THE UNIVERSITY OF NOTRE DAME AUSTRALIA

Procedure:

Follow-Up of Outstanding Internal Audit Recommendations

Effective: 10 July 2025

Audience: Employees

Policy Category: Governance
Policy Sub-category: Risk and Audit

Key words:	Internal Audit; follow-up; recommendations
Procedure Owner:	Audit and Risk Committee
Responsible Officer:	Director, Risk and Assurance
Review Date:	July 2028

Contents

1 PURPOSE 3

2 RELATED POLICIES AND PROCEDURES 3

3 SCOPE 3

4 RESPONSIBILITIES 3

5 FOLLOWING-UP ON OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 4

6 REVIEW OF THIS PROCEDURE 5

7 DEFINITIONS 5

8 PROCESS SUMMARY 7

1 PURPOSE

1.1 To provide guidance to the University of Notre Dame Australia (**University**) Audit and Risk Committee (**Committee**), management, and Internal Audit on the process to on the process to follow-up, verify, and report on the progress of internal audit recommendations. This Procedure supports the implementation of the Internal Audit Charter.

1.2 To articulate the roles and responsibilities required, and the processes to follow-up, verify, and report on the progress of internal audit recommendations.

2 RELATED POLICIES AND PROCEDURES

2.1 This Procedure should be read in conjunction with the following policies and procedures:

2.1.1 *Internal Audit Charter*
2.1.2 *Procedure: Internal Audit Planning*
2.1.3 *Procedure: Delivery of Internal Audit*
2.1.4 *Procedure: Internal Audit Key Performance Indicators*

3 SCOPE

3.1 The Internal Audit function follows-up and reports to the Committee three times a year with regards to the progress of the implementation of outstanding internal audit recommendations.

3.2 The Committee are responsible for the ratification of the actions (rated Medium and above) taken by University management to implement internal audit recommendations.

3.3 Reporting to the Committee includes:

3.3.1 A summary of the number of outstanding internal audit recommendations by risk rating and internal audit engagement
3.3.2 The difference between the original and revised due dates for any recommendations that remain outstanding after they are due for completion (known as 'slippage')
3.3.3 A summary of the actions taken in the implementation of internal audit recommendations and the evidence obtained by Internal Audit to verify implementation, and
3.3.4 An update on the status of internal audit recommendations that remain outstanding at the time of reporting.

3.4 This Procedure applies to:

3.4.1 Any person responsible for providing comment on the progress of the implementation of internal audit recommendations
3.4.2 Any person involved in the verification of implemented internal audit recommendations, and
3.4.3 Any person or body involved in the reporting and ratification of implemented internal audit recommendations.

4 RESPONSIBILITIES

4.1 **Responsible Executive** or delegate are responsible for providing a comment to Internal Audit

on a timely basis regarding the actions taken to address the recommendations assigned to them.

4.2 **Internal Audit**:

4.2.1 Follows-up on the status of outstanding internal audit recommendations and verifies those findings (rated Medium and above) considered complete by the relevant Responsible Executive.

4.2.2 Checks and, where reasonable, accepts changes to timeframes for completion of actions to address audit recommendations (that is, slippage).

4.2.3 Reports to the Committee on the status of completed and outstanding internal audit recommendations:

4.2.3.1 Completed recommendations (rated Medium and above)

4.2.3.2 Recommendations rated Catastrophic with any slippage

4.2.3.3 Recommendations rated Major with any slippage greater than 3 months, and

4.2.3.4 Recommendations rated Medium with any slippage greater than 6 months.

4.3 The **Committee:**

4.3.1 Ratifies the completed internal audit recommendations (rated Medium and above).

4.3.2 Ratifies:

4.3.2.1 Recommendations rated Catastrophic with any slippage, and

4.3.2.2 Recommendations rated Major with any slippage greater than 3 months.

4.3.3 Notes recommendations rated Medium with any slippage greater than 6 months.

4.4 The **Internal Audit Executive** is responsible for the Internal Audit function. The Internal Audit Executive ensures all stakeholders of the Internal Audit function are aware of and understand this Procedure.

5 FOLLOWING-UP ON OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS

5.1 Approximately 8 weeks prior to the Committee meetings where follow-up is reported, Internal Audit provides the details of all outstanding recommendations due to be implemented as at the end of the month to relevant Responsible Executives and/or their delegates.

5.2 Relevant Responsible Executives are responsible for providing a comment to Internal Audit regarding the actions taken to address the recommendations assigned to them. The update should be provided within a four-week period, and must include the current status of the recommendation, any supporting documentation to evidence the implementation of recommendations rated Medium or higher, or if still outstanding, a revised resolution date for implementation of the recommendation.

5.3 Internal Audit will consider the responses and supporting evidence provided to determine if the recommendation has been implemented and evidenced. If the evidence provided is insufficient, Internal Audit will request further evidence from management or a revised resolution date. Internal Audit will provide relevant Responsible Executives with another 5

business days to respond with additional evidence.

5.4 Once responses have been collated and assessed, Internal Audit will develop an 'Internal Audit Status Report' which includes the status of completed and outstanding internal audit recommendations.

5.5 The Internal Audit Status Report is tabled at Committee meetings three times a year for ratification.

6 REVIEW OF THIS PROCEDURE

6.1 This Procedure should be reviewed every three years by the Internal Audit Executive to ensure that the Procedure is current and accurately reflect the process that should be followed.

7 DEFINITIONS

7.1 For the purposes of this Procedure, the following definitions apply:

7.1.1 ***University Executive*** means the executive management group of the University.

7.1.2 ***University*** means the University of Notre Dame Australia.

7.1.3 ***Chair*** means the person appointed to lead the University's Committee.

7.1.4 ***Internal Audit*** means the independent, objective assurance and consulting function designed to evaluate and improve the effectiveness of risk management, control and governance processes.

7.1.5 ***Internal Audit engagement*** means the application of specific Internal Audit resources and methodology to complete a discrete scoped piece of work.

7.1.6 ***Internal Audit Executive*** means the Executive of the University who operationally manages the Internal Audit function.

7.1.7 ***Responsible Executive*** means the member of the University Executive accountable for the process area subject to a specific internal audit engagement.

7.1.8 ***Internal Audit Plan*** refers to the annual Internal Audit Plan endorsed by the Committee, listing the proposed internal audit activities across the organisation covering high-risk areas, core, and enabling business processes.

7.1.9 ***Internal Audit Follow-Up*** refers to the process to monitor the progress on the action taken to address any outstanding internal audit recommendation.

Version	Date of approval	Approved by	Amendment
1	20 June 2019	PVC, Strategy and Planning	Effective date – new Procedure.
	16 July 2020	PVC, Strategy and Planning	Review date changed from July 2020 to July 2022 in line with Policy Framework.
2	6 August 2020	Board of Directors	References to Finance, Audit and Risk Committee

			replaced with Audit and Risk Committee.
	21 February 2022	University Secretary	Administrative change to reflect new policy owner.
3	20 July 2022	Audit and Risk Committee	Amendment of clauses 4.2 and 4.3 to clarify Internal Audit and the Committee's role in the follow-up of the status of outstanding internal audit recommendations.
4	10 July 2025	Audit and Risk Committee	Minor amendments to wording and formatting corrections.

8 PROCESS SUMMARY

Process Step	***Responsibility***
8 weeks prior to relevant Committee meetings, provide details to relevant Responsible Executives of outstanding internal audit recommendations due to be implemented	Internal Audit Executive via Director Risk and Assurance
Within 4 weeks, provide update on status of assigned recommendations – supporting evidence on completed recommendations (rated Medium and above); and/or revised resolution dates for recommendations still outstanding	Relevant Responsible Executives
Consider responses and supporting evidence Develop *Internal Audit Status Report* as per clause 5.4 and table at relevant Committee meetings	Internal Audit Executive via Director Risk and Assurance
Ratify and/or note status of recommendations as per the *Internal Audit Status Report*	Committee