



IIA Quality Services

Elevating Internal Audit Quality Around the World

Presented to

**City of Corpus
Christi**



**Self-Assessment
with Independent
Validation Proposal**

Prepared April 21, 2026

April 21, 2026

Amr Hussein
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City of Corpus Christi
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Dear Amr Hussein:

On behalf of IIA Quality Services, thank you for the opportunity to submit a proposal to perform a Quality Assessment for the City of Corpus Christi.

Our proposed Quality Assessment will fully conform to the requirements set forth in The IIA's *Global Internal Audit Standards (Standards, effective 2025)* and will provide an independent evaluation performed by internal auditing peers. Assessment teams are comprised of audit professionals possessing broad experience and at least one member of the team is a Certified Internal Auditor. Each assessment team is led by a Lead Advisor well-versed in The IIA's *Standards*, internal audit techniques, and industry best practices.

This Quality Assessment proposal is provided to you and your organization in response to your recent request. Our assessment methodology is rooted in The IIA's *Quality Assessment Manual (2024 Edition) (Manual)*. The *Manual* emphasizes the role and relationships of the internal audit function in your organization's governance, enterprise risk management, and other processes adopted by your organization for managing both your internal audit practice as well as resources from the Chief Audit Executive's viewpoint.

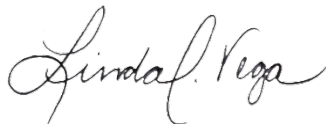
This proposal is valid for 120 days from the date of this letter. IIA Quality Services reserves the right to revise fees and related expenses if your organization experiences significant organizational changes and/or requests scope revisions.

Again, thank you for this opportunity to present our proposal. Please contact us with any questions about this proposal. We look forward to working with you during your upcoming Quality Assessment.

Sincerely,



Nick Olson
Sr. Manager, IIA Quality Services



Linda Vega
Manager, IIA Quality Services

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Executive Summary

IIA Quality Services' mission is to ***Elevate Internal Audit Quality Around the World!*** IIA Quality Services emphasizes professionalism, conformance and performance relative to The IIA's *Global Internal Audit Standards (Standards, effective 2025)* by providing experienced resources to guide internal audit activities. For over 20 years, our experienced team of advisors have provided Full-Scope External Quality Assessments, Self-Assessments with Independent Validation, Gap Assessments, and consultancy services to organizations of all sizes across all industries around the World. This expertise provides IIA Quality Services with a unique advantage to objectively review your organization's internal audit function.

The scope of our Quality Assessments has evolved in recent years from that of "conformance" to the *Standards* to our current approach, which focuses not just on conformance but also on how to improve the efficiency and effectiveness of the internal audit function through an interactive approach with the Chief Audit Executive (CAE). This "future-focused" approach is designed to provide your organization's audit committee, executive management, and CAE with recommendations for aligning with the organization's strategies to improve its effectiveness and add more value, in addition to providing a conformance opinion related to the *Standards*, internal audit charter and methodologies.

Our informed, experienced, and objective team of advisors possess extensive global expertise in internal auditing, risk management, and governance, with leadership experience across major corporations, international bodies, and nonprofits. They have shaped professional standards, led numerous quality assessments, and are dedicated to advancing audit quality and mentoring internal audit leadership.

Our advisors strive to provide your organization with counsel, ideas, and suggestions that will improve the management of the internal audit function and increase the value provided to the organization's governance process. This is achieved through an evaluation of the following:

- The extent of internal audit function alignment with the organization's strategic business plan and enterprise risk management
- Whether the audit plan adheres to the requirements set by the audit committee
- The maturity and credibility of the internal audit function within the organization
- The effectiveness of the entire spectrum of assurance and advisory work performed by the internal audit function, in conformance to the *Standards*

In addition, IIA Quality Services:

- is the source for the development and interpretation of the new *Standards* through extensive thought leadership including IIA Quality Services Insights to Quality.
- focuses only on Quality Assessment services - no other consulting services.
- has a database of five years of survey history to compare survey results to your company.
- has a proprietary maturity model – the Principles Effectiveness Framework - to assess your maturity level for all the Principles.
- provides one-year upgraded membership to the CAE to the Audit Leadership Network.
- has access to the IIA Global Benchmarking Tool

SAIV Scope and Objectives

Scope

To meet governance obligations and provide assurance for stakeholders, the City of Corpus Christi seeks to retain the external services of a qualified and experienced advisor to execute its Self-Assessment with Independent Validation (SAIV). Results of the SAIV will fulfill the requirements of The IIA's *Global Internal Audit Standards (Standards, effective 2025)* and provide for successful practice implementation.

IIA Quality Services is uniquely positioned to provide your organization with a high-quality, value-added SAIV service. First, our SAIV is a true peer review based on the industry's recognized authority on internal auditing, The IIA. Second, our SAIV program was developed and tested by experienced external quality advisors. Third, our experience spans the world and covers all sectors of the economy, from business to industry, and to government.

IIA Quality Services' assessment teams are comprised of former Chief Audit Executives (CAEs) and/or senior internal audit professionals possessing stellar credentials, and a deep knowledge of the SAIV methodology. At least one member of the team is a Certified Internal Auditor as required by Standard 8.4.

Objectives

SAIVs have two sets of objectives: one set for the internal audit function and one set for the independent external advisor.

The objectives of the SAIV for the internal audit function are as follows:

- Review policies, procedures, and departmental processes to obtain preliminary information on the implementation of the *Standards, effective 2025* in the internal audit function
- Assess the structure and characteristics of the internal audit function, dealing primarily with the charter statement, including the Purpose of Internal Auditing (Domain I), authority and scope, reporting lines, and other features to measure independence, methodologies, organizational structure, etc.
- Evaluate risk assessment (annual and each engagement) and engagement planning including definition of the internal audit function's universe, alignment with enterprise risk management and accountability processes, long- and short-range planning, and the overall adequacy of staff numbers and competency
- Evaluate staff professional proficiency through an in-depth look at staff competency (knowledge and skills), continuing professional education, recruitment policies and processes, and general human resource management
- Evaluate information technology risk through a targeted, comprehensive review of this important area as to the governance of technology in the organization, the adequacy of audit and consulting services provided by the internal audit function, and the use of technology within the internal audit function itself
- Assessing production and value-added audit plan accomplishment, as measured in relation to the review of risk assessment and audit planning, including the metrics used in reporting of overall results to senior management, the board, and other appropriate stakeholders
- Review a sample of individual audit and consulting engagements to validate information obtained with other tools and to disclose opportunities for improvement
- Determine the perception of internal auditing through client surveys staff surveys, and interviews
- Conclude by providing an opinion as to whether the internal audit function conforms to the *Standards*

The objectives of the SAIV for the independent external advisor are as follows:

- Review the internal audit function's Self-Assessment for completeness and coverage
- Conduct interviews with the CEO/President, the CAE, the person to whom the CAE reports administratively, the CFO, the Board/Audit Committee chairperson, the external audit partner, and the self-assessment team
- Validate the Self-Assessment's conclusions based on limited independent testing
- If requested, develop an evaluation of maturity related to the Principles associated with the Global Internal Audit Standards

SAIV Approach

Methodology

IIA Quality Services' methodology is based on The IIA's 2024 Edition of the *Quality Assessment Manual (Manual)*. The *Manual* considers the effectiveness of internal audit in the eyes of the audit committee, senior management, and other stakeholders. Our methodology is executed by our seasoned cadre of Quality Assessment subject matter experts who possess a strong blend of Quality Assessment experience, internal audit leader/practitioner experience, internal audit leading practices, and survey analysis/benchmarking.

In an SAIV, the internal audit function conducts the self-assessment and writes a report expressing an opinion on the internal audit function's conformance with the *Standards, effective 2025*. An independent, external validator will subsequently review the work completed by the internal audit function and provide an opinion on the self-assessment report written by the internal audit function.

The self-assessment portion is performed under the direction of the CAE using a competent in-house team of internal audit professionals. Our independent, external advisor will perform the "independent validation" portion of the SAIV using the *Manual*, a copy of which will be provided to you upon your acceptance of our proposal.

The programs within the *Manual* are the framework which will enable the internal audit function to assess the function and to issue a report including a conformance statement related to the *Standards*. The effort concludes with the "independent validation" performed by the independent, external validator who will conduct key interviews, perform limited tests of the self-assessment, and indicate concurrence or non-concurrence with the conformance opinion rendered in the internal audit function's self-assessment report. The independent, external advisor will issue a memo stating their opinion, which will be included as an addendum to the self-assessment report. In the case of non-concurrence, the independent, external validator will prepare a separate report.

Results

Upon conclusion of the SAIV, we will provide the following:

- Results of a survey of client and staff satisfaction as well as IIA Quality Services' historical data
- A validation statement including the following:
 - Opinion as to concurrence with the internal audit department's self-assessment report
 - Conformance gaps not identified by the internal self-assessment team
 - Enhancement opportunities not identified by the internal self-assessment team
 - Successful practices not identified by the internal self-assessment team
- If requested, an evaluation of maturity related to the Principles associated with the Global Internal Audit Standards

Assessment Timeline

We estimate the SAIV of the City of Corpus Christi may span 12 weeks. This estimate is subject to change and is dependent on several factors, including the size of the internal audit activity, the number of audit reports issued annually, and the timing of information availability. Specific project milestones and associated timing will be mutually agreed upon following acceptance of this proposal and confirmed during the planning phase of the engagement. The indicative schedule below is provided for planning purposes only and reflects the typical sequencing of activities. An alternate schedule may be considered as necessary.

	Activities	Dates
Planning and Preparation	Survey Internal Audit Department determines number of invitations	Six weeks prior to fieldwork
	Survey Internal Audit Department sends survey email invitations	Five weeks prior to fieldwork
	Survey Responses due from survey participants	Three weeks prior to fieldwork
	Preliminary Meeting Conducted by video conference	Three weeks prior to fieldwork
	Quality Assessment Manual Internal Audit Department submits completed Appendices A, D, and E of the Quality Assessment Manual to IIA Quality Services	Two weeks prior to fieldwork
	Quality Assessment Manual Internal Audit Department submits completed Appendix F of the Quality Assessment Manual (Report) to IIA Quality Services	One week prior to fieldwork
Fieldwork	Independent Validator Fieldwork Period	Monday - Friday
Evaluation and Report	Independent Validation Document IIA Quality Services issues Independent Validation to Internal Audit Department	Two weeks following fieldwork
	Independent Validation Document Internal Audit Department replies to Independent Validation (as applicable) and sends to IIA Quality Services	Four weeks following fieldwork
	Final Report IIA Quality Services issues final report	Five weeks following fieldwork

Fees, Expenses, and Terms

Our proposed fee for this assessment is \$25,000. This fee excludes all local and withholding taxes.

Additional meetings required by your organization upon conclusion of the closing meeting (such as an Audit Committee meeting and/or a meeting with a senior executive) may be held virtually at no additional charge. On-site meetings will incur additional fees and travel expenses, which if applicable, will be negotiated as necessary.

Fieldwork may be conducted virtually or on-site. If an on-site assessment is chosen, your organization will receive an invoice for the Assessment Team's travel expenses. Given the dynamic nature of travel expenses, IIA Quality Services is unable to provide an exact travel expense estimate. Your organization will be billed for actual travel expenses incurred. A copy of IIA Quality Services' Travel and Expense Policy is included as a separate attachment.

The fee is due on receipt of our invoice. Accepted payment methods are Automated Clearing House (ACH) or wire transfer. Payment may not be made via credit card. Our services are considered rendered and completed upon the conclusion of the exit meeting. You will receive a final Quality Assessment report upon receipt of your invoice payment in full.

Please email Quality@theiia.org with questions regarding this proposal.

Assessment Team

IA Quality Services maintains a seasoned cadre of Quality Assessment subject matter experts with extensive experience in quality assessments, internal audit leadership and practice, internal audit leading practices, and survey analysis and benchmarking. Our assessment teams employ a consultative approach and work in collaboration with The IIA's established methodology to deliver high-quality assessments for internal audit functions across all industries and geographic regions.

Your Assessment Team will be comprised as follows:

Role	Name
Lead Advisor	<i>Provided upon acceptance</i>
Project Managers	Nick Olson and Linda Vega

Upon acceptance of this proposal, IIA Quality Services will designate a qualified Lead Advisor whose experience and expertise align with your organization's needs and the scope of the engagement. At that time, we will provide the Lead Advisor's biography and contact information for your review. Biographies for additional team members will also be provided, as applicable.

Should you have any questions, concerns, or preferences regarding the proposed assessment team once identified, IIA Quality Services will work with you to address those considerations and, if necessary, propose alternative qualified advisors for your review.

Your assessment team will be fully committed to your organization and available throughout the engagement to respond promptly to questions, comments, and concerns, ensuring a collaborative and effective assessment experience.