

The Audit Charter

PURPOSE

The Office of Internal Auditing (OIA) is the principal point within the University of North Florida to support management and the Board of Trustees in the effective discharge of their responsibilities relating to protecting the University's resources and reputation.

MISSION

The OIA provides the President, Vice-presidents, managers, administrators and the Board of Trustees, through the Chair of the Finance and Audit Committee, with independent and objective assurance as to the effectiveness of risk management, internal controls and governance processes within the University. The OIA performs audits, reviews, risk assessments, management advisory services, investigations of fraud and abuse, reviews of complaints, follow-ups of audit recommendations and coordination with external auditors.

REPORTING

The University's President selects the Director of Internal Auditing (DIA) in consultation with the Board of Trustees through the Chair of the Finance and Audit Committee. The DIA reports to the President and to the Board of Trustees through the Chair of the Finance and Audit Committee. The DIA shall have the opportunity to meet with the Chair of the Board of Trustees or the Chair of the Finance and Audit Committee as required and without other members of the University's management present.

INDEPENDENCE

In order to maintain an effective Office of Internal Auditing, it [OIA] must not have any direct responsibility or authority over any department or any of the activities it audits or reviews. Moreover, this reporting relationship must be recognized and accepted by the University's management to preserve OIA's independence from any direct or indirect influence from management in conducting any internal audit activity or investigation within the University.

AUTHORITY

The OIA has the authority to audit / investigate all areas of the University and all of the University's Direct Support Organizations (DSO's). These audits, reviews and investigations will not be restricted or limited either by the President, managers, administrators,

the Board of Trustees, or any combination thereof. The OIA has unrestricted access to the University's records, data, personnel, and physical property relevant to performing audits, reviews and investigations.

DUTIES AND RESPONSIBILITIES — The Director, Internal Auditing must:

- Complete an annual risk assessment of the University to determine and identify high-risk areas and other significant auditable activities.
- Prepare an annual risk-based work plan with recommendations for audits and reviews to the President, which is to be reviewed by the Finance and Audit Committee.
- Prepare an annual report summarizing the OIA's activities and significant accomplishments.
- Make sure that University processes are evaluated using the Committee on Sponsoring Organizations (COSO) guidelines issued by the Treadway Commission, The Institute of Internal Auditors' Standards for the Professional Practice of Internal Auditing, Generally Accepted Accounting Standards, and guidelines issued by the Office of Management and Budget (OMB), and the General Accounting Office (GAO), where applicable.
- Keep the President and the Board of Trustees, through the Chair of the Finance and Audit Committee, apprised of significant audits, reviews and investigations the OIA is conducting.
- Respond to requests from the President, Vice-presidents, managers, administrators, the Chair of the Board of Trustees and the Chair of the Finance and Audit Committee and support them in their oversight efforts.
- Receive complaints and allegations of misconduct (including anonymous ones through the OIA's website) and conduct or coordinate reviews and investigations, as appropriate.
- Follow up on all internal and external audit recommendations to ensure compliance.
- Coordinate with external auditors to provide support and access for their audit engagement at the University.
- Manage audit resources effectively to ensure a broad coverage of audits and reviews each fiscal year.
- Make sure that all auditors receive the appropriate annual training as recommended by the Institute of Internal Auditors and as required to maintain professional certification.

PROFESSIONAL STANDARDS

The Office of Internal Auditing will conduct its audits, reviews and investigations in accordance with the Standards for the Professional Practice of Internal Auditing and will abide by the Code of Ethics promulgated by the Institute of Internal Auditors and UNF's guidelines related to ethics.

Approved by the Board of Trustees June 16, 2005.