting your mentee talk it out can be helpful for them to sort through the situation they are discussing.

Offer concrete advice
Sometimes a mentee will come into a mentoring session with vague or lofty goals. The key for a successful mentoring is to provide real, tangible steps a person can take to get ahead. Mentioning [specific resources such as an article, Standards guidance, or] a specific training course…are good examples of concrete steps a person can take.

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[4] Warner S (2017) Mentoring Toolkit. Oregon Department of Administrative Services, Office of the Chief Human Resources Officer

Be responsible and respectful

A formal mentoring agreement means both the mentor and mentee have committed to the process. A great mentor will follow through on that commitment.

Advocate for your mentee

One of the cornerstones of a great mentoring relationship is the investment a mentor makes in their mentee. If a mentor is willing to put in extra time to make sure their mentee is getting the resources and advice they need to get ahead – that's a hallmark of a great mentor.

Be curious

This attribute might seem a bit odd, but curious mentors are invested in finding the best ways to help their mentee. They want to know more about how their mentee works and their goals in life. A curious mentor is a mentor who is ready to go the extra mile for their mentee.

Have patience

Committing to a mentoring relationship can be a long-term endeavor. Over your relationship with your mentee, they may neglect advice or flounder. In these instances, a little bit of constructive criticism can help get them back on track. However, many people have a hard time taking criticism. In these instances, your patience will be critical to maintaining the relationship and getting the most out of it.

Be a good role model

By volunteering as a mentor, you are raising the bar for how you conduct yourself. Leading by example allows your mentee to go beyond the conversations you have with them and follow your direction. You do not have to be a saint, but it is good to be cognizant that someone who wants to emulate you, is watching you.

Be prepared

Walk into every mentoring session with a loose game plan of what you want to discuss and what goals you want to achieve. You can plan each session by first asking your mentee what they want to get out of the relationship and what topics they want to discuss. From there, you can get the most out of every meeting by knowing what key points you want to focus on ahead of time.

(See Bibliography for additional Resources)

3.   **Content guide**

This section of the Manual suggests content to cover over the course of your mentorship relationship. The first part addresses facets of the mentoring program itself; subsequent sections focus on content related to internal auditing generally, and to internal auditing in a State of Oregon Agency.

3.A. Mentorship-related content

Based in part on Oregon's Mentoring Toolkit[5], these actions should be included in each relationship:
- Review the Mentee Experience Survey (Appendix A) and identify the specific content areas that need, and don't need, to be covered.
- Agree on the goals for the mentoring relationship.
- Discuss, complete, and commit to a formal Mentoring Agreement (Appendix B) that addresses:
    - The roles and responsibilities of both the mentee and mentor;
    - Suggestions for providing feedback to the mentee;
    - Estimated duration of the relationship (this should be re-visited periodically);
    - The process for ending the relationship.
- Develop a time-lined plan for the mentoring relationship, including the sequence for covering topics.
- Schedule mentoring sessions for a specific day/time every month… things will always come up but if it is planned for the same day/time that just assists logistics.
- For the mentor, the Subcommittee suggests an average 4-hour/month time commitment (combined meeting & prep time.)
- Prepare agendas for each meeting, consisting of check-ins, presentation/discussion of content, and general discussion.
- Discuss actions for the mentee to focus on during the period before the next meeting.
- After components of the audit function infrastructure have been in place for a while, assess their capability maturity levels, discuss satisfaction with these levels and steps to any further desired maturity.
- Periodically (and as needed) check-in with the CAEC Mentorship Subcommittee. Discuss progress, satisfaction, accomplishments and challenges.
- Document mentoring meetings, including planned and actual agendas, action plans.
- At the end of the relationship, both mentee and mentor should evaluate the program and supporting materials, including strengths, weaknesses, and recommended changes. Send these to the CAEC Mentorship Subcommittee.

3.B. Creating a new internal audit function

3.B.1 Suggested timeline for the new audit function in an Oregon state agency
 A suggested timeline (Appendix D) for implementing the administrative infrastructure, and developing the relationships that will promote an effective internal audit function has been provided.

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[5] Warner S (2017) Mentoring Toolkit. Oregon Department of Administrative Services, Office of the Chief Human Resources Officer. p. 12

It is important that the new CAE begin an audit or consulting engagement within the first several months of being hired (see item four of the Timeline), so that their agency's management, and other stakeholders, can begin to see the value of the function. This first audit or consulting engagement should ideally be of small or medium scope to promote successful completion, unless there is a significant issue that requires immediate attention. Completed audits and other value-adding activities, for the fiscal year ending June 30 of each year, will be reported in DAS' Annual Report of Statewide Internal Auditing Activities, which will also help demonstrate to the Legislature the value of its investment in internal auditing.

The Timeline also suggests conducting a "triage" risk assessment to select the first audit on consulting engagement topic. The "triage" risk assessment can be whatever minimal process will ensure that the first audit will address a current and significant risk. For example, early meetings with agency executive and middle managers, or Oregon Audits Division (OAD - State government's external audit function out of the Secretary of State) staff familiar with your agency, should include a discussion of perceived risks. Previous Audits Division reports can also suggest audit topics. OAR requires that an audit of a governance-related topic be performed at least once every five years. Some ideas of manageable audit topics for a first engagement might be an audit of the agency's small procurement card program (the SPOTS card), key performance measures, accounts payable, contract administration or policies and procedures as these are engagements other CAECs can assist by providing audit programs and guidance on specific risks and audit procedures.

3.B.2 _General considerations for small government internal audit functions_
A number of Oregon state agencies have internal audit functions comprised of a single person. This provides unique challenges for fully complying with Standards, and being able to efficiently and effectively operate a single-person internal audit function. A white paper by the Institute of Internal Auditors (IIA)-Australia discusses how "…a small internal audit function [can] provide an effective and valued service with limited resources".[6] This paper notes that many components of the internal audit function's administrative structure are not proportionately less time-intensive for small shops. Time is also limited for stakeholder relations and accommodating special requests, and it can be tempting to shortcut work paper preparation to accommodate these tasks. A single-person internal audit function must also be creative in obtaining an independent review of audit work. However, CAEC members that manage a single-person function have achieved significant successes in spite of the challenges. For example, sources for ensuring the reliability of audit work, sufficiency of evidence, etc. may include audit committee members or other independent agency staff with internal audit experience, developing reciprocal relationships with other CAEs, and with care discussing work with auditees and one's administrative supervisor.

In a presentation titled "Unique Concerns of the Small Audit Function", Windeknecht and Bergevin state that "a consistent approach and methodology helps to ensure the process achieves credibility".[7] Although their comment is directed to risk assessments, this also applies to the overall process of internal auditing. Beyond basic principles and methods, there can be a number of paths to a sufficient result. Establishing policies and procedures that are consistently followed will promote stability and reliability for the auditor and the audit function, and credibility with stakeholders.

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[6] http://iia.org.au/sf_docs/default-source/technical-resources/2018-whitepapers/iia-whitepaper_small-internal-audit-function.pdf?sfvrsn=2
[7] https://na.theiia.org/services/cae-resources/Public%20Documents/Unique-Concerns-of-the-Small-Audit-Function-Presentation-Slides.pdf

Good advice was also provided in an article in the IIA Internal Auditor journal, "…internal audit needs a "sponsor" within the organization to champion the function and to send a message to the board and the rest of the organization that internal audit is a key player in ensuring effective governance and sound practice."[8]

3.B.3 _Key decisions to be made_
- **Agreement on the liaison role**: if any, the internal audit activity will play in OAD or other external audits of your agency (hands-off, liaison, performing work that external audit can rely on). If the internal audit activity has a role in external audits, the CAE must be cautious that the level of support provided to management and external auditors does not unduly impact the independence or objectivity of the internal audit function, and does not impair fulfilling the risk-based internal audit plan.
- **Extent of involvement on committees and project teams**: Opportunities may exist for the CAE to participate on various committees and project teams, for example on committees focused on information security or employee wellness; or on time-limited project teams addressing IT implementations or office moves. Many of these are considered value-added consulting activities and can help the Internal Auditor establish positive rapport within the organization. Especially for a small audit shop, the value provided by the presence of an auditor must be weighed against the potential impacts on objectivity and independence, and time that could otherwise be devoted to auditing.
- **The scope of internal audit's activities within the agency**: This should be defined in the Internal Audit Charter, setting out the programs and activities, information, or personnel that are inside or outside the scope of the internal audit function. For the former, to what extent will the CAE be involved with such roles as information security and risk management? Areas outside the scope of internal audit are generally conceptualized as duties that could create a conflict of interest. The IIAs' position is that "…the public sector audit activity's mandate should be as broad as possible to enable it to respond to the full scope of the government's activities." [9]
- **Reporting relationships**: Red Book Standard 1110 states that "The chief audit executive must report to a level within the organization that allows the internal audit activity to fulfill its responsibilities."[10] The IIA recommends that the CAE report functionally to the Audit Committee, and administratively (i.e. a "dotted line") to the Chief Executive Officer (CEO), or in State of Oregon Government, the agency Director or Deputy Director.[11] Functional reporting includes such things as approving the internal audit charter and risk-based audit plan, receiving reports from the CAE on internal audit activities, and ensuring there are no inappropriate scope or resource limitations.[12] Administrative reporting is for purposes such as approving time off or expenditures, serving as a liaison with agency management and staff, and providing adequate resources.

3.B.4 _Institute of Internal Auditors reference material_
In addition to the documents provided in the Jumpstart Materials (the IIA's International Professional Practices Framework which includes the Standards and the procedures/Quality Assurance Improvement Program - QAIP), the IIA provides several documents to assist in setting up a new internal audit function.[13]

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[8] Hodge N (2019) Building the Audit Function. Internal Auditor. March 14, 2019
[9] The Institute of Internal Auditors (2006) The Role of Auditing in Public Sector Governance. Altamont FL. 26 pps
[10] See the IIA's document "Implementation Guide 1110.pdf"
[11] Ibid.
[12] https://na.theiia.org/standards-guidance/topics/Pages/Independence-and-Objectivity.aspx
[13] For example: https://na.theiia.org/standards-guidance/Public%20Documents/SG%20-%20Implementing%20a%20New%20Internal%20Audit%20Function.pdf

The IIA also provides a number of documents for practically implementing the Standards, such as Implementation Guidance and Supplemental Guidance such Practice Guides (available on the IIA's website: https://na.theiia.org/Pages/IIAHome.aspx under the 'Standards and Guidance' tab.

Many internal auditors find membership in the IIA to be a valuable way to keep current on standards and other relevant topics affecting internal audit work. The IIA also has a Public Sector Audit Center which can be a valuable resource for auditors in state government, see: https://www.theiia.org/centers/psac/Pages/default.aspx.

3.C. Considerations specific to an internal audit position

3.C.1 Personal considerations
Note: In addition to the traits listed below, auditors must possess integrity, objectivity, and a commitment to maintain confidentiality. When developing relationships with co-workers, auditors must be mindful of the impacts of relationships on their objectivity including the perceptions of others.

3.C.1.a *People skills*
Communication skills can be one of the most important determinants of success as an internal auditor. The people in your agency should be your allies; establishing good relations with them, which is your responsibility, will help determine their support and the degree of credibility you have. An auditor depends on the people in an organization for keeping abreast of emerging risks and risk management practices. Auditors also rely on the personnel of the program being audited, and others in the organization for: access to and understanding data; assessing the significance of results; and developing and implementing audit recommendations. You depend on agency management to: give credence to your work; be open with audit about the risks that concern them; directing auditees to assist auditors and implement recommendations; and provide adequate salary and supporting expenses such as continuing education and technology tools to support audit work.

For agencies that have not had an established internal audit function, your first interactions will imprint an impression of you, of internal auditors in general, and of internal auditing, that may be long-lasting. A negative or incorrect impression will be difficult to change, so getting off to a good start is very important. Some people react to auditors and news that they are being audited with fear or being guarded, because they worry that incorrect or negative audit conclusions may harm their jobs. Auditors must avoid putting up a wall of defensiveness, whether in reaction to, or in anticipation of, auditee negativity. The best way to do this is to cultivate an awareness of your feelings and how explicit and implicit communications might be perceived; and confidence enough to not be directly impacted by others' attitudes.
(See Bibliography for additional Resources.)

3.C.1.b *Conflict avoidance and management*
Inevitably, disagreements and conflict will emerge as an audit is performed. This can range from reluctance to provide access to data or people (though the Internal Audit Charter should establish the auditor's authority to access these), disagreements about the accuracy or impact of audit findings, and even to hostility. Conflict is not inherently bad; it can lead to more accurate audit conclusions, and more refined and relevant recommendations. However, to promote positive outcomes from conflict, auditors should

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https://na.theiia.org/standards-guidance/topics/pages/the-internal-audit-function.aspx

develop skills for conflict management and resolution. Specific skills include: active listening, communicating non-defensively, and seeking win-win outcomes in communications. In addition, developing relationships with agency management to build trust will enable you to be confident of future support. This should enable you to communicate less-defensively during conflicts.

(See Bibliography for additional resources)

3.C.1.c *The maturation of an auditor*

As experience is gained, an auditor can transition through several phases of maturity, expertise, and judgment. Early in a career, an auditor may define being successful as finding significant financial savings, errors, or wrongdoing. This can lead to a "gotcha" attitude that may harm effectiveness and stakeholder relations. As a career progresses, success may be viewed in terms of perfecting the craft and capacity for applying judgment. Once an auditor has mastered auditing skills and knowledge, the auditor's judgment and the ability to be other-oriented can continue to evolve. The needs of auditees, the programs being audited, and the agency can be considered, along with the indirect or secondary consequences of the auditor's actions (in other words, as the Hippocratic Oath states, "first, do no harm"). This evolution can occur in choosing communication tone throughout an audit, selecting audit topics, identifying risks, and setting audit objectives.

One opportunity to showcase audit knowledge and competencies is through professional certifications. An audit-specific certification can help build credibility with auditees and obtaining a certification is an excellent way to learn about the standards and criteria used in performing the function. Some common certifications and the oversight organizations that provide them are included below for consideration:
- Certified Internal Auditor (CIA) – the Institute of Internal Auditors
- Certificate in Risk Management Assurance (CRMA) – the Institute of Internal Auditors
- Qualification in Internal Audit Leadership (QIAL) – the Institute of Internal Auditors
- Certificate in Fraud Examination (CFE) – American Association of Certified Fraud Examiners
- Certified Information Systems Auditor (CISA) – Information Systems Audit and Control Association

3.C.2 Auditing knowledge

3.C.2.a *Ethics*

Internal auditors in a State of Oregon agency are subject to the State's ethics law (see section 5.B.2, below), and the requirements of whatever professional associations they belong to or certifications they hold. For the latter, the IIA has established a Code of Ethics composed of Principles and Rules of Conduct (part of the IPPF).[14] These rules delineate behaviors that actualize the principles of Integrity, Objectivity, Confidentiality, and Competency.

3.C.2.b *ERM (Enterprise Risk Management)*

According to Committee of Sponsoring Organizations of the Treadway Commission (COSO), "All organizations need to set strategy and periodically adjust it, always staying aware of both ever-changing opportunities for creating value and the challenges that will occur in pursuit of that value."[15] Enterprise Risk Management (ERM) is a framework organizations can implement to help ensure there are processes in

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[14] See: https://na.theiia.org/standards-guidance/mandatory-guidance/Pages/Code-of-Ethics.aspx

[15] COSO Enterprise Risk Management Integrating with Strategy and Performance Executive Summary 2017: https://www.coso.org/Documents/2017-COSO-ERM-Integrating-with-Strategy-and-Performance-Executive-Summary.pdf

place to identify, assess and actively manage risks to achieving strategic, operational, reporting and compliance goals and objectives. ERM is primarily a management responsibility, however internal audit can have roles related to ERM including championing the organization's ERM efforts and facilitating ERM workshops with staff and management of the organization.

3.C.2.c   Three lines of defense model of risk management

In its position paper *The Three Lines of Defense in Effective Risk Management and Control*[16], the IIA notes that "Without a cohesive, coordinated approach, limited risk and control resources may not be deployed effectively, and significant risks may not be identified or managed appropriately." To promote effective risk management and control, the IIA has promulgated the Three Lines of Defense model. CAEs should present this concept to executive management in the organization. The position paper notes that "In the Three Lines of Defense model, management control is the first line of defense in risk management, the various risk control and compliance oversight functions established by management are the second line of defense, and independent assurance [provided by internal audit in part] is the third."

3.C.2.d   Components of an audit function's administrative structure

There are a number of components in the administrative control infrastructure that an internal audit function should have. These include: charters for the internal audit function and the audit committee; a strategic plan, mission statement, and goals; a policies/procedures manual for managing the function and or conducting audits, plans for presentations and disclosures to executive management and the audit committee, a webpage for internal audit on the agency website, a QAIP which may include capability maturity assessments, criteria for evaluating the internal audit function, and position descriptions and criteria for evaluating the performance of the CAE. The suggested timeline (Appendix D) includes some of these items. However, the components of a complete administrative structure should be addressed during the mentorship relationship.

3.C.2.e   Types of audits

Although agency CAEs will primarily conduct performance (also called program or operational) audits, audits with a financial, controls or regulatory compliance focus will also likely occur either as a part of performance audits or as stand-alone audits. The CAEC's Audit Committee Handbook describes these in more detail. Agency internal auditors may also perform program evaluations, consultations, or other "management advisory services" that do not require a full, standards-compliant audit. Auditors must be very mindful of the potential for such projects to compromise independence and objectivity, and exercise discretion in deciding whether to take these on.

3.C.2.f   Conducting audits/evaluations

The mentorship program is not designed to teach a person how to audit. A background in other professions may provide excellent skills, however there are facets of auditing that a person is more unlikely to have encountered in other professions. These include formally complying with a set of professional standards; interviewing; sampling methods; preparing audit work papers adequately to support conclusions drawn; developing findings, which includes identifying root causes, consequences, and crafting recommendations; the quality control practices that lead from audit procedures to credible audit reports; perform follow-up to issued audits; and develop and maintain relationships with stakeholders.

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[16] https://na.theiia.org/standards-guidance/Public%20Documents/PP%20The%20Three%20Lines%20of%20Defense%20in%20Effective%20Risk%20Management%20and%20Control.pdf

Therefore, if the new CAE does not have internal audit training or experience, the agency must fund training. This may be provided by a number of organizations, but a primary resource is the IIA, see options under the 'Learning and Events' tab of the website.

3.C.2.g   *Relations with the audit committee*
The CAEC's Audit Committee Handbook is a good resource to help guide the auditor in developing a relationship with the audit committee. Several helpful suggestions are also found in the document *Engaging with the audit committee: five ways for Chief Audit Executives to stand out*[17]:

> "…Just because you only have scheduled interactions with the audit committee four or five times a year doesn't mean you can't have an ongoing relationship. Investing time each quarter to schedule a pre-meeting update with the audit committee chair, for example, could help you understand what is top of mind for the committee. Before your first meeting with the audit committee, you should meet with the chair to understand his/her impression of internal audit and its value to the company. If you're already regularly presenting to the audit committee, periodically ask for coaching to reassess your effectiveness. …Pre-read materials play an important role in setting the stage for your presentation and shaping the dialogue at audit committee meetings. While pre-read materials are separate from your presentation, they directly impact your overall effectiveness."

(See Bibliography for additional resources)

3.D. Considerations specific to internal auditing in an Oregon agency

3.D.1 *Equity, Diversity, Inclusion (EDI)*
Research shows that we all have cognitive biases. Those that pertain to equity, diversity and inclusion (EDI) emerge from the norms of the dominant culture. In the United States, and hence in Oregon, the dominant culture is white, male, middle-aged, heterosexual, and not-disabled, among other categories. The impacts from not belonging to the dominant culture are pervasive and in many ways not apparent because we all are acclimated to the cultural "sea" in which we swim.[18] However, such terms as "white privilege" and "male privilege" point to the benefits that accrue from belonging to the dominant culture. Overall, EDI work seeks to increase awareness of, and redress historical and present-day negative consequences from, the impact of policies and practices of the dominant culture. Many efforts to promote EDI begin with race and ethnicity, because these are categories for which progress can most-easily cascade to other areas.

This is an emerging topic for the internal audit profession and the IIA promotes EDI awareness, therefore it is also important within the state's internal audit community.[19] Because of auditors' extensive interactions with a wide variety of people, it is incumbent on each of us to increase our awareness of our own cognitive biases and the ways that these impact others and our work. Some of the programs audited likely have equity-related impacts, and these may inform the consideration of risks and audit objectives. These impacts also hamper the effectiveness of organizations and personnel, and therefore directly influence the effectiveness of auditors and the effectiveness of the programs audited.

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[17] https://www.pwc.com/sg/en/risk-assurance/assets/engage-with-audit-committee-201709.pdf

[18] For more information, the books Waking Up White and White Fragility are eye-opening, as is Proctor and mble's moving ad called The Talk, available at: https://www.youtube.com/watch?v=ovY6yjTe1LE

[19] For example, see: https://iaonline.theiia.org/2015/a-focus-on-people
https://na.theiia.org/about-us/Pages/Diversity.aspx

The State of Oregon is strongly committed to implementing practices that promote EDI.[20] If the agency an auditor works for has access to the State's annual, full-day EDI conference for State employees to increase awareness and practice of EDI principles, attendance at this event can help promote individual awareness.[21] And for self-study there are a number of books[22] and resources available on the internet[23].
(See Bibliography for additional Resources.)

3.D.2 Oregon's ethics law
The State of Oregon also requires that public officials adhere to its ethics law, administered through the Oregon Government Ethics Commission (OGEC).[24] An introduction to Oregon's ethics Law, Rules, and Guidance should have been included in your new employee orientation. More extensive training can be found on iLearn as well as resources on OGEC's website.[25]

The principles of independence and objectivity require that your audit work must be free of political partisanship, in selecting audit topics, and in conclusions, recommendations, and reports.

3.D.3   Governance
In its practice guide *The Role of Auditing in Public Sector Governance*[26], the IIA states "…Government auditing is a cornerstone of good public sector governance." This document explains that "…the term governance refers to how an organization makes and implements decisions — 'the processes by which organizations are directed, controlled, and held to account.'"[27] These processes are "…the policies and procedures used to direct an organization's activities to provide reasonable assurance that objectives are met and that operations are carried out in an ethical and accountable manner. In the public sector, governance relates to the means by which goals are established and accomplished. It also includes activities that ensure a government's credibility, establish equitable provision of services, and assure appropriate behavior of government officials — reducing the risk of public corruption."[28]

This document also lists the principles of governance in the public sector.[29] These are: setting direction; instilling ethics and integrity; overseeing results; accountability; correcting course; transparency; probing deeper; and equity.

3.D.4   Protocol if fraud is suspected
The IIA defines fraud as any illegal act characterized by deceit, concealment, or violation of trust. While they may not have primary responsibility, internal auditors play a key role in the management of fraud risk. Internal auditors must have sufficient knowledge to evaluate the risk of fraud and the manner in

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[20] https://www.oregon.gov/gov/policy/Pages/DEI_AA.aspx
    https://www.oregon.gov/gov/policy/Pages/DEI_AA.aspx
[21] https://www.oregon.gov/ODOT/Pages/Diversity-Conference.aspx
[22] E.g. Waking up White, by Debby Irving; White Fragility, by Robin DiAngelo; The Fire Next Time, by James Baldwin; Between the World and Me, by Ta-Nehisi Coates
[23] E.g. The Talk, https://www.youtube.com/watch?v=ovY6yjTe1LE
[24] https://www.oregon.gov/OGEC/docs/Public_Official_Guide/2010-10_PO_Guide_October_Final_Adopted.pdf
    https://www.oregonlegislature.gov/bills_laws/ors/ors244.html
[25] https://ilearn.oregon.gov/learnerpage.aspx
[26] The Institute of Internal Auditors (2006) The Role of Auditing in Public Sector Governance. Altamont FL. 26 pps
[27] Ibid.
[28] Ibid.
[29] Ibid.

which it is managed by the organization, but are not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud[30] In performing duties, internal audit should consider the probability of fraud when developing engagement objectives and evaluate the potential for the occurrence of fraud and how the organization manages fraud risk.

Agencies may have different protocols or chains of command for reporting fraud and the responsibility for handling fraud investigations may involve the Oregon Department of Justice (DOJ), Secretary of State (SOS), Oregon State Police (OSP), the Human Resource department, or the Internal Auditor. Be sure to understand your agency's protocol for reporting and investigating fraud and work with agency management and the Audit Committee to define the expectations of the internal audit function in fraud reporting and investigation.

Please note, Oregon Statute ORS 297.120 requires that OAD must be notified "…When a state agency sustains a loss of $100 or more of public funds or property under circumstances involving a public official who is entrusted with the custody of the funds or property or who is charged with the duty to account for the funds or property…" Notification must be given within 30 days of either the loss or the discovery of the loss.

It is acceptable for an internal audit function to assist with an investigation, however it is important that any auditor who take on such responsibilities be fully knowledgeable and trained in appropriate fraud protocols. Special care must be taken on an investigation to ensure evidence is probably managed, handled and stored so as to protect chain of custody and integrity in the event the investigation is ultimately turned over to a higher authority such as SOS, OSP or DOJ; or a case ends up tried in court. Time is of the essence on a potential investigation and processes followed vary from a typical assurance or consulting engagement.

Internal auditors may also help consult with management on how to proceed in the event that a potential fraud event is suspected. Appropriately handling fraud within an organization can be an important preventative control by sending a message to other employees that fraud is not tolerated and employees will be held accountable to any suspicious activities.

The OAD manages a Fraud, Waste and Abuse Hotline for State Government, where anyone can call in to report a tip for further investigation. Occasionally OAD may request an agency's Internal Auditor to help investigate a hotline issue occurring at that agency.

3.D.5   *Some internal audit-related documents are public records*
Transparency is an important governance principle in the public sector, and internal audit work papers and reports are public records, once a draft report is given to management. Oregon's public record laws (ORS 192.410 – 192.505) define a public record as: "192.311 (5)(a) …any writing that contains information relating to the conduct of the public's business…prepared, owned, used or retained by a public body regardless of physical form or characteristics."[31]

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[30] 1210.A2

[31] www.oregonlegislature.gov/bills_laws/ors/ors192.html

Note that, under ORS, audit-related documents are exempt from disclosure until the audit report is issued (or the audit is stopped prior to completion).[32] And there are other exemptions for certain types of information that may be part of audit work papers (for example, information that would enable identifying a student, such as student ID, social security number, name, or address). Since email is also included in public records, auditors should take care in what is included in an email and protocols for handling sensitive audit-related documents.

Some agencies post audit reports or executive summaries on their internal audit webpages, others do not. However, reports and work papers must be made available if requested. A 2012 study by the IIA found that only 10% of public sector internal audit shops disseminated audit reports to media outlets.[33] This document cites IIA Red Book "Standard 2440.A2, which specifies consulting with senior management and/or legal counsel prior to releasing results to parties outside the organization."[34] This report also found that 36% of state/provincial respondents publish internal audit reports on their intranet, but only 8% publish audit reports on both the intranet and internet.[35] Red Book shops were less-likely to publish reports on either the intranet or internet.[36] Finally, only 22% of respondents said that work papers were subject to public information laws.[37]

Finally, Oregon requires that OAD and DAS be provided a copy of all audit reports and risk assessments produced by agency internal audit functions.[38]

3.D.6 _Potential weaknesses for internal audit to be aware of_

Agencies may have certain characteristics that should inform a CAE's work. Issues to be mindful of may include: noncompliance with audit-related OAR/ORS; weaknesses in aspects of governance; lack of a risk assessment; weaknesses in internal administrative and financial control systems; an organizational culture that is apprehensive about internal audit; a potential lack of support from auditees; and management's adapting to the need for an internal audit function to remain independent in its work.

3.D.7 _Selected financial terminology_

Awareness of these typical financial but not necessarily audit-related acronyms used in state government may assist new auditors in navigating the government financial landscape:

SFMA: State Financial Management Application. This is the State's accounting and financial system. It is owned and maintained by DAS

SFMS: State Financial Management Section. These are the accounting personnel at DAS that manage the SFMA.

Note: DAS makes certain SFMS data more accessible via a database called the DataMart. Internal auditors (and others with clearance) can extract data by queries using the Hyperion/Brioquery software. DAS provides training in the use of these tools and courses can be found in iLearn.

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[32] 192.345 Public records conditionally exempt from disclosure (37) Any document or other information related to an audit of a public body…until the auditor or audit organization issues a final audit report in accordance with those standards or the audit is abandoned. This exemption does not prohibit disclosure of a draft audit report that is provided to the audited entity for the entity's response to the audit findings.

[33] The IIA (2012) Leading Practice: Transparency of the Internal Audit Report in the Public Sector. Altamonte FL. 28pps.

[34] Ibid. p. 16

[35] Ibid. p. 17

[36] Ibid. p. 18

[37] Ibid. p. 21

[38] ORS 184-360, ORS 297.250, OAR 125-700-0140(4)

POP: Policy Option Packages: These are the funding proposals that agencies make to request funding in the governor's budget.

CAFR: Consolidated Annual Financial Report: This is the name for the set of financial statements published by each agency and rolled-up to the State level. OAD audits these every year through the Single Audit Act by selecting significant financial accounts to audit across state agencies.

SPOTS: Small Purchase Order Transaction System: This is the State's procurement card program through US Bank that allows employees to make small, immediate need purchases on a visa card, as well as provides a rebate opportunity for Oregon State Government.

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https://chapters.theiia.org/tidewater/Events/Documents/InterpersonalforAuditors.pdf

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Oregon CAEC Mentorship Program

Handbook for Mentoring New Chief Audit Executives

Appendix A. Mentee Experience Survey:

The results of this survey will be used to pair you with the best mentor match to help ensure your success as a CAE new to Oregon State Government!

1. How much experience do you have working in government?

   □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

2. What level of government do you have experience working in? (Check all that apply.)

   □ Oregon State Government   □ Other State Government   □ Local Government
   □ Federal Government   □ Other

3. What is the policy/cluster sector of the agency you are now with?
   - Education
   - Energy
   - Healthcare
   - Housing
   - Human Services
   - Jobs and Economy
   - Labor and Workforce
   - Natural Resources
   - Oregon Liquor Control Commission, Gaming, Opioid Epidemic
   - Public Safety and Military
   - Transportation
   - Veterans

4. What is the size of your agency?
   □ less than 100   □ 100-400   □ 400-1000   □ 1000-5000   □ greater than 5000

5. Does your agency have field offices?
   □ Yes   □ No

6. How many years of experience do you have serving as a Chief Audit Executive?
   □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

7. How many years of experience do you have working as a lead auditor?
   □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

8. How many years of experience do you have conducting risk assessments and developing audit plans?
   □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

9. How many years of experience do you have developing audit programs?
   □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

10. How many years of experience do you have working in Internal Audit?
    □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

11. How many years of experience do you have working in other types of auditing or compliance positions? (i.e. external audit)
    □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years
    What type of auditing or compliance? _____

12. Do you have program evaluation experience?
    □ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

13. How many people are in your agency's current internal audit team?
    □ 1   □ 2   □ 3-5   □ 5+

14. What size audit internal audit teams have you worked with in the past? (Check all that apply)
    □ 1   □ 2   □ 3-5   □ 5-10   □ 10-20   □ 20+

15. Does your agency currently have an established audit function?
    □ Yes   □ No

16. Do you know what auditing standards you plan to follow?
    □ No   □Red Book   □ Yellow Book   □ Other

17. Which auditing standards are you familiar with?

    □Red Book   □ Yellow Book   □ ISACA/COBIT   □ Other_____
18. What professional certifications/advanced education do you have?

    □CPA □ MBA □ MPA □ CIA □ CGAP □ CRMA □ QIAL □ CISA □ CFE □ Other_____
19. What are your biggest concerns about the position?

Appendix B. Mentor Experience Survey:

The results of this survey will be used to pair you with the best match to help ensure success of the mentor/mentee relationship for CAE's new to Oregon State Government!

20. Do you have at least 4 hours of available time each month and the agreement of your agency to commit to participating in the State of Oregon's CAEC Council Mentorship Program?

    □ Yes   □ No

21. How much experience do you have working in government?

    □ less than 5 Years   □ 5-10 Years   □ 10+ Years

22. What level of government do you have experience working in? (Check all that apply)

    □ Oregon State Government   □ Other State Government   □ Local Government
    □ Federal Government   □ Other

23. What is the policy/cluster sector of the agencies you have experience with? (Check all that apply)
    - Education
    - Energy
    - Healthcare
    - Housing
    - Human Services
    - Jobs and Economy
    - Labor and Workforce
    - Natural Resources
    - Oregon Liquor Control Commission, Gaming, Opioid Epidemic
    - Public Safety and Military
    - Transportation
    - Veterans

24. What is the size of your current agency?
    □ less than 100   □ 100-400   □ 400-1000   □ 1000-5000   □ greater than 5000

25. Does your agency have field offices?
    □ Yes   □ No

26. How much experience do you have serving as a Chief Audit Executive?
    □ less than 5 Years   □ 5-10 Years   □ 10+ Years

27. How much experience do you have working as a lead auditor?
    □ less than 5 Years   □ 5-10 Years   □ 10+ Years

28. How much experience do you have conducting risk assessments and developing audit plans?
    □ less than 5 Years   □ 5-10 Years   □ 10+ Years

29. How much experience do you have developing audit programs?
□ less than 5 Years   □ 5-10 Years   □ 10+ Years

30. How much experience do you have in Internal Audit?
□ less than 5 Years   □ 5-10 Years   □ 10+ Years

31. How much experience do you have performing other types of auditing or compliance? (i.e. external audit)
□ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years
What type of auditing or compliance? _____

32. How many people are in your agency's current internal audit team?
□ 1   □ 2   □ 3-5   □ 5+

33. What size audit internal audit teams have you worked with in the past? (Check all that apply)
□ 1   □ 2   □ 3-5   □ 5-10   □ 10-20   □ 20+

34. What auditing standards do you have experience following or are you familiar enough with to be able to provide adequate mentorship for? (Check all that apply)
□ None □Red Book   □ Yellow Book   □ ISACA/COBIT □ Other_____

35. How much experience do you have mentoring or coaching other professionals?
□ None   □ less than 5 Years   □ 5-10 Years   □ 10+ Years

36. What professional certifications/advanced education do you have?

□CPA □ MBA □ MPA □ CIA □ CGAP □ CRMA □ QIAL □ CISA □ CFE □ Other_____

37. What other information should the CAEC Mentorship Subcommittee take into consideration in making your mentor assignment?

Appendix C. Memorandum of Understanding (MOU):

Mentor: Agency:
Mentee: Agency:
Date:

We are voluntarily entering into a mentoring relationship from which we both expect to benefit and to promote the success of Oregon State Chief Audit Executives and their agency's internal audit program. We want this to be a rich, rewarding experience with most of our time together spent in professional development activities. To this end, we have mutually agreed upon the terms and conditions of our relationship as outlined in this agreement. Please return a copy to the mentorship coordinator once completed.

Mentor agrees to:

- Provide the mentee background information on internal audit in the State of Oregon and answer any follow-up questions from the Jumpstart Kit.
- Meet at least monthly to answer questions, provide guidance, and connect to resources depending on the needs of the mentee.
- In conjunction with mentee, develop individual mentorship goals depending on mentee's knowledge, skills, and abilities.

Mentee agrees to:

- Communicate openly with the mentor about knowledge gaps and/or organizational challenges.
- Meet at least monthly and be prepared to ask questions and request guidance.
- In conjunction with mentor, develop individual mentorship goals depending on mentees knowledge, skills, and abilities.
- Work to implement strong professional practices of an internal auditor.

CONFIDENTIALITY
Any sensitive issues that we discuss will be held in confidence.

FREQUENCY OF MEETINGS
We will attempt to meet at least monthly for six months. If we cannot attend a scheduled meeting, we agree to notify each other in advance and reschedule. Our mentoring relationship will continue for at least six months and at that point we will determine if there is benefit in continuing on with an informal mentorship relationship.

NO-FAULT TERMINATION
We are committed to open and honest communication in our relationship. We will discuss and attempt to resolve any conflicts as they arise. If, however, one of us needs to terminate the relationship for any reason, we agree to abide by one another's decision.

_____   _____
Mentor Signature   Mentee Signature

Appendix D. Suggested Timeline for Establishing an Internal Audit Function:

Sequence	Required vs. leading practice	Category	Task	Frequency	by 9/30	1st month	2nd month	3rd month	6th month	1st year	2nd year	5th year
1	Required	Infrastructure	Become familiar with professional auditing standards: Red Book (IPPF/IIA) and Yellow Book (GAGAS/GAO) and select one to follow.	once, long-term update		■						
2	Required (RB)	Action	Develop a documentation method to make independence/ethics disclosures	annually		■						
3	Required	Infrastructure	Create foundational IA program infrastructure (draft IA & AC charters, position description, initial QAIP, key audit procedures, and key work paper	once, long-term update		■	■	■				
4	Required	Action	Conduct triage risk assessment; prepare short-term audit plan; begin first audit or consulting engagement	once, evolves to full risk			■	■				
5	Leading practice	Action	Develop intra-agency stakeholder relationships (i.e. create Intro to IA presentation & use at various team meetings, meet with key members of leadership); participate in agency orientation (find opportunities to learn about agency operations); familiarize with state environment	ongoing		■	■	■	■	■		
6	Required	Infrastructure	Form audit committee (AC), convene regular meetings; consider having mentee attend first meeting	ongoing			■	■	■			
7	Leading practice	Action	Develop external relationships (e.g. Audits Division, CAEC, local IIA chapter, similar agencies from other state's)	ongoing			■	■	■			
8	Leading practice	Action	Provide or arrange for Audit Committee training	once, long-term update			■	■	■			
9	Leading practice	Infrastructure	Define expectations (vis-a-vis liaison with external audit, attendance at mgmt meetings, internal audit classification and reporting structure, CPE, etc.)	once, long-term update		■	■	■				
10	Required	Action	File annual report of IA activities with DAS	annually	■							
11	Required (RB)	Action	Provide annual report on IA activities to agency management	annually						■		
12	Required	Action	Facilitate full, formal risk assessment (or updates)	annually						■		
13	Required	Action	Create audit plan from risk assessment and present to AC	annually						■		
14	Required	Action	QAIP self-assessment (incorporate capability maturity model; address any deficiencies noted)	annually						■		
15	Leading practice	Infrastructure	Develop strategic plan, mission, goals, performance metrics, and benchmarks for IA	once, long-term update						■		
16	Required	Infrastructure	Achieve and maintain professional audit certifications & continuing education	once, annually for CPE						■		
17	Required	Infrastructure	Build the IA Function's QAIP	once, long-term update						■		
18	Required	Infrastructure	Ensure IA's policies/procedures manual is fully developed & template work papers are established	once, long-term update							■	
19	Required	Action	Complete an audit of a governance topic	Within 5 years								■
20	Required	Action	Have an external Quality Assurance Review (QAR or Peer Review) performed	Within 3 - 5 years								■
21	Required	Action	Prepare an action plan for any deficiencies or opportunities for improvement noted in QAR report and report on progress to AC periodically.	5 years, ongoing as needed								■

Appendix E. Oregon internal audit frequently used acronym list:

Acronym	Full Title	Description
AC or IAC	Audit Committee or Internal Audit Committee	Governing body of an organization charged with overseeing the organization's internal audit activities and holding senior management accountable.
CAE	Chief Audit Executive	The person in a senior position responsible for managing the internal audit activity of an organization in accordance with the charter and professional auditing standards.
CAEC	Chief Audit Executive Council	The Chief Audit Executives for State of Oregon Agencies.
DAS	Department of Administrative Services	Oversight agency of the Executive branch of Oregon State Government. The Internal Audit Function helps coordinate and provide support to the state's internal audit community.
EDI	Equity, Diversity and Inclusion	Promotion of diversity in the workplace, as well as the elimination of the effects of past and present discrimination, intended or unintended.
ERM	Enterprise Risk Management	Process for organizations to follow to manage risk to meeting their organizational objectives.
FWA	Fraud, Waste and Abuse	Referring to the Hotline supported by the OAD
GAO	Government Accountability Office	Independent, nonpartisan agency that works for Congress and examines how taxpayer dollars are spent.
GAGAS	Generally Accepted Government Auditing Standards	Yellow Book- Professional governmental auditing standard issued by the US Government Accountability Office.
IA	Internal Audit	Provides independent, objective assurance and consulting services designed to add value and improve an organization's operations.
IIA	Institute of Internal Auditors	Advocacy group for the internal audit profession.
IPPF	International Professional Practices Framework	Red Book – Professional internal auditing standards promulgated by the IIA – includes both mandatory (definition of IA, code of ethics, core principles and standards) and recommended guidance to assist in implementation.
iLEARN	The State of Oregon's Training System	There is much useful content here. https://ilearn.oregon.gov/Default.aspx
JLAC	Joint Legislative Audit Committee	This is a joint Legislative Committee with members of both the House of Representatives and Senate that addresses issues related to auditing in state government.
LFO	Legislative Fiscal Office	The Legislative Fiscal Office (LFO) is a permanent, nonpartisan legislative service agency.

OAD	Oregon Audits Division	Division of the Oregon Secretary of State that serves as "external auditors" for all State agencies. https://sos.oregon.gov/audits/Pages/default.aspx
OAR	Oregon Administrative Rules	Rules established by State Agencies with oversight for programs as established in OAR which dictate implementation.
ORS	Oregon Revised Statutes	Laws established by the Oregon State Legislature.
QAIP	Quality Assurance Improvement Program	Designed to enable an evaluation of the internal audit activity's conformance with the IPPF.

Appendix F. Jumpstart Kit Table of Contents

1. Welcome Letter from CAEC Council

2. Statewide Audit Requirements

3. Key Contacts: https://www.oregon.gov/das/Docs/CAE%20Directory.pdf

4. Secretary of State's Division of Audits (OAD)
   a. 2019-2020 Audit Plan: https://sos.oregon.gov/audits/Documents/2019-2020-audit-plan.pdf
   b. Audits Division Protocol April 2019: https://sos.oregon.gov/audits/Documents/audits-division-protocol-April2019.pdf
   c. 2018 Fraud, Waste and Abuse Hotline Report: https://sos.oregon.gov/audits/Documents/2019-22.pdf
   d. Audit of Internal Audits: http://records.sos.state.or.us/ORSOSWebDrawer/Recordpdf/6230794

5. CAEC Charter: https://www.oregon.gov/das/Docs/CAEC-Charter.pdf

6. JLAC and LFO Overview and Legislation

7. DAS Statewide Annual Internal Audit Activity Report: https://digital.osl.state.or.us/islandora/object/osl%3A618893

8. IIA – Salem Chapter Welcome Letter
   a. How to access the IA Library
   b. IPPF Elements
   c. IPPF Standards (Red Book): https://na.theiia.org/standards-guidance/Public%20Documents/IPPF-Standards-2017.pdf
   d. IIA Code of Ethics: https://na.theiia.org/standards-guidance/Public%20Documents/2010-06-16_10165_Code_of_Ethics.pdf
   e. IIA Public Sector Audit Center: https://www.theiia.org/centers/psac/Pages/default.aspx

9. GAGAS Standards (Yellow Book): https://www.gao.gov/assets/700/693136.pdf

10. Suggested Timeline for Establishing an Internal Audit Function

11. State Library Overview

12. Oregon Accounting Manual: https://www.oregon.gov/das/Financial/Acctng/Pages/oam.aspx

13. Internal Audit FAQ for Directors: https://www.oregon.gov/das/Docs/Internal%20Audits%20FAQ.pdf

14. IIA Model Audit Committee Charter: https://dl.theiia.org/AECPublic/Model-Audit-Committee-Charter.pdf

15. IIA Model Internal Audit Charter: https://iia.no/wp-content/uploads/2017/04/2017-SG-Model-Internal-Audit-Activity-Charter.pdf

16. Introduction to Internal Control Frameworks

17. QAIP Example
    a. CAE Compliance
    b. IA QAR
    c. IIA Self-Assessment for Engagements

18. CAEC Risk Assessments Background and Templates
    a. RA Guidance Handbook
    b. Tool 1
    c. Tool 2
    d. Tool 3
    e. Tool 4
    f. Tool 5

19. Ethics and Independence
    a. Example Annual Ethics Disclosure
    b. Example Project-based Statement of Independence

20. Audit Committee Handbook 2012

21. Association of Local Government Auditors: Includes Materials for Starting a Function
    https://algaonline.org/

Appendix G. Founding members of the CAEC Mentorship Program Subcommittee:

Chair: Latham Stack, CAE – Oregon Department of Education
Bevin Clapper, CAE – Oregon Parks and Recreation Department
Pamela Stroebel Powers, CAE – Oregon Military Department
Michael Williams, CAE – Oregon Department of Energy

If you have any suggestions for improvement such as editing, additions, etc. please contact one of us or a current member of the CAEC Leadership!