IIA-Australia Glossary - R

RACI	Responsibility assignment matrix – Responsible / Accountable / Consulted / Informed.
RCA	Refer Root Cause Analysis.
Reasonable Assurance	Assurance activities provide a high, but not absolute, level of assurance. Stipulated by external audit standards and does not apply to internal auditing.
Recommendation	Auditors raise recommendations to address audit observations. There are typically five elements to a recommendation – observation, criteria, effect, cause, and specific recommendation to rectify the situation.
Record of Interview	Document that reflects the context of an interview, including date, location, participants, main discussion points, outcomes, and further follow-up.
Record of Meeting	Refer Record of Interview.
Recovery Point Objective	The maximum tolerable amount of data that must be recovered from backup storage for normal operations to resume following an ICT incident.
Recovery Time Objective	The maximum tolerable duration of time within which a business process must be restored after an ICT disruption in order to avoid unacceptable consequences associated with a break in service continuity.
Red Book	Colloquial reference to the International Professional Practices Framework which is in a book with a red cover.
Red Tape	Refers to excessive control requirements that are seen to be overly bureaucratic, cumbersome, and / or redundant. They hinder or prevent strategic initiatives, customer-centric outcomes, and decision-making. Red tape occurs in organisations of all types usually as a consequence of excessive government regulation or formal organisational policies, procedures and rules or flawed interpretation of those requirements. The term is symbiotic and was derived in the 17th century from the red tape used for binding up legal and other official documents in Great Britain and the American colonies.
Regulation	A primary way in which government can achieve its policy objectives to protect and benefit people, businesses, and the environment and to support economic growth. Distinct from direct government provision of services, regulation relies on using incentives to drive behaviour change in individuals and organisations outside government's direct oversight. Regulation is primarily used to address market failures when market characteristic mean that, left to their own devices, the markets risk failing to produce behaviour or results in accordance with public interest or policy objectives.
Residual Risk	Risk remaining after controls have been implemented.
Resourcing Models	Various approaches for the internal audit function to obtain internal auditors to undertake audit engagements, including in-house, co-sourced and outsourced.
Right to Audit Clause	A clause inserted in tenders and contracts that provides internal and external auditors and other scrutineers access to information, books, records and assets held by contractors and third-party sub-contractors for the purposes of audits of that specific contract.
Risk	The possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of consequence (impact) and likelihood (probability).
Risk Appetite	The level of risk an organisation is willing to accept. Is often documented in a risk appetite statement.
Risk Assessment	A systematic process of evaluating potential risks that may be involved in an activity.
Risk Management	A process to identify, assess, manage, and control potential events or situations to provide reasonable assurance regarding the achievement of organisation objectives.

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Risk Register	Record of risks at all levels of the organisation identified through a risk assessment process.
Risk-Based Auditing	A methodology where auditors consistently apply risk to all elements of the audit process, through their mandate, stakeholder management, organisational structure, staffing, planning, fieldwork, reporting, and follow-up.
Root Cause Analysis	An approach to identifying the underlying reason for the occurrence of an error, problem, missed opportunity, or instance of non-compliance.
RPO	Refer Recovery Point Objective.
RTO	Refer Recovery Time Objective.