

## 2022 Internal Audit Plan (2022 – 2024)

### 1. Purpose and overview

The Annual Internal Audit Plan (**Plan**) outlines planned coverage and timing of internal audit activities for the three year period from January 2022 to December 2024. The Plan details how the Internal Audit Strategy (**Strategy**) will be practically implemented across the audit areas and is subject to approval by the ARC. The Plan includes the audit coverage for the next three years with specific details for the upcoming year, and high level content for the following years.

It may be necessary to update this plan during the year should the risk profile change and in such circumstances Internal Audit would consider the broader risk profiles and appetite, and appropriately prioritise activities. The Audit and Risk Committee (**ARC**) will be consulted in any updates to this plan.

The Plan will be reviewed and updated annually and tabled to the ARC for approval. Planned engagements may be amended as a result of this review process. Internal Audit will continually incorporate three years of rolling coverage.

### 2. Scope

The Plan applies to all the nominated processes and activities of Synod Ministries and Operations (**SMO**); Presbyteries and their Congregations; and all of the Synod's associated governance bodies and personnel. Internal Audit may also perform special reviews requested by the General Secretary or the ARC.

### 3. Roles and responsibilities

Internal Audit is responsible for coordinating and performing the engagements set out in the plan. Internal Audit advises management and the ARC on governance, risk management and control issues, reporting inadequately addressed risks and ineffective control processes to the ARC on a quarterly basis.

### 4. Internal Audit Planning

An Internal Audit strategy has been approved by the ARC to support the effective risk-based prioritisation of Internal Audit's limited time and resources. It is noted that Internal Audit is effectively resourced by 1FTE. The Plan has been developed with consideration of the below:

- Internal Audit Strategy and Framework;
- The Synod risk register;
- Key risks of presbyteries and congregations;
- Audit requests from key stakeholders; and
- Past internal audit and external audit activities, findings and recommendations.

### 5. Related documents

- Synod Internal Audit Charter
- Synod Internal Audit Strategy and Framework

## 6. Summary of 2022 Internal Audit Plan

The Gantt Chart Below demonstrates the timeline and planned internal audit projects and coverage for 2022.

Audit Areas	Timeline for Internal Audit Plan 2022											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
ARC dates			8	28		7			6		28	
<b>Internal Audit coverage and activities through Synod Internal Audit<sup>1</sup></b>												
<b>A. Operational audits<sup>2</sup></b>												
1. Operating effectiveness of child safety controls <i>(2021 project, to be finalised and reported in 2022)</i>			ARC									
2. CRM governance and benefits realisation review						ARC						
3. Governance and management of camps and camp programs across Synod											ARC	
4. Staff reimbursements and corporate credit cards											ARC	
<b>B. Presbytery audits</b>												
1. Audit model development and trial						ARC						
<b>C - 1 Congregations - desktop profiling and analysis<sup>3</sup></b>												
									ARC			
<b>C - 2 Congregation operations audit<sup>4</sup></b>												
1. Financial sustainability											ARC	
<b>D. Implementation tracking of past audit actions</b>												
			ARC			ARC			ARC		ARC	
<b>E. Analysis, education and capability building</b>												
<b>F. Other planned audit and assurance activities<sup>5</sup></b>												
1. External audit of accounts				ARC								
2. Cybersecurity review			ARC									
3. IT security penetration testing						ARC						

<sup>1</sup> Ability to complete all planned engagements may be subject to impacts on the capacity of the Internal Audit, capacity of key stakeholders as well as potential unforeseen delays and challenges that may arise during internal audit processes.

<sup>2</sup> Operational audits 2 and 4 are expected to be high level reviews and timelines assume that no larger issues requiring more detailed review will be identified.

<sup>3</sup> The desktop analysis of Congregations will be performed following the completion of congregation surveys which is used as the key data source for this work.

<sup>4</sup> In addition to broad data analysis, Internal Audit will also seek to undertake detailed audits of specific aspects of congregation operations, based on key risk areas and insights gained from data analysis.

<sup>5</sup> Other planned audit and assurance activities generally relate to activities outsourced to external providers. These have been included to provide a more complete overview of the audit and assurance coverage for 2022 and are estimated times only and may be subject to change or be removed.

## 7. Overview of three year internal audit plan coverage

### 7.1 Operational internal audit coverage 2022 – 2024

#### 7.1.1 Overview of planned operational audit engagements 2022 – 2024

The table below provides an overview of the planned operational internal audit coverage for 2022-24.









#	Projects	2021	2022	2023	2024
<b>A</b>	<b>Internal Audit coverage through Synod Internal Audit</b>				
A1	Operating effectiveness of child safety controls (2021 project)				
A2	CRM governance and benefits realisation review				
A3	Governance and management of camps and camp programs across Synod				
A4	Staff reimbursements and corporate credit cards				
A5	Review of Synod governance structures and mechanisms to Support effective oversight				
A6	Payroll – Synod central stipend and payroll service (CSPS)				
A7	Management, training and supervision of ministers				
A8	Oversight, management and operations of Pilgrim Theological College				
A9	Oversight and reporting of missional programs and initiatives				
A10	Occupational health and safety framework and compliance				
<b>F</b>	<b>Other planned audit and assurance activities</b>				
F1	External audit of accounts				
F2	IT security penetration testing				

Legend	
Engagement to be undertaken by Synod Internal Audit	
Engagement to be undertaken by outsourced provider	

### 7.1.2 Indicative scopes for planned engagements and reason for inclusion

The table below provides the indicative scopes for each of the operation internal audits planned for 2022-2024. Each project has been linked to the Synod's Material Risk Register as reported to the September ARC. The risk matrix with these risks has been included as an appendix in section 9.

#	Engagement title	Indicative Scope	Primary stakeholder(s) / project sponsor(s)	Link to Synod Risk Register
A1	<b>Operating effectiveness of child safety controls (2021 project)</b>	<i>The objective of this internal audit is to consider the adequacy and operating effectiveness of key controls over child safety across the Synod of Victoria and Tasmania (the Synod).</i>	Associate General Secretary	10 15
A2	<b>CRM governance and benefits realisation review</b>	<i>Post-implementation review of the data warehouse including considering the overall costs incurred to budget and the realisation of expected benefits. It will also consider the adequacy and effectiveness of the ongoing management of the data warehouse, including consideration of the prioritisation of ongoing improvements and upgrades to ensure the system is fit-for-purpose and meets the organisation's needs.</i>	EO – MRU CIO	1 8
A3	<b>Governance and management of camps and camp programs across Synod</b>	<i>Review of governance, oversight and management arrangements as well as relevant policies and processes in place to support the effective and appropriate operation of UCA operated/facilitated camps/camp programs across Victoria and Tasmania. This will include a review of Uniting Church Camps (UCC) as well as considering the operations of non-UCC campsites and camp program to ensure all camps and camp programs are operated in compliant manner and to the minimum standard expected by the Church.</i>	EO - eLM Director, Camping	10 15
A4	<b>Staff reimbursements and corporate credit cards</b>	<i>To review and test the adequacy and operating effectiveness of internal processes and controls in place for expenses charged to organisation issued credit cards.</i>	Director, Financial Services	3
A5	<b>Review of Synod governance structures and mechanisms to support effective oversight</b>	<i>Post-implementation review of the operating effectiveness and appropriateness of the Synod's governance structures introduced following the 'Major Strategic Review'. This will also include consideration of the quality, consistency and adequacy of reporting to management and governance committees to support oversight. It will also consider the effectiveness and efficiency of processes in place to communicate and follow-up on decisions, actions and other outcomes from management and governance meetings.</i>	General Secretary	1 10
A6	<b>Payroll – Central Stipend and Payroll Service</b>	<i>Test the adequacy and operating effectiveness of CSPS payroll processes to ensure the correct payment and accrual of remuneration and benefits, as well as performing some limited data analysis and testing to identify process weaknesses and/or indicators of inappropriate and/or fraudulent payments.</i>	Director, Financial Services	3 10

#	Engagement title	Indicative Scope	Primary stakeholder(s) / project sponsor(s)	Link to Synod Risk Register
A7	<b>Management, Training and Supervision of Ministers</b>	<i>To review the adequacy and operating effectiveness of processes for the development and ongoing management of ministers across the Church. This will include processes related to professional development and training, supervision requirements as well as operational matters such as benefits, leave and workload management.</i>	<b>Associate General Secretary EO - eLM</b>	 
A8	<b>Management and operations of Pilgrim Theological College</b>	<i>To consider the governance, oversight and management of the Pilgrim Theological College, including consideration of reporting on operations and performance.</i>	<b>EO - eLM</b>	 
A9	<b>Oversight and reporting of missional programs and initiatives</b>	<i>To review the governance and oversight arrangements for activities and functions in place to support missional programs and initiatives of the Synod. This will include consideration of how such activities are selected and prioritised, their alignment to strategic priorities, and mechanisms in place to review and report on their implementation and effectiveness at achieving intended objectives.</i>	<b>EO - eLM</b>	 
A10	<b>Occupational health and safety framework and compliance</b>	<i>To review the adequacy and operating effectiveness of the Synod's OH&amp;S Framework, including consideration of guidance and support materials provided to presbyteries and congregations to implement effective OH&amp;S processes at a local level.</i>	<b>Associate General Secretary</b>	 

## 7.2 Presbytery and congregation internal audit coverage 2022 – 2024

### 7.2.1 Presbytery coverage

Internal audits of Presbyteries, as standalone entities, will be performed as part of the internal audit program. These audits will consider the range of focus areas outlined in the Strategy, relative to the roles and responsibilities of Presbyteries.

2022 will be a trial year focused on developing understanding of presbytery operations and establishing and testing an audit model that can be applied in future years.

The table below provides an overview of the planned coverage of Presbyteries for 2022-24.

Presbytery	2022	2023	2024
North East Victoria			
Port Phillip East			
Tasmania			
Yarra Yarra			
Port Phillip West			
Loddon Mallee			
Gippsland			
Western Victoria			






### 7.2.2 Congregation coverage

Internal Audit will undertake an annual data-based review of all congregations. Where possible, this work will be aligned to focus areas identified in the Strategy and will primarily utilise data from the annual congregation surveys, being the Community Life Return and the Financial Return. From this analysis, a whole of Synod report will be prepared and tabled to the ARC as an insights report. Additionally, individual presbytery reports will be developed to support presbyteries in their oversight role of congregations.

In addition to broad data analysis, Internal Audit will also seek to undertake detailed audits of specific aspects of congregation operations, based on key risk areas and insights gained from data analysis. These reviews will be performed as capacity allows and will generally entail deeper analysis of available data, stakeholder interviews and/or sample testing.

#### 7.2.2.1 Indicative scopes for potential engagements

The table below provides the indicative scopes for each of the potential areas of congregations focussed detailed internal audits during 2022-2024. Each project has been linked to the Synod's Material Risk Register as reported to the September ARC.

#	Engagement title	Indicative Scope	Link to Synod Risk Register
B1	<b>Financial sustainability of congregations</b>	<i>To consider the financial sustainability of congregations across Victoria and Tasmania and identify congregations of key concern. This will consider guidance, support and resources available to assist congregations in managing and planning for their financial sustainability as well as processes in place to identify, escalate and respond to non-financially sustainable congregations.</i>	 
B2	<b>Maintenance and management of Church owned properties</b>	<i>Consideration and operating effectiveness of the oversight and management of Church owned properties, including consideration of engagement, guidance and support provided to Responsible Bodies to help ensure properties are well maintained and compliance obligations are met. This will include consideration of processes for the identification, escalation and response to dilapidated properties.</i>	 
B3	<b>Engagement, support and resources for governance and management</b>	<i>Review of tools, resources and guidance provided to presbyteries and congregation to support their understanding and fulfilment of their responsibilities. Effectiveness of communicating these and accessibility of these to congregations.</i>	

## 8. Internal audit coverage mapping

### 8.1 Operational audit coverage map (2016-2024)

The table below provides an overview of the operational internal audit coverage to date, as well as the planned audit coverage for the next three years.

Projects	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Strategy, governance, reporting and oversight</b>									
Probity Review of Synod Print Tender Process		S							
Independent assurance over major Property Projects			S						
Review of Synod governance structures and mechanisms to support effective oversight								S	
<b>Financial management and controls</b>									
External audit of accounts	O	O	O	O	O	O	O	O	O
Payroll					S				
Centralised Stipend and Payroll Service								S	
Accounts Payable						S			
Accounts Receivable						S			
Balance Sheet General Ledger Reconciliations		S							
Corporate Credit Cards / Staff Reimbursements		S					S		
Uniting Church Camping			S						
Narana Aboriginal Cultural Centre			S						
<b>Operational processes and functions</b>									
Insurance Claims Management				S					
Child Safe Program and Reportable Conduct Scheme			S*						
Operating effectiveness of child safety controls							S		
Camps management							S		
Ministry management								S	
People and Culture processes						S			
Crisis Management Response			O	O					
Management and operation of Pilgrim Theological College									S
<b>IT security and information management</b>									
CRM – Data warehouse	S						S		
Information Management and Controls					S				
IT Security Penetration Testing		O*	O*	O	O	O	O	O	O
Cyber Security Internal Audit Report			O				O		

Legend		
Status	Synod IA	Outsourced
Completed	S	O
In progress	S	O
Planned	S	O
Limited scope of works	S*	O*

## 8.2 Presbytery Internal Audit coverage map

The table below provides an overview of the audit coverage of presbyteries to date, as well as the planned audit coverage for the next three years. These audits historically focused on presbytery financial management processes, however, from 2022 onwards internal audit will consider broader focus areas as outlined in the Internal Audit Strategy. No audits were undertaken in 2020 or 2021 due to the impacts of COVID-19.

Presbytery	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
North East Victoria												
Port Phillip East							Completed			Planned		
Tasmania					Completed	Completed						
Yarra Yarra											Planned	
Port Phillip West	Completed											Planned
Loddon Mallee												
Gippsland												
Western Victoria												

Legend	
Completed	Completed
In progress	In progress
Planned	Planned

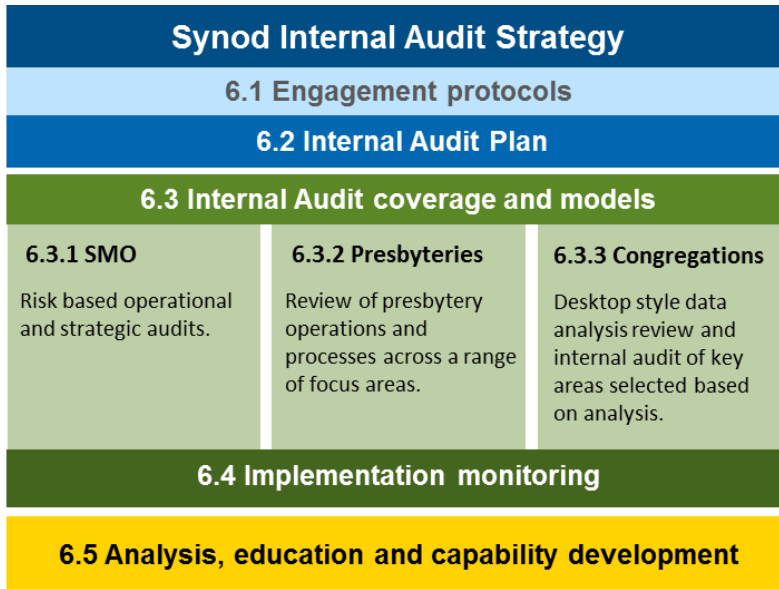


## 9. Appendices

### 9.1 Synod Internal Audit Strategy

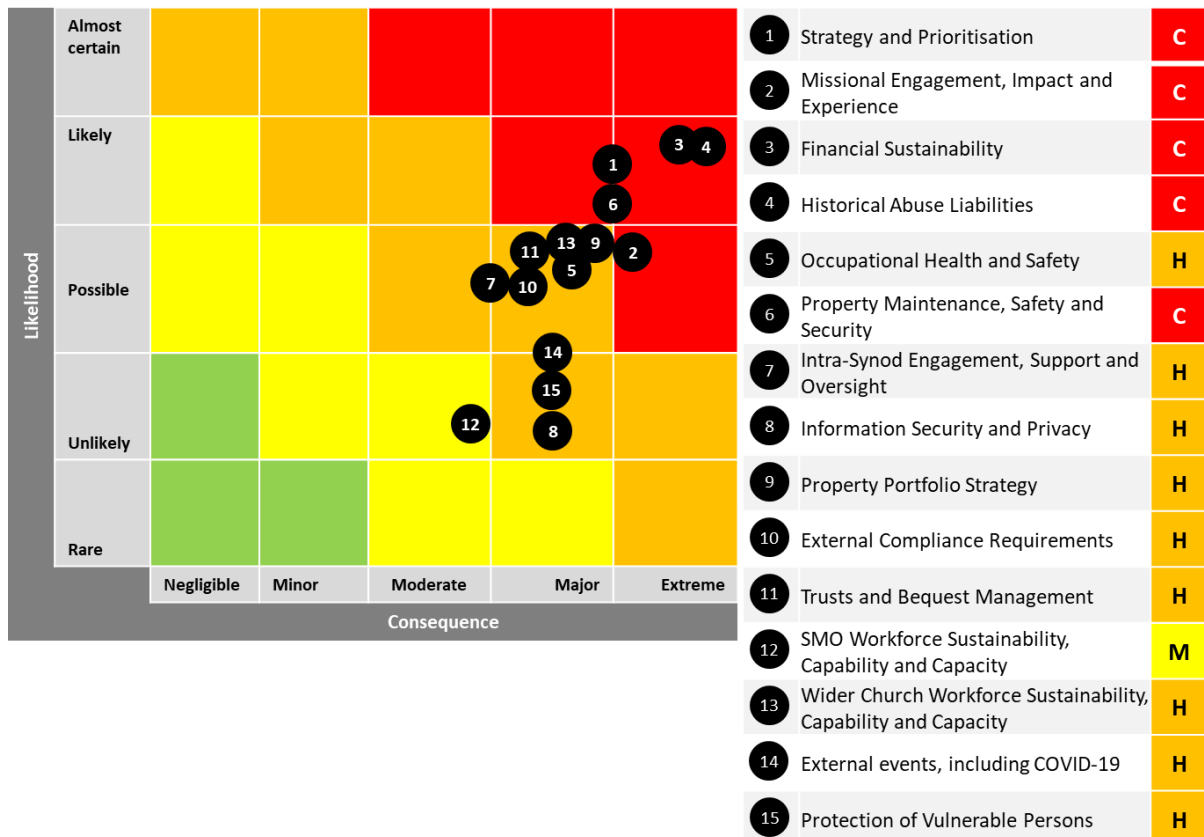
The Strategy outlines the areas of focus for internal audit activities and how these areas will be addressed and covered by Internal Audit. It sets out how Internal Audit can best provide an adequate level of assurance in consideration of the resources available.

The diagram below provides an overview of the Strategy:



### 9.2 Synod material risk register

The risk matrix below provides a summary of the key Synod risks as at September 2021.



## 10. Document control

**Review cycle:** This document will be subject to formal review every year.

**Next review date:** November 2022

**Policy Manager:** The Director, Risk Management and Insurance Services is responsible for the management and maintenance of this document.

**Approver:** Audit and Risk Committee

**Document management:** Any minor changes made between review periods should be reflected in the below table, however, only changes of a material nature will require formal review and approval by the approver between formal review periods.

Version	Date	Updated by	Summary of changes	Approval date
1.0	November 2019	Team Leader, Audit and Risk Management	Initial version (2020-2022 plan)	9/12/2019
2.0	November 2020	Team Leader, Audit and Risk Management	Three year forward plan refreshed. Updated to align to updated strategy, including removal of related body monitoring and alteration to congregation audit approach.	1/12/2020
3.0	November 2021	Team Leader, Audit and Risk Management	Three year forward plan refreshed. Updated to align to updated strategy, including the change in approach to auditing congregations.	<u>7/12/2021</u>

**Note:** when reviewing this document, the reviewer should ensure the template used is still the most current template for Synod policies and procedures, as found on the Synod intranet. This document is based on the **August 2019** template as approved by the SLT (22/8/19).