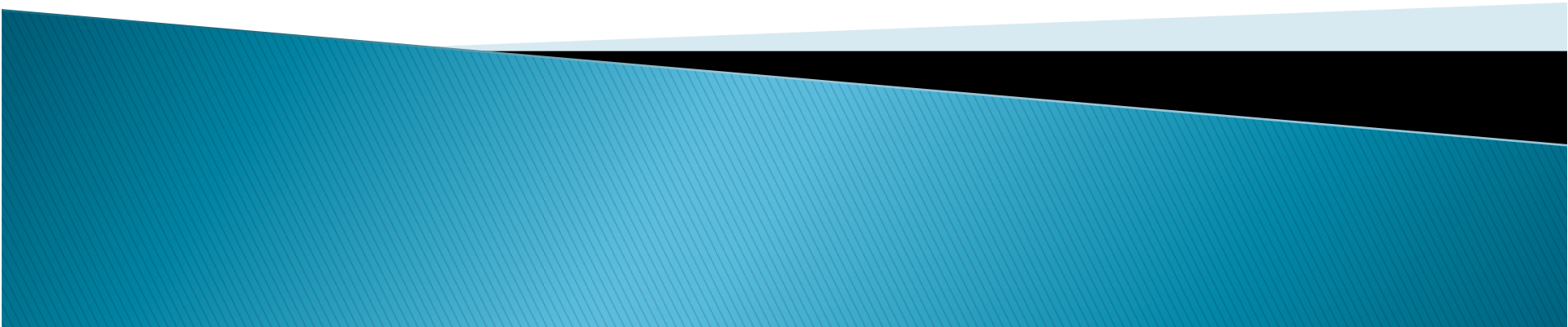


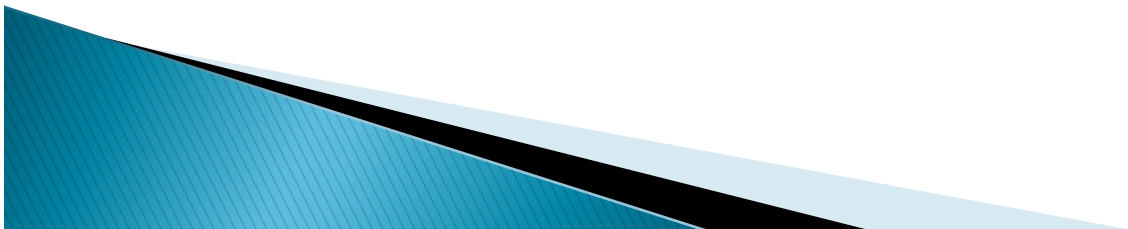
Implementing Successful Internal Audit Programs

Susan Redmond, Chief Compliance Officer
Colorado Department of Public Safety



Key Components

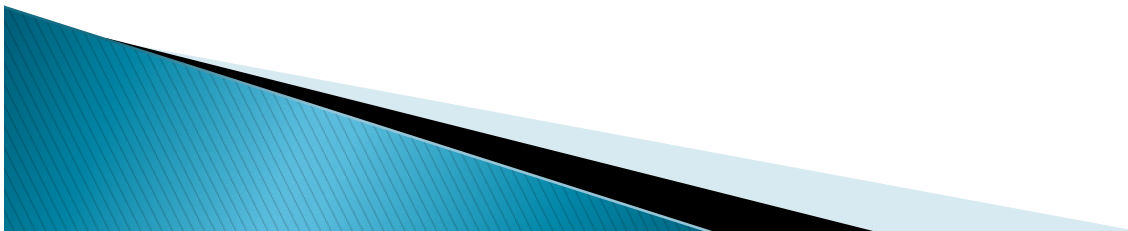
- ▶ Roadmap
- ▶ Collaborative Philosophy
- ▶ Financial Support
- ▶ Excellence in Deliverables
- ▶ Metrics / Evaluation



Roadmap

Mission Statement

The mission of the Internal Audit function is to assess risk and internal processes in order to create a more efficient and effective operational environment that lends to the delivery of the highest quality public safety services.



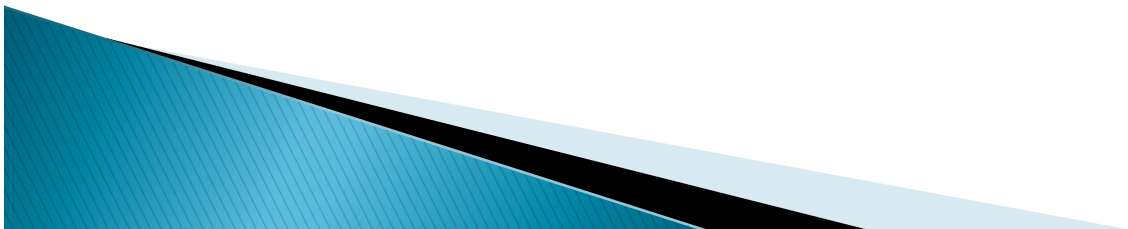
Roadmap

Public Sector Auditing

The Institute of Internal Auditors

www.theiia.org

- ▶ Organizational Independence
- ▶ A Formal Mandate
- ▶ Unrestricted Access
- ▶ Sufficient Funding
- ▶ Competent Leadership/Staff
- ▶ Stakeholder Support
- ▶ Professional Audit Standards



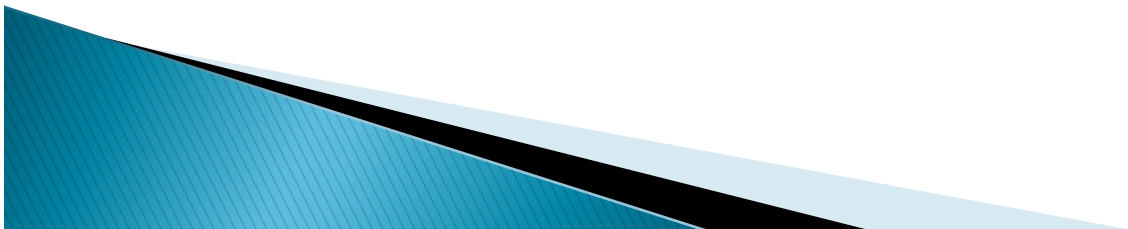
Collaborative Philosophy

- ▶ Stakeholders
- ▶ Customers
- ▶ Financial Support
- ▶ Risk Assessment
- ▶ Audits
- ▶ Staff
- ▶ Communication Plan



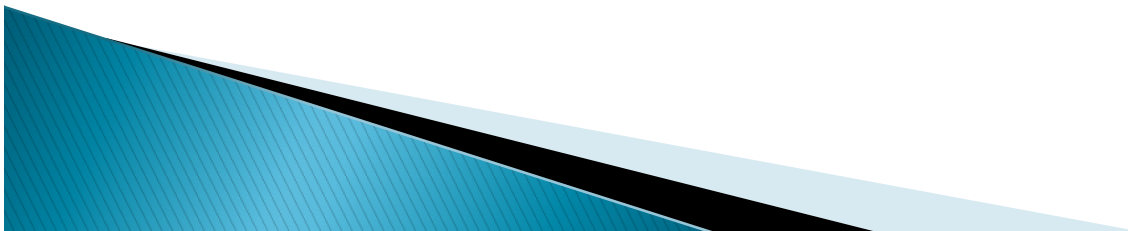
Financial Support

- ▶ Staffing
- ▶ Budgets
 - Personnel
 - Operational
 - Training
 - Travel
 - Audit Software
 - Misc – cell phones, office supplies, printing, branding



Excellence in Deliverables

- ▶ Standards
- ▶ Risk Assessments
- ▶ Audit Reports
- ▶ Case Management for Action Items & Recommendations Implementation

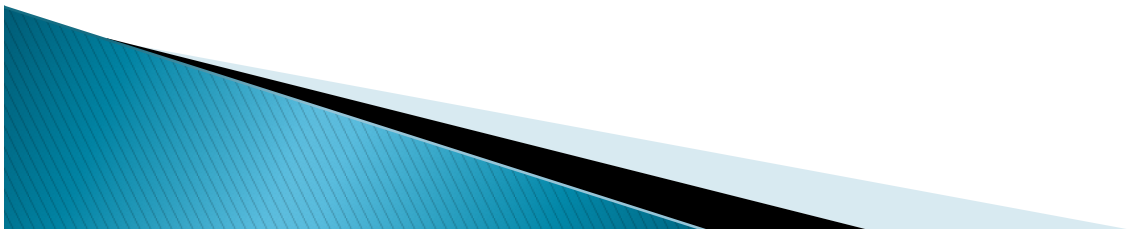


Formalized Risk Assessment Process

Step 1 – Context (Objectives, values, environment)										
Step 2 Risk Identification			Step 3 Risk Analysis		Step 4 Risk Evaluation & Prioritization			Step 5 Strategies & Action Plans		
Risk (Treat)	Risk Factors (Areas of Vulnerability)	Risk Consequences (What would happen)	Likelihood 1,2,3,4,5	Impact 1,2,3,4,5	Risk Level	Accept Risk (AR) or Take Action (TA)	Priority #	Action	Who's Responsible	Time Frame
								Action	Responsible:	Time Frame:
								Action	Responsible:	Time Frame:

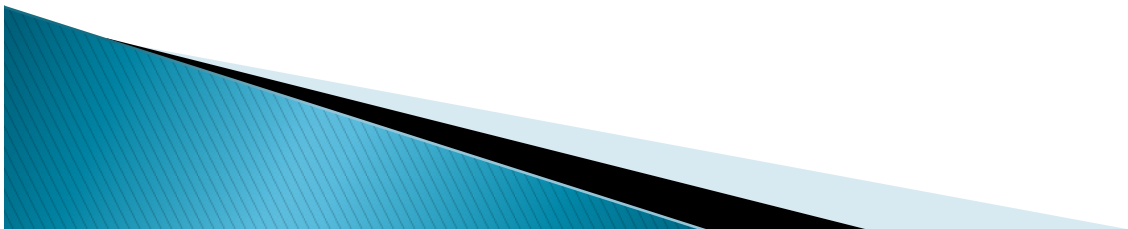
Overview of Audit Process

- ▶ Planning Phase
- ▶ Audit Program
- ▶ Fieldwork Phase
- ▶ Reporting Phase
- ▶ Audit Report
- ▶ Response to Recommendations
- ▶ Recommendation Implementation



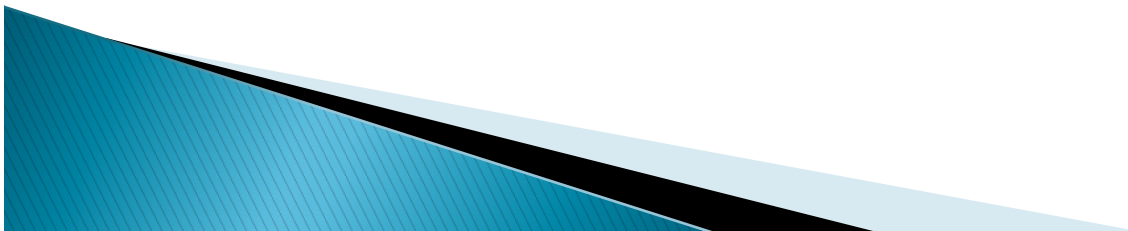
Metrics / Evaluation

- ▶ Reporting Audit Results to Leadership
- ▶ Re-Audit Areas of Concern
- ▶ Measure Program Outcomes
 - Recommendations
 - Compliance Rates
 - Customer Service Surveys Post Audit



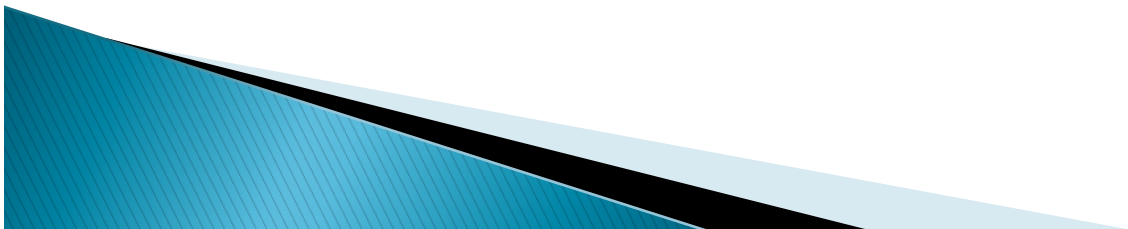
Additional Functions of Internal Audit Units

- ▶ Administrative Reviews
- ▶ Critical Incident Review
- ▶ Use of Force Review
- ▶ Claims
 - Lawsuits, Insurance
- ▶ Inspection Programs/Management Self Assessments



Audit Resources

- ▶ Government Accountability Office (GAO) www.gao.gov
- ▶ The Institute of Internal Auditors (IIA) www.theiia.org
- ▶ Association of Certified Fraud Examiners (ACFE)
www.acfe.com
- ▶ Association of Local Government Auditors (ALGA)
www.governmentalauditors.org
- ▶ Law Enforcement Inspections and Auditing Group (LEIAG)
www.leiag.org



Enjoy the Conference!

Contact Information:

Colorado Department of Public Safety
Compliance and Professional Standards Office

Susan Redmond, CCO, LEIAC
303-239-4413 Office
Susan.Redmond@state.co.us