

## Appendix 1

## Gap Analysis – IIA Global Internal Audit Standards 2024

Gap Identified		Action Required	Status
<b>Domain I: Purpose of Internal Auditing</b>			
1.	Internal Audit purpose does not articulate the value of Internal Audit.	1. Update Audit Charter with new purpose.	Pending Approval
2.	Audit Charter and Terms of Reference references the old Standards.	2. Update Audit Charter and Terms of Reference to align with GIAS.	Pending Approval
<b>Domain II: Ethics &amp; Professionalism</b>			
3.	Evidence that Auditors acknowledge and operate under the GIAS, our values and operating principles.	3. Annually, Auditors are to sign off on an attestation that confirms awareness and duty to conduct themselves in accordance with GIAS, our values and operating principles.	Completed
4.	Internal Auditors' competencies must be maintained through continuing education.	4. Record and monitor professional development completed by IA staff.	Completed
<b>Domain III: Governing the Internal Audit Function</b>			
5.	Evidence of discussions with Audit Committee and senior management.	5. Document meetings with senior management and Audit Committee members outside of regular AC meetings.	Completed
6.	Communication of Domain III's "essential conditions" to Audit Committee and senior management.	6. Update Terms of Reference to include requirement to discuss "essential conditions."	Pending Approval
		7. Audit Committee onboarding presentation updated to include "essential conditions."	Completed
		8. Provide a summary of the "essential conditions" to Audit Committee and senior management.	Completed
7.	Provide clarity on the competencies, skills,	9. Provide HR with updated Job Description of Director, IA.	Completed

Gap Identified	Action Required	Status
<p>appointment, removal, and evaluation of IA Director.</p>	<p>10. Establish process with City Manager to ensure Audit Committee provides input on the Director, IA's performance.</p>	<p>Completed</p>
	<p>11. Update Audit Committee Terms of Reference to include input from Audit Committee on Director, IA's performance.</p>	<p>Pending Approval</p>
	<p>12. Work with HR to ensure internal hiring and termination processes align with Audit Committee Terms of Reference By-law.</p>	<p>Completed</p>
<p><b>Domain IV: Managing the Internal Audit Function</b></p>		
<p>8. Development of objectives to evaluate the performance of IA and results of these assessments to be conducted and reported to Audit Committee and senior management.</p>	<p>13. Develop Key Performance Measures.</p>	<p>Completed</p>
	<p>14. Update Audit Charter and Terms of Reference to include annual reporting of quality assessments.</p>	<p>Pending Approval</p>
<p>9. Ensure external assessment done by qualified independent reviewer every five years.</p>	<p>15. Update Audit Charter to include "at least one person holds an active CIA designation" when performing the External Quality Assurance review.</p>	<p>Pending Approval</p>
<p>10. IA Strategy that supports strategic objectives and aligns with expectations of board, senior management, and stakeholders.</p>	<p>16. Develop and communicate Internal Audit Strategy with Audit Committee and senior management.</p>	<p>Completed</p>
<p><b>Domain V: Performing Internal Audit Services</b></p>		
<p>11. Improve working paper documentation re: sampling.</p>	<p>17. Update templates and provide Auditors refresh on documentation requirements.</p>	<p>Completed</p>