

Session 1B

Case study of process improvement: integrating risk, audit and internal controls

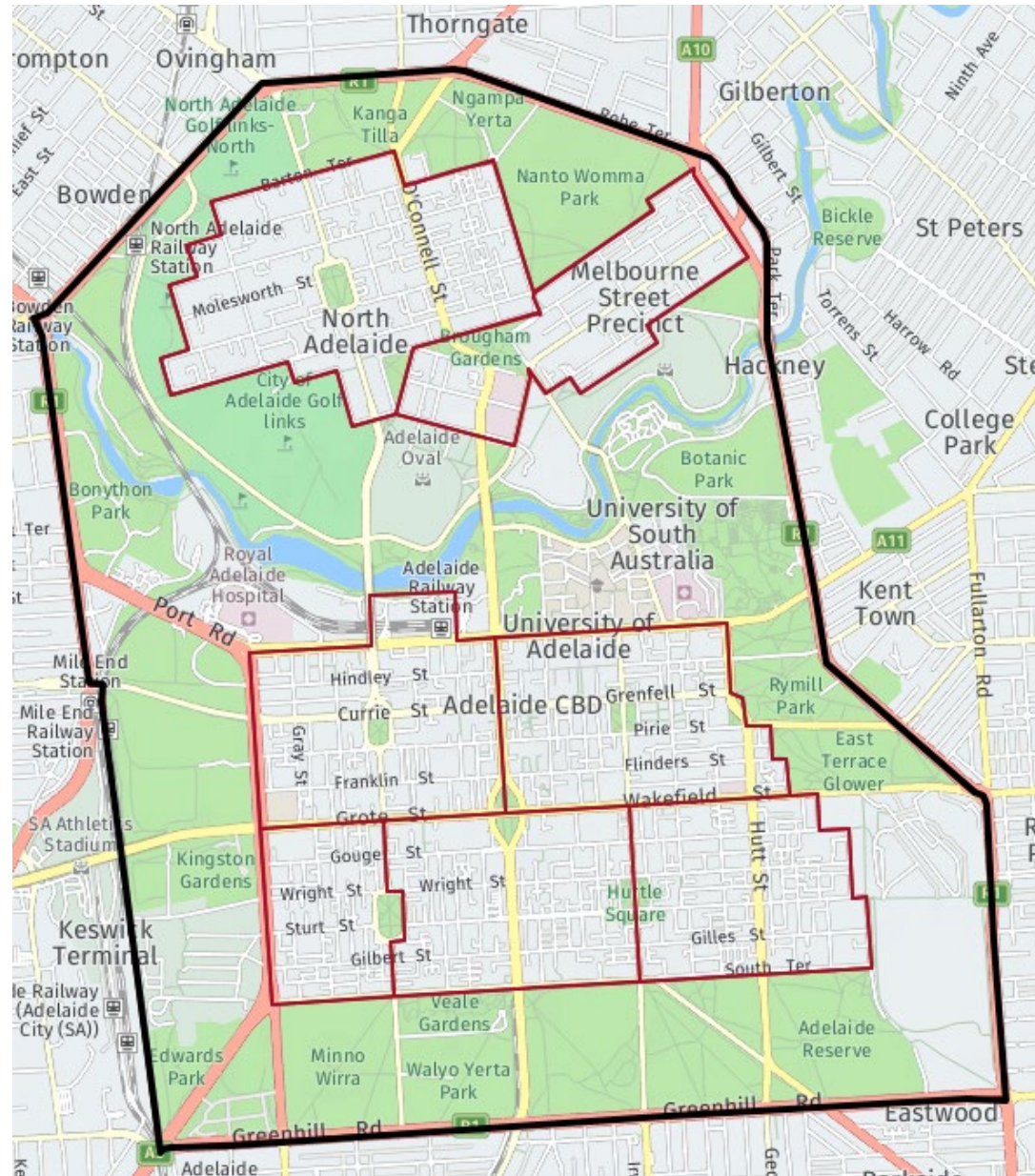
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Case study of process improvement:

Integrating risk, audit and internal controls

Overview

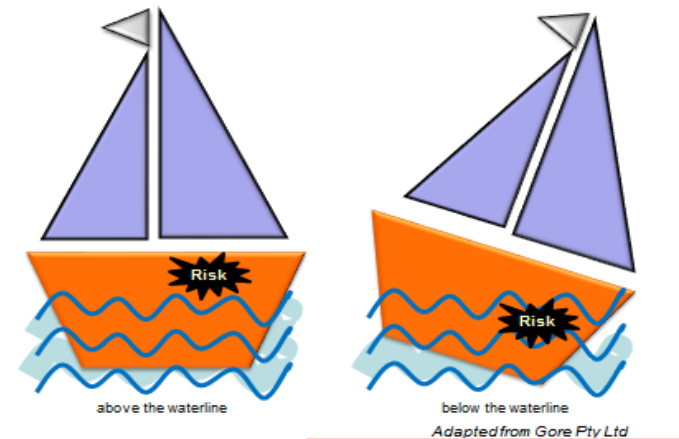




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Risk Management

- City of Adelaide's philosophy
- Supported top down



‘The biggest risk of all is taking no risk at all; great organisations do take calculated risks to realise opportunity, but they avoid taking risks that could blow holes below the waterline’

(Bill Gore)

Internal Controls

- **Legislative Requirement**

- Council is obligated to meet the statutory requirements under:

- *Local Government Act 1999 (SA)*

- Section 125

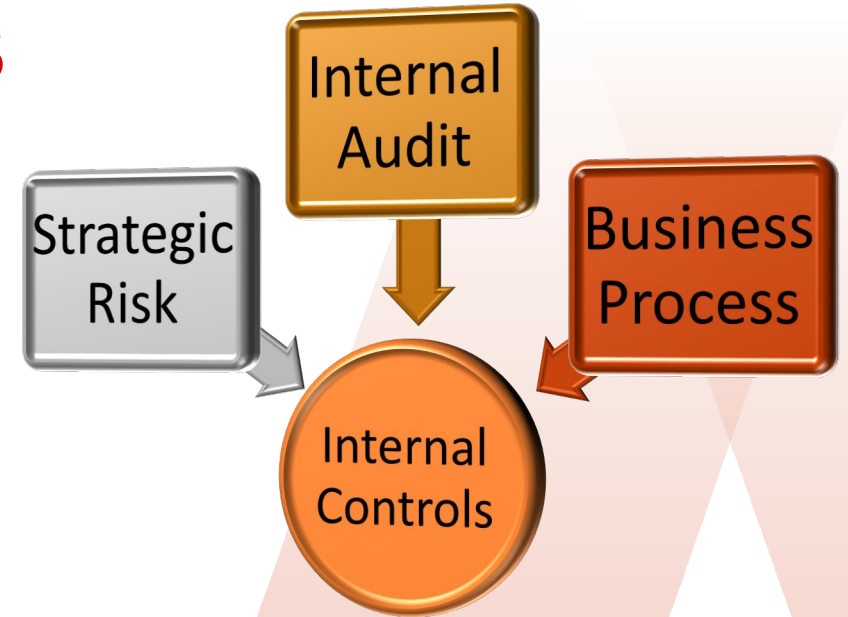
- Section 129 (3) (b)



Internal Audit



Key Elements



- Development of internal controls
- Functionality to manage internal controls in conjunction with internal audit, strategic risks and business processes

Process Efficiency = Process Excellence

Challenges

- Excel spreadsheets
- Sharepoint
- Documentation
- Timeframe
- Little or no documented processes
- Staff awareness and understanding of internal controls



Risk Management = Process Mapping = Business Continuity

- Tighten controls
- Process documented
- End to End Processes
- Retain knowledge



Executive Risk Management

- Strategic Risk and Internal Audit Group (SRIA)
 - meets monthly
 - Membership includes Executive (including CEO)
 - Terms of Reference
 - Agenda – actions, internal audit, strategic risk, new and emerging risks, watch lists, high risk projects, strategic issues
 - Report to Audit Committee

Audit Committee

- Meets quarterly (with a link to Council)
- Internal Controls
- Internal Audit

Value to Council

- Efficiency
- Transparency
- User friendly
- Accountability
- Integration



