

FROM THE IIA

IIA Surveys Reveal Interesting Trends



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The number of chief audit executives directly reporting to the audit committee on a functional basis has increased by 10 percent throughout the past year, according to a GAIN benchmarking survey conducted by The Institute of Internal Auditors. A separate GAIN Flash Survey indicates that 53 percent of participants functionally report to the audit committee and 20 percent report to the CEO or president. This trend holds with The IIA's belief that the auditor should report to the audit committee.

Although the same survey indicates that 47 percent of participants currently report to the CFO or controller administratively, 30 percent report to the CEO on administrative issues (e.g., budgets and performance appraisals). These and other statistics indicate shifts in the perspectives of those responsible for corporate governance. There also is strong evidence that more chief audit executives are seeking guidance on Sarbanes-Oxley implementation and compliance. The IIA's "Self-assessment Guide" for new requirements has been downloaded from The Institute's web site more than 36,700 times and The IIA's Online Career Center shows a 20 percent increase in

internal audit job postings. Membership in The IIA's CAE Services program has more than doubled, IIA membership has grown by 8.5 percent, and the number of Certified Internal Auditor candidates has increased by 40 percent over the past year.

having a positive or somewhat positive effect on their management's perception of and reliance on internal auditing, and 53 percent believe the new laws regarding corporate governance will increase board reliance on internal auditing, and 45 percent believe the laws have changed for the better the relationship between internal and external auditing.

All these statistics validate what The IIA has been seeing and hearing from its members for some time, now: Internal auditing is being viewed as vitally important to the organization; internal audit services are being more fully utilized; and internal auditors are being looked to as part of the solution.

Never before have internal auditors been poised for greater success. Now is the time to step up to the plate to clarify internal auditing's capabilities within the minds of management, board members, and audit customers. To help, The IIA has designed a PowerPoint template for promoting the internal audit function. This tool, free of charge to IIA members, delineates roles, responsibilities, and relationships, and positions practitioners as "Your Internal

Audit Team." To access the template, go to www.theiaa.org and search for "All in a Day's Work." The PowerPoint link is at the bottom of the page. ■

IIA QuickPolls Results on Passage of Sarbanes-Oxley Act:

- ✓ 68% passage is positive
- ✓ 53% new laws will increase board reliance on internal audit
- ✓ 45% passage viewed as changing relationship between internal and external auditing

Quick Polls on The IIA's web site report that 68 percent of respondents view the passage of the Sarbanes-Oxley Act as