Confirmed by
Rector´s decree
No 20ü, 30 March 2020

SA ESTONIAN BUSINESS SCHOOL PRINCIPLES AND PROCEDURE OF INTERNAL AUDIT

1. Purpose

The purpose of the internal audit is to assess the functionality of the quality assurance system (hereinafter QAS) at EBS and its accordance with the Estonian higher education quality framework (EKKA), international standards (EFMD EQUIS, EPAS), the agreements signed between Estonian universities to ensure the quality of higher education and the source documents of the main and servicing processes included in the QAS of EBS.

2. Keywords

Auditee – the department or process that is being audited;
Representative of the auditee – the head of the department or the person responsible for the quality of the process;
Lead auditor – the auditor responsible for the audit or the head of a group of auditors;
Finding – non-conformity or observation result;
Non-conformity (NC) – failure to meet a specified requirement;
Result of observation (RO) – a requirement met whose change in accordance with the proposal may prevent a failure to meet a requirement in the future or improve the functionality of QAS.

3. Scope of internal audit, election of auditor(s) and responsibility for performing an audit

3.1 An internal audit may comprise all or some main on servicing processes determined by QAS and the departments ensuring them. An internal audit is performed by one or several auditors elected by the SA Estonian Business School Management Board (hereinafter Board). On the election of auditors, proposals by academic and servicing departments are taken into account. A vote of confidence is taken on an auditor or auditors by the EBS Senate.

3.2 As a rule, an internal audit is performed once per academic year. The Board may decide on performing an audit on the process-based or separate fields of activity. The Rector is responsible for conducting an audit. The Rector may delegate the administration of conducting an audit to the Vice Rector of the respective area or the Chancellor.

4. Requirements for the auditor and the audit procedure

4.1 Auditors
An auditor/auditors are independent in their work, they do not represent the interests of the department or the organisation whose member(s) they are, they are unbiased, are familiar with the arrangement of the higher education system, know the development trends of higher education and the documents of the internal regulations at EBS and the principles and quality indicators of the QAS at EBS.

4.2 Planning an audit
The plan for an audit is prepared in its respective template by the Rector in collaboration with the Vice Rectors and the Chancellor and will be approved by the Board. The subject matter and the time for an internal audit will be coordinated with the lead auditor.

4.3 The procedure and performance of an internal audit
An internal audit is performed based on the audit agenda, which is prepared by the lead auditor in the template for an audit agenda.
The auditors will examine the relevant documents. The lead auditor together with the Vice Rectors will ensure that the time and agenda of the audit would be agreed in advance with the department or employee subject to the audit.
While performing an audit the auditors will identify if the requirements of the standards and the source documents of QAS are being followed and will fill in a form of assessment. Non-conformities and results of observation are stated in the assessment act.
On finishing the audit, the lead auditor will prepare an audit report in its respective template and will submit it together with the assessment act to a representative of the auditee for co-ordination. The lead auditor will submit the co=ordinated comprehensive report and assessment act to the Rector.

4.4 Adjusting activities
The resolve the non-conformities identified during an audit and to implement changes arising from the results of observation the Rector will appoint the person responsible for the adjusting activities (hereinafter head of adjusting activities) who will agree on the time of a follow-up audit with the lead auditor.
The head of adjusting activities prepares an agenda in accordance with the required format, which states the persons responsible and the deadlines, and coordinates it with the Rector.
In accordance with the co-ordinated agenda the head of adjusting activities takes responsibility for performing the adjusting activities. To report on the results of the activities the head of adjusting activities will prepare a report on adjusting activities in the required format, co-ordinates it with the heads of the respective areas and submits to the Rector for approval.
The head of adjusting activities submits the approved report on adjusting activities to the lead auditor for performing a follow-up audit.
The lead auditor will perform a follow-up audit on the sufficiency of resolving the non-conformities identified at the time that has been agreed with the head of adjusting activities in advance and will make respective records in the report on adjusting activities.
The follow-up audit will be considered as completed when all the non-conformities have been resolved in accordance with the requirements and the lead auditor has approved of the results of the adjusting activities.
The lead auditor will coordinate the final report on adjusting activities with the head of adjusting activities and submits it to the Rector.

5. Completion of the audit

After the auditing process the Rector will submit the audit report (and the report on adjusting activities) to the Board.
The audit documents (audit plan, audit agenda, assessment act, audit report, report on adjusting activities) will be filed as quality verification documents.

6. Presentation and disclosure of the audit results

The results of an audit will be presented to the Senate after performing the audit. The results of an audit will be disclosed on the intranet.

Appendices
1. Audit scheme[1]
2. Audit plan template

[1] Vt https://www.lucidchart.com/documents/edit/2d2e1e02-27e4-4712-b1e5-5f7c5441f331/0_0

3. Audit agenda template
4. Assessment act template
5. Audit report template
6. Template for the plan of adjusting activities
7. Template for the report on adjusting activities

Audit scheme Appendice 1