



## IDENTIFICATION

Department	Position Title	
Finance	Internal Auditor III	
Position Number	Community	Division/Region
15-11456	Yellowknife	Internal Audit Bureau/HQ

## PURPOSE OF THE POSITION

The Internal Auditor III completes the audits approved by the GNWT wide Audit Committee under the authority of Financial Administration Manual (FAM). These audits provide guidance to Departments and Agencies in making decisions on operational efficiency, effectiveness, quality, transparency, accountability, and integrity of the operational management. The position allows the incumbent to finish acquiring all the required competencies on the road to becoming a fully qualified independent professional internal auditor.

## SCOPE

Located in Yellowknife and reporting Internal Audit Manager I the Internal Auditor III covers all events and activities where GNWT resources are used. The Internal Auditor III will audit a specific program in a Division/Section of a department or the business process of one or more departments covering Administration, Finance, Human Resources, Procurement or Technology. During the audit process, the incumbent will also provide advice to Department Directors and Managers on internal control issues related to the audit coverage. The incumbent is given more freedom over the audit objectives and the audit process as they gain more experience and knowledge.

The work of the Internal Auditor III is guided by the Institute of Internal Auditors' (IIA) International Professional Practices Framework. In order to help Senior Management manage their compliance risk, the Internal Auditor III will conduct an independent evidenced based internal control capacity assessment of the governance framework and information integrity before reporting on compliance issues. The impact of audit recommendations made by the Internal Auditor III will range from contributory influence for broadly scoped audits to shared influence where the auditor has been tasked to provide specific recommendations. Each of the audit projects undertaken by the incumbent can have total annual expenditure/revenue

ranging from \$5 million to \$25 million requiring 300 to 500 direct audit hours. Compliance audit reports are issued to Deputy Ministers. Summaries of audit reports are provided to the Audit Committee and the Financial Management Board.

The Internal Auditor III has a direct reporting relationship to an Internal Audit Manager. However, as the work of the Internal Audit Bureau is project based, the incumbent may be accountable to two or more individuals depending upon project work load. Normally, the incumbent will work on two to four projects concurrently. This work is normally performed in client departments located in either Yellowknife or other NWT communities.

### **RESPONSIBILITIES**

**1. The Internal Auditor III assumes responsibilities as auditor-in-charge where some audit work has been done in a similar area in the last five years. A challenge for the Internal Auditor III will be to reconcile the changes in legislation, policy, personnel, process, and technology in addressing these audits. Some of the most likely audit assigned to Internal Auditor III are:**

- Compliance Audits – reviewing both financial and operating controls to assess conformance with established legislation (e.g. FAA, Access to Information and Privacy Protection ATIPP), regulations, policies (e.g. Business Inventive Policy BIP, Visual Identity Policy VIP), plans, procedures, contracts (e.g. collective agreement) and other requirements.
- Operational Audits – evaluating the system of internal controls established by management over a function/process to support the achievement of the organization/program objectives efficiently and effectively. Operational audits encompass “Performance audit” or “Value for money audit”.
- Information Technology Audits – examining general management controls within an information technology infrastructure to determine if the information systems are safeguarding assets, maintaining data integrity, and operating effectively to achieve the organization’s objective.
- Business Risk Assessment – conducting risk assessment of Departmental specific programs (e.g. Student Financial Assistance, Corrections) or functional areas within the GNWT (e.g. – Administration, Finance, Human Resources, Information Technology, or/and Procurement) to determine the level of inherent risk, management risk appetite, and residual risk.

**2. In addition to scheduled audits noted above, the Internal Auditor III provides support to other staff working on other scheduled and unscheduled assignments such as:**

- Special Investigations – directed by the Comptroller General under Part X of FAA (FAM 4101, Loss of Cash or Other Assets), these audits will establish proof or refute the allegations such as: action by public officers to conspire or assist any person in defrauding the GNWT, making false entry in records, or unethical behaviour. These audits also cover conflict of interest, breach of trust, and code of conduct investigations.

- Business Process Improvement – using audit discipline to improve the efficiency, effectiveness, or economy of a process.
- Continuous Auditing – a continual review of controls to ensure they are working effectively, often using data analysis tools such as Audit Command Language.
- Control Self-Assessment – using audit disciplined process in which management and/or work team directly involved in the function assess the effectiveness of controls, the level of residual risk, and/or the achievability of objectives through facilitated workshops/surveys.

3. The Internal Auditor III will identify serious compliance issues using critical thinking to analyze complex concerns, and communicate through various means, including writing the audit reports. The Internal Auditor III is a team player but works independently, assessing audit evidence objectively, treating information confidentially, and using interpersonal skills to collect audit information effectively.
4. The Internal Auditor III keeps open communication with his/her supervisor and the client department regarding the status of audit projects. Throughout the audit process, the Internal Auditor III interacts with operating staff and presents the final results to Directors and Assistant Deputy Ministers in Departments. The audit process requires collecting and analyzing data, interviewing client staff, identifying key internal controls, using technology effectively to perform audit tasks, and understanding the business.
5. The incumbent is expected to work in a range of client departments to become familiar with differing operating situations. This will enable the incumbent to search for solutions quickly by identifying the key internal controls and assessing inherent and residual risks. The Internal Auditor III will need to be persistent and consistent in the pursuit of relevant, reliable, accurate, complete and timely audit information. The auditor is required to challenge the assertions made by management and respond to management's challenges to audit findings and recommendations with the support of the Internal Audit Manager.
6. The Internal Auditor III will adhere to the approved project budget while carrying out the specific tasks for each audit project. The actual tasks will vary depending on the nature and complexity of each assigned audit project but will generally cover the following areas:
  - Planning the Audit Assignment
    - Understanding and clarifying the audit scope and objectives and ensure it is understood by all concerned stakeholders (i.e. client, supervisor, managers, etc.)
    - Collecting and preparing preliminary survey information by interviewing, comparative analysis, flow charting, analysis, and exploratory sampling to:
      - Document a system overview in sufficient detail to identify internal control weaknesses
      - Prepare a project inherent risk assessment of the operations that can withstand challenge by stakeholders

- Consulting with the supervisor and the client department on major risks for the project to determine areas of audit emphasis
- Incorporating in-house risk assessment feedback from other internal auditors in the project risk assessment
- Preparing a clear audit plan that addresses key residual risk within the target budget time for review and approval by the Internal Audit Manager.
- Preparing audit programs that achieve the established SMART audit objectives for review and approval by the supervisor. Use of other Internal Auditors in the execution of audit programs should be clearly specified.
- Executing the field work
  - Working within an assigned hourly project budget for fieldwork, complete audit programs in a timely manner
  - Recognizing unknown issues and prepare rationale to change/modify audit scope and/or objectives of the project
  - Compiling audit evidence that is relevant, reliable, complete, accurate, timely, and economical by conducting research and analysis of client records. When necessary, be prepared to challenge management assertion
  - Preparing professional working papers that are clear and understandable
  - Using Audit Command Language audit software functions (import, export, extract, summarize, classify, stratify, join etc.) to prepare electronic working papers
  - Preparing clear, concise summaries of findings in plain language for review and approval by the audit supervisor
  - Developing audit conclusions that are based on audit evidence to make an assessment on the adequacy and effectiveness of internal controls for review and approval by the supervisor
  - Preparing clear and concise audit development lead sheets that incorporate the condition statement, criteria, evidence, and underlying cause for the condition under the direction of an audit supervisor.
  - Maintaining professional relations with clients. Update the operating client on the audit status on interim basis by identifying major risk noted
- Reporting the finding
  - Identifying important compliance issues to bring to management's attention and the risk of not addressing the issues.
  - Conducting an in-house meeting with all available audit staff to present and receive feedback on significant audit findings.
  - Convening a meeting with client department staff to present, review and discuss audit findings and negotiate the proposed management actions.
  - Preparing a one-page outline of audit report that clearly conveys the appropriate message key messages
  - Drafting audit reports based on approved one-page outline that communicate significant audit findings addressed to Deputy Minister when acting as auditor-in-charge.

- Working with the supervisor in responding to any challenges raised by client departments regarding audit findings and recommendations and look for a win-win solution.
- Incorporating management responses to audit findings into the audit report before it is forwarded for review.

7. **The incumbent is expected to conduct peer reviews of the audit working papers completed by other auditors and provide the feedback to improve the audit process and support objective audit finding.**

8. **The Internal Auditor III will participate on government committees such as evaluating Job Evaluation Committee or interdepartmental projects.**

9. **The incumbent also contributes to the operations of the Internal Audit Bureau to ensure that procedures and guidelines remain current with international professional standards and successful practices by identify any procedural gaps in the Internal Audit Manual.**

10. **The Internal Auditor III is responsible for the assigned equipment and the audit files. Security and confidentiality of these assets is paramount during the audit.**

#### **WORKING CONDITIONS**

##### **Physical Demands**

No unusual demands

##### **Environmental Conditions**

No unusual conditions

##### **Sensory Demands**

No unusual demands

##### **Mental Demands**

The nature of audit work requires the Internal Auditor III to challenge the presented information. Likewise, the various stakeholders will challenge the audit findings and recommendations. While issues must be handled professionally, the on-going conflict presents stress throughout the audit process.

There is disruption in lifestyle caused by duty travel outside of Yellowknife, three to five times a year, for a period of 10 to 14 consecutive calendar days per trip. Duty travel on short notice may be required for special projects.

Due care must be exercised when gathering audit evidence as well as reporting. This is especially critical in cases involving legal proceedings or employee disciplinary actions. Audit Reports express professional opinions on the matters under review. Some of the implications of developing erroneous conclusions include possible derailment of legal proceedings, and/or

exposing the GNWT to liability. The reputation of the Internal Auditor III and the Internal Audit Bureau could be severely damaged.

Stress is also caused due to the requirement to complete audit work within time constraints assigned for the project. Legislative directives drive some of the deadlines.

The internal auditor may be exposed to emotionally disturbing experience if involved in Special Investigations as there may be unsettling situations.

### **KNOWLEDGE, SKILLS AND ABILITIES**

- Excellent written and oral communication skills
- Computer literacy in word processing, spreadsheet, databases and audit software
- Ability to give presentations
- Ability to manage time well
- Excellent auditing techniques
- Able to work independently and as part of a team
- Must be well organized
- Be able to work in a cross cultural environment
- Excellent interpersonal skills
- Have conflict resolution skills
- Ability to negotiate
- Member of Institute of Internal Auditing

### **Typically, the above qualifications would be attained by:**

The above competencies would be attained through specialized education or experience or some combination of both. Typically, this could be a combination of:

- A four year bachelor degree from a recognized accredited university, and
- Over two years of current internal auditing experience, and
- Auditing certification such as Certified Government Auditing Professional (CGAP) or Certification in Control Self-Assessment (CCSA).

The incumbent is responsible for attaining sufficient professional development education annually to maintain the respective professional accounting or auditing designation.

### **ADDITIONAL REQUIREMENTS**

#### **Position Security (check one)**

No criminal records check required

Position of Trust – criminal records check required

Highly sensitive position – requires verification of identity and a criminal records check

#### **French language (check one if applicable)**

French required (must identify required level below)

Level required for this Designated Position is:

**ORAL EXPRESSION AND COMPREHENSION**

Basic (B)  Intermediate (I)  Advanced (A)

**READING COMPREHENSION:**

Basic (B)  Intermediate (I)  Advanced (A)

**WRITING SKILLS:**

Basic (B)  Intermediate (I)  Advanced (A)

French preferred

**Indigenous language:** Select language

Required

Preferred