	SAAA POLICIES & PROCEDURES	
	Reference / Name	MGT 1.1.12-000 Internal Audit.docm
	Revision No	0
	Revision Date	04 - 05 - 2017
	Owner	MCG

Purpose

To deliver a program of internal audit activities that monitors all identified SAAA Critical Actions and regulatory compliance (requirements, obligations etc per regulations, agreements and similar), and so confirms the proper application of SAAA's system of corporate governance IAW relevant polices & procedures.

Scope

This policy & procedure covers the appointment of an Internal Auditor, conduct of an audit program, and response to audits.

Prerequisites


- a. A dedicated Internal Auditor must be appointed to implement the program of internal audit, and may not be the same person holding the position of MCG
- b. The Internal Auditor should in principle address matters relating to identified SAAA Critical Actions and regulatory compliance, however, at the their discretion review other activities
- c. The Internal Auditor is required to report only the adequacy of compliance and deficiencies to the National Council through MCG.

Responsibilities

- a. Appointment of Internal Auditor – MCG, to be ratified by National Council
- b. Conduct of the internal audit program and reporting – Internal Auditor
- c. Actions required further to audit reporting – relevant Portfolio Managers

Procedure

1. Appointment of Internal Auditor
 - a. MCG must nominate the Internal Auditor and seek approval of the nomination from National Council
 - i. The appointment must be on a volunteer basis
 - ii. Ideally, a SAAA Member experienced in senior business management should be considered and if no suitable / available candidate then in order of priority the role should be delegated to V PRES, and then SEC
2. Conduct of audit program
 - a. The Internal Auditor should conduct the program by:
 - i. Maintaining a program comprising a schedule of planned activities (business area, approximate dates) which may from time to time be


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updated and circulated to National Councillors, portfolio managers and relevant advisors / staff within the organisation

- ii. Conducting audits of each business area at a frequency of not greater than each 2 years; if areas of non-compliance are identified, then the Internal Auditor may increase the frequency of audit until a record of satisfactory compliance is evident. Audit frequency may also be reduced at the discretion and direction of MCG – for example in circumstances of new / changed procedures, or perceived / actual persistent non-compliance
- iii. Developing the scope of audit that:
 - References all SAAA policies and procedures to identify all those Critical Actions that must at a minimum form the audit scope
 - References all requirements applicable to SAAA activities (Aviation Laws and Regulations of Australia; SAAA specific instruments, exemptions, agreements etc) to identify any additional audit scope – verify with NTM
 - Identify any other audit scope items that at the Auditor's discretion are deemed appropriate in the event of prior areas of policy and/or procedural non-compliance
- iv. Prior to conducting an audit, requesting Office to supply relevant bi-annual reports in respect of reporting available from the MRS on matters related to Critical Actions (such as reporting on TC, AP etc performance reviews; Trainer qualifications and reviews)
- v. On completion of an audit process, deliver a report in the form of SAAA Internal Audit Report template to National Council through MCG that documents each audit item by business area with remarks per:
 - Compliance: Y or N (qualified with Degree of non-compliance as Minor or Significant)
 - Comment: Nil or Issue (brief description)

3. Audit Response

- a. In the event of any areas of non-compliance, the relevant Portfolio Manager(s) or as may be delegated are responsible for correcting practice and reporting outcome(s) to MCG and the Internal Auditor within 3 months of notice of non-compliance
- b. Internal Auditor will record outcome in the relevant SAAA Internal Audit Report noting any relevant comments and adding specifically when appropriate the words "Closed Out" along with the date.

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- c. Matters of persistent / uncorrected / serious non-compliance must be referred by MCG to and dealt with by National Council.

References

- a. SAAA policies and procedures
- b. Regulator related documents, including but not limited to: CASA – SAAA Deeds of Agreement; CASA accepted manuals / procedures / training materials; prior CASA Surveillance Reports with open Findings / Observations; CASA instruments, exemptions etc specific to SAAA
- c. Preceding Internal Audit Reports
- d. SAAA Internal Audit Report template.docm

Definitions

AP	Authorised Person
Aviation Laws and Regulations of Australia	Prevailing or equivalent of CARs (Civil Aviation Regulations (1988)) and CASRs (Civil Aviation Safety Regulations (1998))
Critical Actions	Specific high priority / mandatory actions required and defined in various SAAA policies & procedures
MCG	Prevailing SAAA Mgr Corporate Governance
MRS	Member Record System
NTM	Prevailing SAAA (CASA approved) National Technical Mgr; this position may be held by MCM or MT
Office	Prevailing appointed administration support service provider
Portfolio Manager	A National Councillor appointed to manage a SAAA business portfolio
SEC	Prevailing appointed Hon. Secretary of SAAA
TC	Technical Councillor
V PRES	Prevailing appointed Vice President of SAAA



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SAAA Internal Audit Report

Conducted by:

Date:

Signed:

Reference: (SAAA P&P ref / CASA doc ref)	Item: (Brief description)	Compliance: (Y/N; if N qualify with "-Minor" or "-Significant")	Comment: (Nil or Brief description of issue)	Progress & Outcomes: (When appropriate; follow any notes with "Closed Out" and record date)