

CONTRIBUTIONS OF THE INTERNAL AUDIT TO THE GOVERNANCE OF
BRAZILIAN FEDERAL UNIVERSITIES

*CONTRIBUIÇÕES DA AUDITORIA INTERNA PARA A GOVERNANÇA DAS
UNIVERSIDADES FEDERAIS BRASILEIRAS*

*CONTRIBUCIONES DE LA AUDITORÍA INTERNA A LA GOBERNANZA DE LAS
UNIVERSIDADES FEDERALES BRASILEÑAS*



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ABSTRACT: This article aimed to examine the extent to which internal audit contributes to the governance of federal universities. For this purpose, the study used documentary analysis to verify the planning and execution of governance audit tests in PAIN and RAIN at IFES. It also sought to assess the maturity level of public governance with TCU through the "Integrated Survey of Public Organizational Governance" (PerfilGov2018). The research sample consisted of 63 federal universities. Studies indicate that internal audits positively contribute to the governance of IFES, but the results show that only 9.5% of these institutions plan and execute the mentioned tests; only 4 universities are in an advanced stage regarding the maturity level of governance processes.

KEYWORDS: Public Governance. Federal Universities. Internal Audit.

RESUMO: Este artigo buscou examinar em que medida a auditoria interna contribui para a governança das universidades federais. Com esse intuito, o estudo utilizou análise documental para verificar o planejamento e execução dos testes de auditoria de governança no PAIN e no RAIN das IFES. Buscou verificar também, o nível de maturidade da governança pública junto ao TCU por meio do "Levantamento Integrado de Governança Organizacional Pública" (PerfilGov2018). A amostra da pesquisa foi constituída por 63 universidades federais. Estudos apontam que a auditoria interna contribui de forma positiva para a governança das IFES, mas os resultados mostram que apenas 9,5% dessas instituições planejam e executam os testes em questão; apenas 4 universidades estão em estágio aprimorado em relação ao nível de maturação dos processos de governança.

PALAVRAS-CHAVE: Governança Pública. Universidades Federais. Auditoria Interna.

RESUMEN: Este artículo buscó examinar en qué medida la auditoría interna contribuye a la gobernanza de las universidades federales. Con este propósito, el estudio utilizó análisis documental para verificar la planificación y ejecución de las pruebas de auditoría de gobernanza en el PAIN y el RAIN de las IFES. También se buscó evaluar el nivel de madurez de la gobernanza pública ante el TCU a través del "Levantamiento Integrado de Gobernanza Organizacional Pública" (PerfilGov2018). La muestra de la investigación estuvo compuesta por 63 universidades federales. Estudios indican que la auditoría interna contribuye positivamente a la gobernanza de las IFES, pero los resultados muestran que solo el 9,5% de estas instituciones planifican y ejecutan las pruebas mencionadas; solo 4 universidades se encuentran en una etapa avanzada en cuanto al nivel de madurez de los procesos de gobernanza.

PALABRAS CLAVE: Gobernanza Pública. Universidades Federales. Auditoria Interna.

Introduction

The Federal Accounting Council defines internal audit (Audin) as a set of technical procedures aimed at examining the integrity, adequacy, and effectiveness of the organization's internal controls and physical, accounting, financial, and operational information (NBC T 12/CFC).

Normative Instruction, 03/2017 of the Office of the Comptroller General (CGU), approved the technical framework that addresses Government Internal Audit in the Federal Executive Branch. Among the actions planned for compliance with the Instruction is the implementation of an integrated system that will enable the monitoring of recommendations made by the Internal Audit (Audin) and the inclusion, in the Annual Internal Audit Plan (PAINT) and the Internal Audit Report (RAINT), of the forecast of financial and non-financial benefits of Audin's actions (CGU, 2021).

Given the objective of this study, it is worth noting that, with public policy actions defined through the Education Development Plan (PDE), created in 2007, which emphasizes the Support Program for Restructuring and Expansion Plans of Federal Universities (Reuni), federal institutions of higher education (IFES) are in constant growth. Consequently, to promote and expand higher education, good management is considered essential, encouraging the application of best practices to achieve greater efficiency in the overall functioning of the entity. Decree No. 3,591 of 2000, aiming to generate greater reliability and better accountability, made the presence of Audin mandatory in the organizational structure of public institutions (Brasil, 2000).

Among the objectives of IFES's Audin, as outlined in the aforementioned Decree and CGU's IN No. 3/2017, is to guide, monitor, and evaluate administrative, accounting, budgetary, financial, patrimonial, operational, and personnel management acts, aiming for efficiency, effectiveness, compliance with pertinent legislation, and value addition to management (Brasil, 2017). According to the International Federation of Accountants, IFAC (2014), this encompasses the arrangements established to achieve the agents' objectives, enabling organizations to achieve the expected results.

In recent years, the Federal Court of Accounts (TCU) has conducted governance and management surveys on four distinct themes: (1) information technology; (2) personnel; (3) procurement; and (4) public governance, with the purpose of better understanding the governance situation in the public sector and encouraging public organizations to adopt good governance practices. In 2017, this body consolidated these themes and conducted the first

“*Levantamento Integrado de Governança Organizacional Pública*”⁴ (PerfilGov), with the participation of public organizations that comprise the direct and indirect administration of the federal sphere or that receive federal public resources.

Given the above, this research aims to answer the question: what is the contribution of Audin to the governance of federal universities? To this end, it intends to analyze PAIN and RAIN to verify the forecast and execution of audit actions in relation to governance. Subsequently, it seeks to verify the maturity level of the governance processes of each IFES in the PerfilGov2018 report, which is available on the TCU’s website.

Additionally, with the aim of conducting the proposed research, this article provides a historical contextualization of Brazilian federal universities and an overview of internal audit as an essential governance control mechanism. A brief literature review is conducted to assess the extent to which Audin is adopted in universities. Another section of the paper explains the methodology employed. Subsequently, the analysis and discussion of the results are presented. Finally, some considerations on the topic are made, as well as suggestions for future research and contributions to the literature.

Public Governance and Internal Audit in the Context of Federal Universities

Unlike corporate governance, public governance values decentralization, globalization, the pursuit of efficiency, equity, and transparency, and seeks new responses to old problems that led to the erosion of the traditional model of public administration, which is legalistic, hierarchical, highly centralized, and bureaucratized. The collapse of the traditional model necessitated the reinvention of the relationship between the state and society, and it is in this context that new public governance emerges (Bilhim, 2017).

For the purposes of this study, it is necessary to understand, albeit summarily, the historical and political process of Brazilian federal universities. Although the 1988 Federal Constitution granted autonomy to Higher Education Institutions (HEIs), they are still subject to rigid legislation. In this sense, due to the use of public resources, HEIs require governance mechanisms that aim at accountability, transparency, and equity (Marques *et al.*, 2020).

Between 1930 and 1964, more than twenty federal universities were created in Brazil. The advent of so many public universities marked the expansion of the federal public higher education system. The University of São Paulo (USP), established in 1934, was the first HEI in

⁴ Integrated Survey of Public Organizational Governance.

Brazil (Silva, 2013). It is worth noting that IFES is expanding. For example, the Federal University of Northern Tocantins (UFNT), founded in 2019, originated from the split of the Federal University of Tocantins (UFT), and the establishment of IFES – Federal University of the Delta of Parnaíba (UFDPA), Federal University of Agreste of Pernambuco (UFAPE), Federal University of Jataí (UFJ), and Federal University of Rondonópolis (UFR), all founded in 2018.

Often, the control exercised over public administration bodies responsible for executing public funds exclusively adheres to the principle of legality, relegating concerns about effectiveness and efficiency to a secondary level. In this sense, the introduction of the concept of public governance in Brazil seems to begin to add values and principles to legality that allow aligning processes and procedures, thereby contributing to the potential empowerment of citizens.

Given the above, it is necessary to understand that Audin constitutes an organizational control instrument, both in the private and public sectors, and that control cannot be dissociated from planning. When control is approached technically from this perspective, Audin seeks to evaluate performance concerning financial, budgetary, quality of service levels, and compliance with strategic objectives, among others. In this same context, corrective measures are decided in case of deviations, and assumptions and/or forecasts that prove to be incorrect are reviewed.

The public sector, both in Brazil and worldwide, has been profoundly affected since the 1980s by a set of new organizational values known as New Public Management (NPM), which challenged traditional Weberian practices by placing the citizen at the center of public service. To achieve this goal, reforms in public financial management, especially in the field of auditing, were implemented. According to Pollitt and Bouckaert (2017), the reforms introduced in internal audit (Audin) systems followed three trajectories: i) traditional compliance and financial audit, as in the case of Germany; ii) traditional audit enriched with some elements of performance evaluation, as in France, the USA, Italy, and Belgium; iii) audit of institutional finances, performance, compliance, and evaluation, as in the Netherlands, Sweden, Finland, Canada, the United Kingdom, Australia, and New Zealand.

Brazil followed the trajectory mentioned in ii), with traditional auditing enriched with some elements of performance evaluation. These reform processes led the public sector to adopt new organizational performance measurement processes that were already common in the private sector and the "third sector." According to Ferreira (2017), "Without these systems, organizations would hardly deal efficiently and effectively with the inherent uncertainty of the

environment, resulting in poor resource allocation and ultimately increasing their likelihood of failure.”

For Simons (1995), there is a tension between the old and new philosophies of management control. The old philosophy advocates: i) a top-down strategy; ii) standardization; iii) a central role in planning; iv) an effort to keep things on track; v) avoiding surprises. Conversely, the new philosophy supports: i) citizen-based strategy; ii) continuous innovation; iii) meeting citizen needs; iv) empowerment. At this point, Brazil appears to follow the traditional philosophy, as Audin here is subject to the normative guidance of the Ministry of Transparency and the CGU, the body responsible for overseeing public administration agencies. In this context, the CGU approved IN CGU 3/2017 on July 9, 2017, which revoked IN No. 1/2001. According to IN CGU 3/2017, the Technical Reference for Internal Audit was developed through international auditing standards, with one of the main changes being the alignment of Audin activities with risk management and governance concepts (Rodrigues; Santos; Niyama; Souza, 2020).

In this context, among public administration entities are public universities, which have significant financial resources. Therefore, they need to use these resources efficiently while ensuring transparency in the control of public resources (Rodrigues; Santos; Niyama; Souza, 2020). Generally, accountability in HEIs takes various forms, such as mechanisms for allocating funds to essential programs and structures (Fonseca; Jorge; Nascimento, 2020).

Tribunal de Contas da União's Methodology on the Management and Governance Index

For the execution of *PerfilGov2018*, initial communication letters with individual access codes were sent to all agencies and entities of the Federal Public Administration and other jurisdictions of the TCU. These entities responded to the questionnaire through the free software LimeSurvey®. The received information was imported and processed using the free software R. For a better understanding of *PerfilGov2018*, a summary table with the indicators and their results is presented (Table 1).

**Chart 1 – Indicators of the Integrated Survey of Public Organizational Governance
(PerfilGov2018)**

Acronym	Indicator	Results
<i>IGG</i>	Integrated Governance and Public Management Index	General self-assessment result (iGG)
<i>iGovPub</i>	Public Governance Index	Result for the public governance index (iGovPub)
<i>iGovPessoas</i>	Governance and People Management Index	First main component of the results obtained in Organizational Public Governance practices with focus on practices: Ability to promote strategic management.
<i>iGestPessoas</i>	People Management Index	Of all the practices evaluated in the topic of people management.
<i>GovernançaTI</i>	Information Technology Governance Index	The first principal component of the results obtained is the IT Governance (<i>GovernançaTI</i>) and IT Management (<i>iGestTI</i>) indicators.
<i>iGestTI</i>	Information Technology Management Index	The first main component of the results obtained in the IT Planning, IT People, and IT Processes indicators. These indicators are formed by all IT management practices.
<i>iGovContrat</i>	Governance and Hiring Management Index	The first main component of the results was obtained in the <i>GovernancaContrat</i> and <i>iGestContrat</i> indicators.

Source: Adapted from the Federal Audit Court⁵.

According to Decree No. 200/1967, it is recommended that each entity considers the nature, objectives, and risks associated with its business and implements practices with an appropriate format and level of complexity to address and manage the actual situation, thus avoiding controls where the implementation costs exceed the potential benefits.

Research on Internal Audit in Federal Universities

Some authors advocate for the establishment of an internal audit unit in federal universities. Drăgușin, Domnișoru, and Mihai (2016) investigated the impact of internal Audin on the accounting system in Romanian public universities. The results reveal that, despite legal provisions, some public institutions' accounting systems are not regularly audited.

Bello, Ahmad, and Yusof (2018) examined the moderating effects of top management support on the relationship between internal quality dimensions and organizational performance in Nigerian federal universities. The findings indicate that internal Audin quality dimensions influence the performance of these institutions and that top management support is crucial for the success of the internal Audin function.

DeSimone and Rich (2020) assessed the factors associated with the presence and use of

⁵ Available at:

<https://portal.tcu.gov.br/lumis/portal/file/fileDownload.jsp?fileId=8A81881E7AB5C6AE017B372F792A3917>.

Accessed on: 10 Jan. 2024.

internal audit functions in U.S. universities and their relation to financial reporting. It was found that institutions with larger endowments are more likely to maintain an internal Audin function and that the benefits of internal audit services in higher education extend beyond financial reporting, reinforcing the idea that internal Audin performs a wide variety of value-added services.

In light of the above, the relevance of internal audit extends beyond managerial and financial reports, highlighting its role in promoting good governance and improving institutional performance.

New Public Management (NPM)

NPM proposes a revision of the objectives of governmental action to introduce new approaches in the management and organization of public affairs, focusing on strengthening administrative responsibility and flexibilizing management, which aims to improve governmental accountability (Oliveira; Duarte; Clementino, 2017; Sano; Abrucio, 2008). In the Brazilian context, this public management reform was influenced by administration strategies adopted by the private sector, culminating in the implementation of NPM (Bresser-Pereira, 2017).

In recent years, according to Cóssio (2018), there have been significant changes in the objectives and conceptions guiding the functionality and management of institutions due to the ongoing structural reform in the public sector. This administrative reform strengthens new practices and discourses originating from the private sector, which are implemented to guide public institutions across various governmental segments.

These changes have a direct impact on education, where a new generation of teachers and managers is being introduced to a transformed work environment, characterized by distinct conceptions of teaching and leadership. While teachers increasingly focus on preparing students for tests, managers are tasked with guiding them through these tests, influenced by market practices and high-stakes testing that significantly shape educational dynamics. In this context, directors frequently receive greater "autonomy," although this can result in repetitive leadership practices (Shipps, 2012).

Given this scenario, the flexibility in management promoted by NPM becomes essential for federal universities to face current challenges. This creates a conducive environment for internal audit to play a strategic role in the governance of these institutions, ensuring

compliance with standards and guidelines, identifying risks, and recommending practices that strengthen both institutional effectiveness and the achievement of academic and administrative objectives.

Methodological Procedures

For the theoretical framework, in addition to applicable legislation, studies available on the CAPES journal portal regarding auditing in federal universities were consulted. Concerning the objectives, the research is classified as descriptive; regarding the procedures, the research is documental, as the PAINT and RAINTE of the IFES were analyzed to identify the governance audit tests that were planned and executed in 2019. Subsequently, the TCU website was consulted to determine the level of governance maturity of each IFES.

For a better presentation and detailing of the research population and sample, Table 2 was prepared. The sample was defined based on the federal universities that responded, in 2019, to the TCU's self-assessment questionnaire (*PerfilGov2018*).

Chart 2 – Brazilian Federal Universities

Region	IFES	Region	IFES	Region	IFES	Region	IFES	Region	IFES
Midwest	UF ^{Cat} UF ^G UF ^{GD} UF ^J UF ^{MS} UF ^{MT} UF ^R Un ^B	North East	UF ^{AL} ,UF ^{APE} ,UF ^{BA} , UF ^{CA} ,UF ^{CG} ,UF ^{DPar} , UF ^{ERSA} ,UF ^{PB} ,UF ^{PE} , UF ^{PI} , UF ^{RB} ,UF ^{RN} , UF ^{RPE} ,UF ^S ,UF ^{SB} , UN ^{ILAB} ,UN ^{IVASF} , UF ^C ,UF ^{MA} ,UF ^{OB}	South	FUR ^G UF ^{CSPA} UF ^{FS} ,UF ^{PeI} , UF ^{PR} UF ^{RGS} UF ^{SC} UF SM UN ^{ILA} UN ^{PAMPA} UF ^{PR}	North	UF ^{AC} UF ^{AM} UF ^{OPA} UF ^{PA} UF ^{RA} UF ^{RR} , UF ^T UN ^{IFAP} UN ^{IFESSPA} UN ^{IR} UF ^{NT}	Southeast	UF ^{ABC} UF ^{ES} , UF ^F UF ^{JF} ,UF ^{LA} UF ^{MG} UF ^{OP} UF ^{RJ} UF ^{RRJ} UF ^{SCar} UF ^{SJ} , UF TM UF ^U ,UF ^V UF ^{VJM} UN ^{IFAL-} MG UN ^{IFEI} UN ^{IFESP} UN ^{IRIO}

Source: Own elaboration based on research data.

Among the population composed of 69 universities, six did not respond to the self-assessment questionnaire regarding PerfilGov2018. These universities are: UF^{DPar}, UF^{APE}, UF^{CAT}, UF^R, UF^J, founded in 2018, and UF^{NT}, founded in 2019. Thus, the sample was limited to 63 universities, representing 91.3% of the total population. To facilitate the

understanding of the classification of questionnaire responses and the published indices, which are defined in stages of capacity, Table 1 is presented.

Table 1 – Categorization of Responses

	Internship	Interval
Initial	Inexpressive	0 to 14.99%
	Beginning	15 to 39.99%
Intermediate Enhanced		40 to 70%
		70.01 to 100%

Source: Adapted from TCU (Brasil, 2021).

Based on Table 1, the objective is to verify the governance maturity index of each university in the sample, based on the collected data. It is noteworthy that the results are presented using graphs and tables, which will be discussed in the next section.

Research Results

According to the RAIN T of the IFES, four of the 63 universities in the sample (6.34%) reported their stage of governance maturity in the report: UFG, UFGD, UFRA, and UFSC. It is notable that UnB reported being at maturity level 1 of the IA-CM model, currently the national strategic tool recommended to members of the National Internal Control Council (CONACI). This model aims to strengthen governmental internal audit activity in Brazil through the partnership established in 2014 between CONACI and the World Bank (CONACI, 2021).

It is important to note that governance-related audit tests were planned and executed in six universities (9.52%): UFAC (evaluation of governance and internal controls of acquisitions), UFMS (evaluation of the degree of governance maturity and presentation of an action plan for improving governance mechanisms), UFMT (governance and management of public acquisitions), UFSC (governance and transparency), UnB (IT governance), and UFC (evaluation of governance and risk management). According to TCU data, four of these universities are at the intermediate stage of governance maturity: UFMT, UnB, UFC, and UFSC; UFAC is at the initial stage, and UFMS is at the enhanced stage.

After consulting the PAINT and RAIN T, it was observed that two universities planned governance audit activities, but the tests were not executed: FURG (governance improvement) and UFPR (evaluation of governance practices in outsourced contracts). These IFES are at the intermediate and initial stages, respectively. According to the 2019 technical report published by the TCU, Table 2 presents the stage of governance maturity of the IFES in the sample.

Table 2 – Grouping of IFES by Governance Process Maturity Level

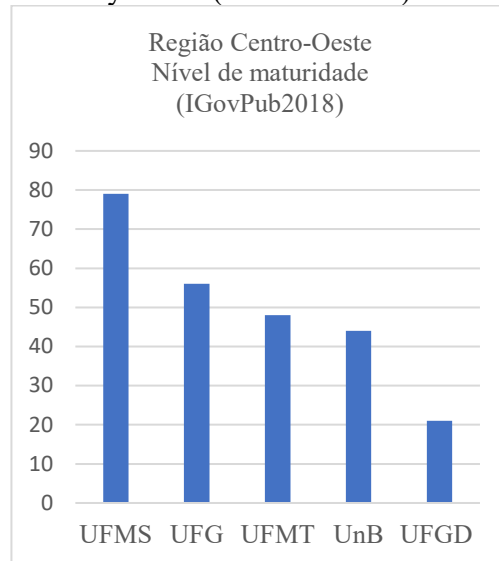
Internship		Interval	IFES	Quantity	%
Initial	Inexpressive	0 to 14.99%	<i>UFMA</i>	1	1,59%
	Beginning	15 to 39.99%	<i>UFAC, UFAL, UFBA, UFCG, UFCSPA, UFERSA, UFES, UFF, UFGD, UFJF, UFOPA, UFPR, UFRB, UFRJ, UFRR, UFRRJ, UFS, UFSB, UFSC, UFSCar, UFTM, UNIFAL-MG, UTFPR, UFOB UNIFESSPA, UNILA</i>	28	44,44%
Intermediate		40 to 70%	<i>FURG, UFABC, UFAM, UFCA, UFFS, UFG, UFMG, UFM, UFPA, UFPB, UFPE, UFPel, UFPI, UFRA, UFRGS, UFSJ, UFMS, UnB, UNIFAP, UNIRIO, UNIFEI, UNIFESP, UNILAB, UNIPAMPA, UNIVASF</i>	30	47,62%
Enhanced		70.01 to 100%	<i>UFLA, UFMS, UFRN, UFRPE</i>	4	6,35%

Source: Own elaboration based on the TCU Individual Self-Assessment Report (2018).

As observed from Table 2, most universities (47.62%) are at the intermediate level of governance process maturity. This is followed by the initial stage (44.44%), and lastly, the enhanced stage (6.35%). In the insignificant stage, there is one institution (UFMA), which corresponds to 1.59% of the sample.

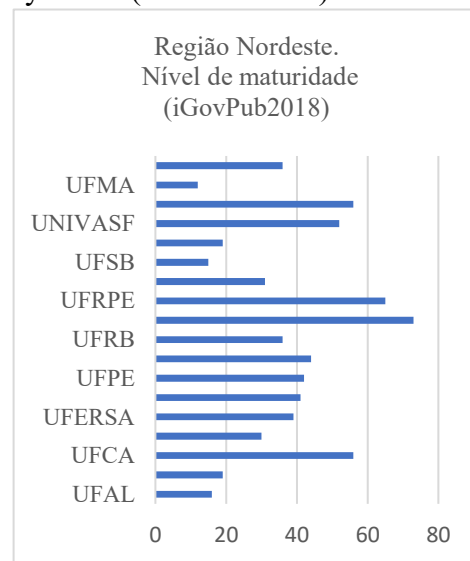
It is important to note that universities are characterized by didactic, administrative, and financial autonomy. Therefore, managers should support staff to facilitate services and monitor performance improvements, with the aim of providing high-quality services (Vieira; Deffacci, 2017). After verifying the governance maturity level of the IFES, figures were used to demonstrate the classification of each institution by region.

Figure 1 – Central-West Region
Maturity Level (*iGovPub2018*).



Source: Own elaboration.

Figure 2 – Northeast Region
Maturity Level (*iGovPub2018*).



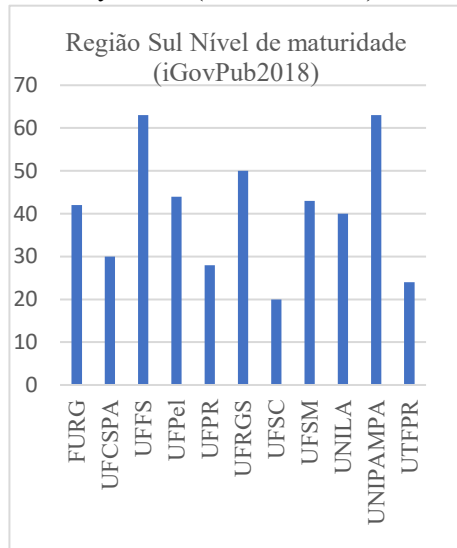
Source: Own elaboration.

Figure 1 reveals that, among the IFES in the Central-West region, UFMS stands out with an index of 79% (appropriate stage). Following are UFG, UFMT, and UnB, with 56, 48, and 44 percentage points, respectively, all at the intermediate stage of governance maturity. In 5th place is UFGD, at the initial stage (beginning), with an *iGovPub* index of 21%.

It is noteworthy that UFMS achieved 1st place in governance maturity, both regionally and nationally. Considering that the TCU metrics analyzed demonstrate UFMS's good governance, it can be inferred that the role of Internal Audit significantly contributes to adding value to the macroprocess. These data are consistent with the study by Bello, Ahmad, and Yusof (2018), which investigated the moderating effect of top management support on the relationship between internal quality and organizational performance in federal universities in Nigeria. It was found that the dimension of internal audit quality impacts institutional performance and that top management support is a relevant factor in the success of the internal audit function.

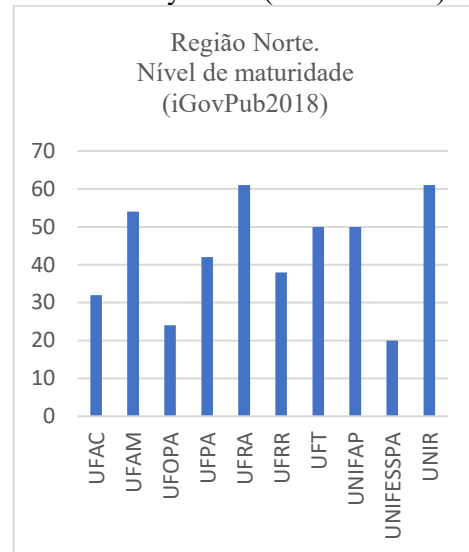
Figure 2 shows that, in the Northeast region, only two IFES are at the appropriate stage of governance maturity: UFRN and UFRPE, with indices of 73% and 65%, respectively. This result may indicate a need to strengthen audit units. Notably, the study by DeSimone and Rich (2020) demonstrated that the benefits of Internal Audit services extend beyond financial reporting, as this audit performs a variety of value-added services.

Figure 3 – South Region
Maturity Level (*iGovPub2018*).



Source: Own elaboration.

Figure 4 – North Region
Maturity Level (*iGovPub2018*).

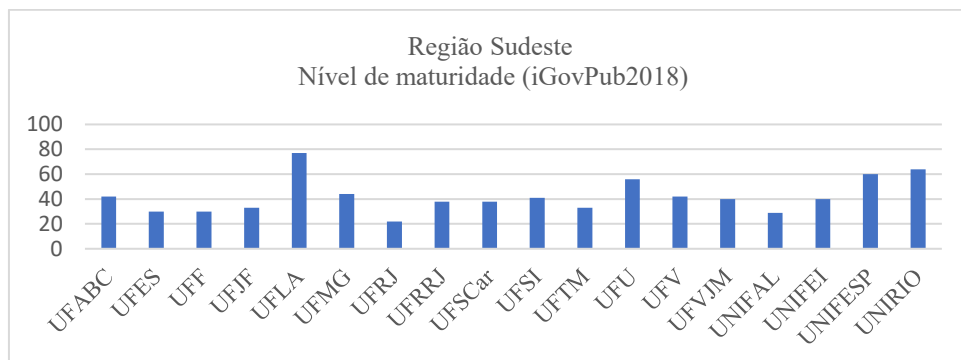


Source: Own elaboration.

According to Figure 3, there are no universities at the enhanced stage of governance in the South region. However, it is noteworthy that, in this region, UFFS holds the 1st position with an index of 68%, followed by UNIPAMPA with 63%, both situated at the intermediate stage of governance maturity.

As shown in Figure 4, similarly to the South region, the North region also does not have universities at the appropriate stage of governance maturity. The institutions occupying the top three positions are UFRA, UNIR, and UFAM, with indices of 61%, 61%, and 54%, respectively, all at the intermediate stage.

Figure 5 – Southeast Region. Maturity Level (*iGovPub2018*)



Source: Own elaboration.

As illustrated in Figure 5, among the 19 federal universities in the Southeast region, UFLA is the only one at the appropriate stage of public governance, with an index of 77%.

Following are UNIRIO and UNIFESP, both at the intermediate stage, with indices of 64% and 60%, respectively.

Based on Figures 1, 2, 3, 4, and 5, it can be stated that, of the 63 IFES investigated, only four universities are at the appropriate stage of public governance maturity. UFMS, located in the Central-West region, holds the first position with an *iGovPub* index of 79%. Following are UFLA in the Southeast region with 77%, and UFRN and UFRPE in the Northeast region, which hold the third and fourth positions, with indices of 73% and 65%, respectively.

Given the above, it is essential to highlight that the findings of this study were obtained through consultations with the PAINT and RAINT. Rodrigues, Sampaio, and Machado (2020) emphasize the significance of these documents for formalizing internal auditing activities in the public sector. According to the authors, the PAINT should encompass the actions of internal auditing, its objectives, and institutional development actions, and once approved, it is forwarded to the internal control body along with the RAINT.

Thus, internal auditing is of great importance for organizational control and should always be included in planning. Public governance, in turn, aims for transparency, efficiency, and equity in public administration, including Federal Universities. In this context, public governance is characterized by its regulatory model of relations between the public entity and the citizen, as evidenced by Linczuk (2012), who asserts that accountability strengthens the democratic process and public participation.

Final considerations

The research aimed to assess the contributions of internal auditing to the governance of Brazilian federal universities. It was observed that, out of the 63 universities participating in the TCU survey (*PerfilGov2018*), only 4 (6.35%) achieved the appropriate stage of public governance maturity. This result may indicate the need for institutional strengthening of internal audit units within the IFES. UFMS excelled in the adherence to public governance practices with a 79% index, while UFLA, UFRN, and UFRPE occupied the second, third, and fourth positions, with indices of 77%, 73%, and 65%, respectively.

Regarding the guiding question of the study, it can be theoretically inferred, based on the analyzed studies, that internal auditing contributes to governance in IFES. However, TCU highlighted a low level of governance maturity among the IGG participating entities. This finding suggests that many federal organizations exhibit deficiencies in leadership, strategy, or

accountability, as well as in operational management, including planning, execution, and control. This issue is crucial and should be further explored in subsequent studies.

The research revealed that the concept of public governance is still not widely implemented, although its principles have been present in Brazilian legislation, especially over the past fifteen years. It became evident that public governance extends beyond a mechanistic application of rules, requiring a shift in administrative culture and auditors' attitudes. The literature confirms that internal auditing plays a significant role in improving management and should be a partner in implementing innovation and new public governance.

Traditionally, administrative bureaucracy ensured organizational stability and predictability of behaviors, with internal auditing ensuring that the organization and its members' behaviors remained aligned with planning. However, the current technological transition, driven by artificial intelligence, compels organizations to abandon bureaucracy and adopt innovation as a matter of survival.

In this context, organizational maturity will be evidenced by the ability to foster innovation without compromising predictability. This opens a new field for internal auditing, which will need to rethink its professional content and adapt its traditional role to the new challenges of innovation and public governance.

For future research, it is also essential to analyze the indices of *iGG*, *iGovPessoas*, *iGestPessoas*, *GovernançaTI*, *iGestTI*, and *iGovContrat*. The conclusions of this article are relevant for further refining the scope of the internal auditing function in higher education institutions in Brazil, particularly for policymakers involved in regulations governing this function.

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