

AGENCY INTERNAL AUDIT MANAGER

KIND OF WORK

Managerial internal audit work.

NATURE AND PURPOSE

Under administrative direction, manages and directs/oversees and conducts all internal & external financial, compliance, operations, management performance, information system and investigative audits & reviews of the activities, controls, records & business systems of a large state agency and associated entities – to include complex/difficult and sensitive audits, reviews, assigned investigations, risk & internal control assessments & consulting activities, and guiding/overseeing & evaluating the work of advanced-level professional staff – to ensure: financial records & reports conform to generally-accepted accounting principles (GAAP); audits conform to generally-accepted auditing standards (GAAS) and government audit standards (GAS); proper controls & reporting procedures are in effect; and compliance with applicable state and federal laws, rules & policy. Performs related work as required.

Agency Internal Audit Managers are responsible for all activities of an agency's Internal Audit Division, to include proposing, planning, scheduling and directing/overseeing all audits, reviews and assigned investigations and determining or effectively recommending the scope & depth of each; conducting risk assessments and evaluating, recommending & implementing internal control practices; and reporting the results of audits/reviews activities and recommending appropriate, cost-effective corrective actions/improvements to management on issues and operations that present a significant risk to the agency. Positions ensure audits, reviews and investigations meet stated objectives and result in accurate, timely audit reports that comply with professional audit standards & agency Internal Audit Division policy.

Positions facilitate the establishment, implementation and maintenance of an effective internal control environment; manage & direct complex & sensitive audits & reviews of the agency's internal operations and agency-related entities; perform/oversee assigned investigations when allegations of improprieties arise; manage & direct reporting to the Commissioner's Office on audits, reviews and corrective actions; coordinate & manage external audit services; and provide leadership & supervision to Internal Audit Division staff. Activities provide independent, objective, timely assurance to management and to the Internal Audit Committee that proper controls, risk management and governance processes are in place by ensuring key risks and transaction types are properly controlled & monitored, and internal controls are effective and working as intended.

Positions collaborate with agency executive and senior-level management in determining audit or review entities, objectives & scope and in evaluating recommendations. Positions routinely meet with agency leadership and provide advice on internal controls, agency policies & procedures, systems security & documentation and represent the agency to external audit groups, other government agencies, and the legislature on matters related to audits/reviews.

Positions possess wide latitude for independent action within the scope of assigned responsibilities in evaluating, advising on and improving the effectiveness of risk management, control and governance processes designed to improve the effectiveness & efficiency of operations, safeguarding of assets & data, reliability & integrity of financial reporting and compliance with applicable regulations/policy/procedure. Positions have unrestricted access to all agency activities, records, systems, property and personnel relevant to the performance of audits/reviews and assigned investigations.

This classification differs from Audit Director in that positions are “managers” and typically oversee audits/reviews of larger/more complex programs and a larger number of advanced-level professional staff. In addition to managerial responsibility, the number & level of staff; the variety, scope, size and complexity of programs audited/reviewed and the issues encountered, and the level of decision-making authority are important considerations in allocating positions to this class. The position is the chief audit official in the agency, chairs the agency’s Internal Audit Committee. Positions typically report administratively to the agency head or deputy, and functionally to the agency’s Internal Audit Committee. This class represents the highest level of internal audit management in State service.

As a manager with supervisory authority/responsibility, positions plan, organize, assign and direct the work of auditors, train and evaluate staff and have the authority to undertake or effectively recommend a majority of the 10 PELRA supervisory functions defined in MS 179A.03 Subd. 17. Positions supervised typically include advanced-level supervisory and non-supervisory professional positions.

The level of a particular position in a classification series is based on a combination of factors not always present in class specifications. Among these factors is the position’s responsibility within the overall program/operation and its relationship to others in a unit, department and/or state service as a whole.

EXAMPLES OF WORK

(A position may not include all the work examples given, nor does the list include all that may be assigned.)

Develops and controls the Internal Audit Division’s biennial budget proposal, developing budgets for each audit/review/investigation and approving & monitoring expenditures.

Establishes audit, review and investigation policy, standards, procedure, protocols and report formats that comply with professional standards, Serves as the agency’s representative with outside agencies and contractors concerning audit policy and requirements.

Develops a comprehensive, flexible, risk-based annual/biennial audit & review work plan (recommendations regarding entities/activities to be audited/reviewed; objectives, scope & priority; and approach) for IA Committee approval that is aligned with the agency’s strategic plan and addresses priority risk management, control and governance needs by conducting a series of interviews with agency executive staff, managers & supervisors; considering the risks inherent to the activity, findings of past audits/reviews and recent changes to policy, procedure or personnel; and determining the appropriate audit/review cycle for the activity.

Develops or reviews audit/review/investigation-specific work plans (collaborates with the audit supervisor or auditor-in-charge to determine or effectively recommend the entity/activity, objective(s), scope, depth, approach/method, staffing level, schedule/timeline, budget, etc.) to ensure audits are conducted in an effective, efficient, timely and professional manner. Determines if any audits/reviews should be done via contract with outside audit firms and, if so, develops and manages audit contracts and services.

Performs, directs or oversees the execution of audits, reviews and assigned investigations (usually several concurrently) of varying size & complexity to ensure they meet objectives and financial, professional and agency standards, and are completed efficiently, within budget and on time. May involve a high-level review of all audit work.

Prepares, edits or reviews & approves final drafts of audit/review reports (after the audit supervisor is satisfied with the thoroughness and resolution of audit issues) to ensure audit/review objectives, scope & approach are clearly stated; audit evidence is complete, organized and supports findings; opinions & recommendations/jointly-developed plans for action are appropriate; and reports are well-written and meet agency and professional standards. Participates in exit conferences and presents audit/review findings and recommendations to agency or audited entity management, to the IA Committee, to legislators and federal officials and answers questions from the media. Follows up on recommendations to determine that actions to implement change have occurred.

Reviews, edits, and approves audit/review/investigation-related information prior to legislative or public release; testifies at legislative hearings as a subject-matter expert on same.

Performs, supervises or oversees risk assessments by leading a process with executive leadership and senior management to identify, describe and prioritize key risks. Evaluates the control environment and develops & evaluates the effectiveness of internal controls by: assessing how well risks are managed; reporting problems and negotiating action plans to correct deficiencies; guiding staff in identifying, developing, documenting & implementing cost-effective controls (both detective and preventive); and periodically monitoring/testing key controls to evaluate their effectiveness.

Assists in the planning, design, development, testing, implementation and operation of computer-based systems to ensure adequate controls (both general and application controls) are incorporated into the systems, thorough testing is performed at appropriate stages, and documentation is complete and accurate.

Oversees, directs/supervises, or performs assigned investigations in response to suspected or alleged irregularities, misconduct or unlawful activity of agency or client agency employees by reviewing the allegation, identifying compliance issues and determining the investigation's scope & approach; interviewing pertinent personnel and interrogating subjects; collecting & evaluating evidence; and reporting findings to appropriate internal and/or external authorities; testifying at civil/criminal trials regarding findings and making recommendations to improve applicable internal controls/policies.

Coordinates agency activities with the OLA when they are performing annual financial audits and periodic program reviews so audits/reviews are performed with maximum efficiency and minimal work disruption; advises management of interim OLA findings; oversees preparation of the agency's response to interim/final findings & recommendations; and recommends & implements solutions to correct identified issues/problems.

Plans, organizes, assigns, directs and evaluates the work of audit staff, to include assessing training & development needs and ensuring appropriate training is provided & completed.

Manages the examination of financial statements & reports for assigned funds to ensure accurate financial reporting, to include compliance with the Federal Single Audit Act, coordination of federal sub-recipient funds/grant monitoring and recommends changes or improvements in the presentation and disclosures.

Develops/reviews business continuity/disaster recovery plans.

Reviews or directs reviews and analysis of authoritative pronouncements, laws, regulations, policies and/or procedures relating to accounting, auditing and internal control; evaluates their effect on agency & client operations and internal control structure, and advises appropriate agency management and staff.

Serves in an advisory capacity to the CFO, Audit Committee (if applicable), and agency head/deputy on all internal control-related matters. Provides direction and leadership consultation for best practices on internal control structure and implementation of the COSO model. Plans, directs, and coordinates the internal audit consulting or advisory activities and oversees development and installation of methods and procedures established pursuant to consulting activities.

KNOWLEDGES, SKILLS AND ABILITIES (KSA's) REQUIRED

(The KSA's required may vary somewhat from position to position, depending on the type of auditing and responsibilities/duties, i.e., a position may not require all the KSA's listed below, nor does the list include all that may be required.)

Knowledge of:

Generally Accepted Accounting Principles (GAAP) and pronouncements of the Gov't Accounting Standards Board (GASB); Generally Accepted Auditing Standards (GAAS) and Gov't Auditing Standards (GAGAS) for the professional practice of internal auditing sufficient to determine compliance with same, evaluate auditees' operational performance, accounting policies, procedures and internal controls, and provide direction to staff.

Code of Ethics and the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA); Internal Control Framework (COSO); Enterprise IT Framework (COBIT); and applicable governance practices.

Risk assessment and internal control concepts & methods.

Sampling methods sufficient to select a representative sample that will permit drawing conclusions about population values at the desired level of confidence.

Federal or State laws, rules, policies and procedures applicable to the audit/review topic sufficient to determine compliance with same. Relevant state and agency policies and procedures; Government Data Practices Act (MS Chapter 13); Whistleblower Act (MS 181.932).

IS auditing (standards, methods, tools & techniques), controls and technology sufficient to ensure that adequate internal controls are included in the design, development, testing, implementation and maintenance/operation of computer systems – some positions.

Forensic computer tools sufficient to conduct or oversee investigations.

Human resource policies, procedures and labor contracts sufficient to interview and select staff in accord with State policy/procedure, and assign, schedule, direct, evaluate work performance and discipline/reward subordinate staff.

8 .

Depending on the position, current certification as a Certified Internal Auditor (CIA), Certified Public Accountant (CPA), Certified Fraud Examiner (CFE), Certified Information Systems Auditor (CISA) and/or Certified Government Auditing Professional (CGAP) may be a requirement.

Skill in:

Oral communications skills sufficient to lead entrance and exit conferences, effectively communicate, present & defend audit/review/investigation findings and recommendations to agency and entity management, explain audit standards and policy, train staff, interview subjects of investigations, testify at legislative hearings and in court, and effectively communicate technical information to various audiences.

Written communication skills sufficient to draft, edit & complete clear, concise audit policy/procedure, audit/review annual work plans, complex or sensitive management letter comments, reports of audits/reviews/investigations, recommendations for changes/corrective action, and write/edit technical promotional & informational material.

Human relations skills sufficient to interact with agency staff, executive & senior management, other state officials (e.g., OLA staff), legislators and a variety of internal & external clientele in a courteous, constructive and effective manner and communicate audit/review/investigation findings & recommendations in a tactful, effective manner.

Computer skills (e.g., e-mail, word-processing, database/query, spreadsheet, presentation graphics, charting, Internet browser & search software, audit tools/software) sufficient to efficiently download & record data, analyze information, develop tables & charts, and summarize audit findings.

Ability to:

Effectively supervise audit staff (i.e., ability to effectively plan, organize, assign, direct & evaluate the work of audit staff – to include supervisory and advanced professional staff – and manage their training & professional development).

Conduct/coordinate/direct audits & reviews, including engagement planning and ensuring all findings, recommendations, management responses, and written reports are supported by engagement documentation; coordinate/direct advisory and risk assessment activities.

Leadership ability sufficient to provide effective strategic and tactical direction to the internal audit function, and draft audit/review policy & procedure.

Administrative/managerial ability sufficient to effectively plan, organize, coordinate and direct multiple audits/reviews/investigations concurrently.

Prepare a biennial budget for the Internal Audit Division, project costs for specific audits & reviews and evaluate & approve expenditures.

Organization and personal/project time management skills sufficient to produce quality work on time, and to monitor/oversee the progress of large, complex audits/reviews and ensure timely completion.

Ability to effectively & professionally represent the agency at entrance & exit conferences, legislative hearings, meetings with the OLA, or as a representative on committees, taskforces or at conferences/seminars.

Maintain the confidentiality of data and information sources by not inappropriately disclosing sensitive/confidential information.

Maintain a neutral, objective position in all work assignments.

Analyze complex data/information, issues/problems and systems.

Analytical ability and judgment sufficient to identify & assess risks; evaluate & develop internal controls; determine audit/review priority, objectives, scope, issues and information needed; develop an approach that is effective & efficient; guide audit teams through technical issues/problems; assess compliance with laws, policies, accounting principles, auditing standards and entity practices; draw sound conclusions and develop recommendations to improve policy/procedure and remedy detected problems.

Problem-solving ability (ability to recognize problems, identify causes, identify & evaluate alternatives, and recommend/choose the most effective action/solution) and ability to resolve conflicts.

Est.: 12/xx/13 TC:

Rev.: Former Title(s):