

Governing the Internal Audit Function.

As a board member, you're tasked with overseeing strategy, risk, and performance.

In today's rapidly shifting business environment, boards must base their decisions on reliable insights about what is happening both inside and outside the organization. **But how confident are you that what you see reflects the whole picture?**

The success of an internal audit function requires the support of both the board and senior management. This three-way partnership helps the organization stay on track, manage risk, and make well-informed decisions. Internal audit brings independent, risk-focused, and objective advice and assurance to both the board and management – offering not just insight on what's happening now, but foresight on what's ahead.

Structure Matters

The Institute of Internal Auditors (The IIA) has defined the globally recognized Three Lines Model, shown below, which outlines the roles and responsibilities of the board, senior management, and internal audit function to create a well-positioned and effective governance and reporting structure. When this structure is in place, internal audit is most effective, enabling organizations to strengthen accountability, improve oversight, and reduce risk – *before issues surface with regulators, shareholders, or the media.*

Independent and Objective Assurance

Internal audit's independent assurance role is unique within an organization, positioning the function to contribute significantly to value creation and protection. Independence is critical to the internal audit function's objectivity, authority, and credibility.



**Global Audit
Committee
Center**