

Enhancement Opportunities Summary with Audit Services Response and Status

The Institute of Internal Auditors (IIA) provided three enhancement opportunities that include Audit Services response and status of corrective action as noted below.

Enhancement Opportunity	Audit Services' Response	Corrective Action Status
Standard 11.3: Add themes or key takeaways to periodic executive summaries for the ARM Committee and CalSTRS leaders.	Audit Service will update its report template to include an assessment rating on audit reports. Using the rating and findings, Audit Services will include any themes and insights to ARM Committee reporting and executive updates.	Complete: Audit Services updated its audit report template to indicate a rating of the audit. Also, Audit Services added themes and insights to its executive updates in July/August 2026 and ARM Committee reporting in September 2026.
Topical Requirements and Standard 9.3: Improve the alignment compliance approach of all the standards with the topical requirement implications.	Audit Services will enhance its process to incorporate consideration of the topical requirements throughout the audit lifecycle.	Complete: Audit Services updated its audit manual and templates to incorporate the topical requirements in the audit lifecycle.
Standard 12.1: Use the IIA Quality Assessment Manual templates to document its periodic self-assessment that are used to communicate results the ARM Committee.	Audit Services will update its Quality Assurance and Improvement Program (QAIP) methodology to require use of the IIA templates in its self-assessment and reporting those results to the ARM Committee.	In Progress: Audit Services updated its QAIP methodology and will use the templates to report out the results of its next internal assessment in September 2027.