August 1, 2019

Eric Turner, CPA, CA
Director, Auditing and Assurance Standards
Auditing and Assurance Standards Board
277 Wellington Street West
Toronto ON M5V 3H2

Dear Mr. Turner,

On behalf of The Institute of Internal Auditors (IIA), I would like to thank you for the opportunity to comment on your Exposure Draft of Assurance and Related Services Guideline (AuG) 50, Conducting a Performance Audit in the Public Sector in Accordance with CSAE 3001.

Internal audit makes an indispensable contribution to organizational success through its unique position, expertise, and enterprise-wide perspective. And, with more than 200,000 members worldwide, The IIA is part of a global voice that encourages strong internal controls, sound governance, and effective risk management in public- and private-sector organizations.

The IIA supports the Auditing and Assurance Standards Board’s Exposure Draft, particularly as it refers to internal audit in paragraphs 38 through 42. The draft clearly spells out the need to evaluate and assess internal audit’s conformance with professional standards, and its responsibilities, reporting relationships, independence, and systematic and disciplined approach. It is worth noting that all of those important attributes are contained in The IIA’s International Standards for the Professional Practice of Internal Auditing, part of The IIA’s International Professional Practice Framework (IPPF). Similar to AuG 50, The IIA strongly promotes the importance of internal audit’s conformance with the Standards, and for organizations to rely on the work of internal audit functions.

Conformance with these strong, clear, guiding principles is essential to effective internal audit, and internal audit is indispensable to good governance. Therefore, to enhance the clarity of your draft guidance, we
strongly encourage including direct reference to these Standards and/or the IPPF as the internationally recognized standards for the professional practice of internal auditing. Conformance with the Standards allows internal audit to provide senior management and governing bodies with credible, objective assurance, and independent advice on the adequacy and effectiveness of governance, risk management, and control. Specific reference to the Standards will provide internal auditors utilizing Conducting a Performance Audit in the Public Sector in Accordance with CSAE 3001 valuable guidance that will ultimately help their organizations succeed.

Please do not hesitate to reach out to The IIA’s managing director of global advocacy, Francis Nicholson, at francis.nicholson@theiia.org, should you have any questions in this regard.

Sincerely,

Richard F. Chambers, CIA, QIAL, CGAP, CCSA, CRMA
President and Chief Executive Officer
The Institute of Internal Auditors