

Office of the President

TO MEMBERS OF THE COMMITTEE ON COMPLIANCE AND AUDIT:

ACTION ITEM

For Meeting of May 5, 2011

APPROVAL OF INTERNAL AUDIT CHARTER

PROPOSED ACTION:	Approve the Internal Audit Charter
PREVIOUS ACTIONS:	March 18, 2004 Regents approved Internal Audit Mission Statement, Internal Audit Management Charter, and Audit Management Plan
RELEVANT AUTHORITIES:	Under Bylaw 12.2, the Committee on Compliance and Audit provides recommendations to the Board regarding the internal audit mission statement and other governance documents related to the internal auditing activities in the University. Under Policy #1400, Section III, the Committee's oversight responsibility includes review of the Internal Audit Charter.

RECOMMENDATION

The Senior Vice President – Chief Compliance and Audit Officer recommends that the Committee on Compliance and Audit recommend to the Regents approval of the Internal Audit Charter, as shown in Attachment 1, to replace and supersede the three internal audit governance documents approved by the Regents in March 2004, as shown in Attachment 2, the Internal Audit Mission Statement, the Internal Audit Management Charter, and the Audit Management Plan.

BACKGROUND

In March 2004, the Regents approved three internal audit management governance documents - the Internal Audit Mission Statement, the Internal Audit Management Charter, and the Audit Management Plan. These documents are now outdated and in need of being streamlined. Therefore, the Senior Vice President – Chief Compliance and Audit Officer is recommending approval of the Internal Audit Charter, shown as Attachment 1, to replace and supersede the 2004 documents. Attachment 3 compares the provisions in the 2004 documents to those in the Internal Audit Charter.

Key changes include:

- The revised mission statement emphasizes providing the Regents, President, and campus chancellors independent and objective assurance and consulting services designed to add value and to improve operations.
- Independence and reporting structure descriptions have been updated to include the Senior Vice President – Chief Compliance and Audit Officer position, superseding the descriptions involving the University Auditor position.
- Descriptions of the work performed by internal audit have been updated to be more concise and consistent with the most recent professional standards issued by the Institute of Internal Auditors (IIA).

Attachments below:

Attachment 1 – Internal Audit Charter

Attachment 2 – Internal Audit Mission Statement, Internal Audit Management Charter, and
Audit Management Plan, approved March 18, 2004

Attachment 3 – Summary of Changes

Additions shown by underscoring

Internal Audit Charter

Policy Statement

It is the policy of the University of California to maintain an independent and objective internal audit function to provide the Regents, President, and campus Chancellors with information and assurance on the governance, risk management and internal control processes of the University. Further, it is the policy of the University to provide the resources necessary to enable Internal Audit to achieve its mission and discharge its responsibilities under its Charter. Internal Audit is established by the Regents, and its responsibilities are defined by The Regents' Committee on Compliance and Audit as part of their oversight function.

Mission

The mission of the University of California (UC) internal audit program (IA) is to provide the Regents, President, and campus Chancellors independent and objective assurance and consulting services designed to add value and to improve operations. It does this by assessing and monitoring the campus community in the discharge of their oversight, management, and operating responsibilities. Internal audit brings a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

Authority

IA functions under the policies established by the Regents of the University of California and by University management under delegated authority.

IA is authorized to have full, free and unrestricted access to information including records, computer files, property, and personnel of the University in accordance with the authority granted by approval of this charter and applicable federal and state statutes. Except where limited by law, the work of IA is unrestricted. IA is free to review and evaluate all policies, procedures, and practices for any University activity, program, or function.

In performing the audit function, IA has no direct responsibility for, nor authority over any of the activities reviewed. The internal audit review and approval process does not in any way relieve other persons in the organization of the responsibilities assigned to them.

Independence and Reporting Structure

To permit the rendering of impartial and unbiased judgment essential to the proper conduct of audits, internal auditors will be independent of the activities they audit. This independence is based primarily upon organizational status and objectivity and is required by external industry standards.

The Senior Vice President - Chief Compliance and Audit Officer (CCAO) has direct line reporting to both The Regents and the President. For administrative logistics, the CCAO has a dotted reporting line to the Executive Vice President – Business Operations. The CCAO has established an active channel of communication with the Chair of The Regents' Committee on Compliance and Audit, as well as with campus executive managements, on audit matters. The CCAO has direct access to the President and The Regents' Committee on Compliance and Audit. In addition, the CCAO serves as a participating member on all campus compliance oversight/audit committees.

Campus/Laboratory Internal Audit Directors (IADs) report administratively to the Chancellor/Laboratory Director (or designate) and directly to The Regents' Committee on Compliance and Audit through the CCAO. IADs have direct access to the CCAO and to the President or The Regents' Committee on Compliance and Audit as circumstances warrant.

Campus IADs will report periodically to the campus compliance oversight/audit committees on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work; the status of the annual audit plan, and the sufficiency of audit resources. The local audit functions will coordinate with and provide oversight of other control and monitoring functions involved in governance such as risk management, compliance, security, legal, ethics, environmental health & safety, external audit, etc.

IADs may take directly to the respective Chancellor or Laboratory Director, the CCAO, the President, or The Regents matters that they believe to be of sufficient magnitude and importance. IADs shall take directly to the CCAO who shall report to the President and The Regents' Committee on Compliance and Audit Chair, any credible allegations of significant wrongdoing (including any wrongdoing for personal financial gain) by or about a Chancellor, Executive Vice Chancellor or Vice President, or any other credible allegations that if true could cause significant harm or damage to the reputation of the University.

If Chancellors/Laboratory Directors, when pursuant to their re-delegation authority, designate a position to whom the IAD shall report, that position shall be at least at the Vice Chancellor/Deputy Laboratory Director level and the Chancellor/Laboratory Director shall retain responsibility for: approval of the annual audit plan; approval of local audit committee/work group charter; and shall meet with the IAD at least annually to review the state of the internal audit function and the state of internal controls locally. When reporting responsibility is re-delegated, IADs also have direct access to Chancellors/Laboratory Directors as circumstances warrant.

Scope of Work

The scope of IA work is to determine whether UC's network of risk management, control, and governance processes, as designed and represented by management at all levels, is adequate and functioning in a manner to ensure:

- Risk management processes are effective and significant risks are appropriately identified and managed.

- Ethics and values are promoted within the organization.
- Financial and operational information is accurate, reliable, and timely.
- Employee's actions are in compliance with policies, standards, procedures, and applicable laws and regulations.
- Resources are acquired economically, used efficiently, and adequately protected.
- Programs, plans, and objectives are achieved.
- Quality and continuous improvement are fostered in the organization's risk management and control processes.
- Significant legislative or regulatory compliance issues impacting the organization are recognized and addressed properly.
- Effective organizational performance management and accountability is fostered.
- Coordination of activities and communication of information among the various governance groups occurs as needed.
- The potential occurrence of fraud is evaluated and fraud risk is managed.
- Information technology governance supports UC strategies and objectives.

Opportunities for improving management control, quality and effectiveness of services, and the organization's image identified during audits are communicated by IA to the appropriate levels of management.

Nature of Assurance and Consulting Services

IA performs three types of projects:

Audits – are assurance services defined as examinations of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization. Examples include financial, performance, compliance, systems security and due diligence engagements.

Consulting Services – the nature and scope of which are agreed with the client, are intended to add value and improve an organization's governance, risk management, and control processes without the internal auditor assuming management responsibility. Examples include reviews, recommendations (advice), facilitation, and training.

Investigations – are independent evaluations of allegations generally focused on improper governmental activities including misuse of university resources, fraud, financial irregularities, significant control weaknesses and unethical behavior or actions.

Mandatory Guidance

IA serves the University in a manner that is consistent with the standards established by the SVP/CCAO and acts in accordance with University policies and *UC Standards for Ethical*

Conduct. At a minimum, it complies with relevant professional standards, and the Institute of Internal Auditors' mandatory guidance including the *Definition of Internal Auditing*, the *Code of Ethics* and the *International Standards for the Professional Practice of Internal Auditing*. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity's performance.

Certain Personnel Matters

Action to appoint, demote or dismiss the SVP/CCAO requires the approval of The Regents.
Action to appoint an IAD requires the concurrence of the SVP/CCAO. Action to demote or dismiss an IAD requires the concurrence of the President and Chair of the Compliance and Audit Committee, upon the recommendation of the SVP/CCAO.

Deletions shown by strikethrough

Internal Audit Mission Statement, Internal Audit Management Charter, and Audit Management Plan approved March 18, 2004

UNIVERSITY OF CALIFORNIA
(Revised March 2004)

INTERNAL AUDIT MISSION STATEMENT

The mission of internal audit is to assess and monitor the university community in the discharge of their oversight, management, and operating responsibilities in relation to governance processes, the systems of internal controls, and compliance with laws, regulations and University policies including those related to ethical conduct by providing relevant, timely, independent, and objective assurance, advisory and investigative services using a systematic, disciplined approach to evaluate risk and improve the effectiveness of control and governance processes.

INTERNAL AUDIT MANAGEMENT CHARTER

Authority

Internal Audit functions under the policies established by The Regents of the University of California and by University management under delegated authority.

Independence

To permit the rendering of impartial and unbiased judgment essential to the proper conduct of audits, internal auditors will be independent of the activities they audit.

Independence is essential to the effectiveness of the Internal Audit Program. This independence is based primarily upon organizational status and objectivity:

The University Auditor reports functionally to The Regents through its Committee on Audit and administratively to the Senior Vice President—Business and Finance. The University Auditor also has direct access to the President of the University.

The locally based Internal Audit Departments report functionally to The Regents through the Office of the University Auditor and administratively to the campus Chancellor or Laboratory Director directly or through designated channels. (For reporting purposes, the Chancellor's designee shall be at the level of Vice Chancellor or above, and the Laboratory Director's designee shall be at the level of Associate Director or above.)

Internal Auditors may take directly to the respective Chancellor or Laboratory Director, the University Auditor, the President, or The Regents matters that they believe to be of sufficient magnitude and importance. Internal Auditors shall take directly to the University Auditor who shall report to the Senior Vice President—Business and Finance and The Regents' Committee on Audit Chair any credible allegations of significant wrongdoing (including any wrongdoing for personal financial gain) by or about a

~~Chancellor, Executive Vice Chancellor or Vice President, or any other credible allegations that if true could cause significant harm or damage to the reputation of the University. Internal Auditors shall take directly to the University Auditor who shall report to The Regents' Committee on Audit Chair any allegations by or about the Senior Vice President—Business and Finance or the President. Any such matters will be reported to The Regents' Board Chair at the discretion of the University Auditor or Committee on Audit Chair.~~

~~In performing the audit function, the Internal Audit Office has no direct responsibility for, nor authority over, any of the activities reviewed. Therefore, the internal audit review and appraisal process does not in any way relieve other persons in the organization of the responsibilities assigned to them.~~

Seope

~~Internal Audit is authorized to have full, free and unrestricted access to information including records, computer files, property, and personnel of the University in accordance with the authority granted by the Board's approvals of this charter and applicable federal and state statutes.~~

~~Except where limited by law, the work of Internal Audit is unrestricted. Internal Audit is free to review and evaluate all policies, procedures, and practices of any University activity, program, or function.~~

Standards

~~The responsibility of the Internal Audit Program is to serve the University in a manner that is consistent with the standards established by the University Auditor . At a minimum it shall comply with the relevant professional standards, such as the *Standards For The Professional Practice of Internal Auditing* and with professional standards of conduct such as the *Code of Ethics of the Institute of Internal Auditors, Inc.*~~

UNIVERSITY OF CALIFORNIA
AUDIT MANAGEMENT PLAN
(Revised March 2004)

~~I. The University Audit Program is comprised of three elements:~~

- ~~A. An external independent (PwC) certified public accounting firm reporting to The Regents.~~
- ~~B. The University Auditor's Office reporting functionally to The Regents through its Committee on Audit and administratively to the Senior Vice President Business and Finance.~~
- ~~C. Campus/Laboratory Internal Audit Departments reporting functionally to The Regents through the University Auditor and administratively to the Chancellors/Laboratory Directors or designee.~~

~~II. Objectives of the Internal Audit Program~~

~~To conduct a program of audits, consultations, and investigations which are of service to The Regents and management through the following activities:~~

- ~~A. Reviewing management, financial, and operating controls to appraise their soundness and adequacy to advise management, and on matters of material import, The Regents, as to whether:~~
 - ~~1. The systems of internal control effected by the University's Board of Regents, management and other personnel, provide reasonable assurance regarding the achievement of objectives in the following categories:~~
 - ~~—— effectiveness and efficiency of operations~~
 - ~~—— reliability of financial reporting~~
 - ~~—— compliance with applicable laws and regulations;~~
 - ~~2. Established plans, policies, and procedures are being complied with;~~
 - ~~3. University assets are accounted for and safeguarded from loss.~~
- ~~B. Providing recommendations to improve operating efficiency and internal controls.~~
- ~~C. Providing consultation on current and proposed operating policies and procedures and changes in the system of internal controls.~~
- ~~D. Conducting investigations in support of the University's compliance with laws governing improper government activities.~~

III. —Responsibilities of the Audit Group

A. —External Auditors

1. —Perform, in accordance with generally accepted auditing standards, and government auditing standards an audit (PwC) of the financial statements of the University to determine whether such financial statements present fairly the University's financial position changes net assets and cash flows in accordance with generally accepted accounting principles.
2. —Review the adequacy of the systems of internal controls related to the financial statement audit and render recommendations as appropriate.
3. —Perform such additional financial or compliance audits as directed by The Regents.
4. —Provide such accounting and other consultation as requested by management or The Regents.

B. —Office of the University Auditor

1. —Establish a relationship with the University's external auditors whereby annual plans are developed in concert, appropriate support is provided to the external auditors, and an active channel exists for sharing audit findings and other information of mutual interest and concern.
2. —Analyze and evaluate Universitywide policies, plans, procedures and practices including those designed to assure ethical conduct.
3. —Conduct investigations pursuant to the University Policy on Reporting and Investigating Allegations of Improper Governmental Activities within the Office of the President and at the campuses or laboratories at the request of the President, the Chancellor/Laboratory Director or their designee, or the campus/laboratory Internal Audit Director in the event of a conflict of interest.
4. —Provide oversight and administration of compliance with the University Policy on Reporting and Investigating Allegations of Improper Governmental Activities.
5. —With the Senior Vice President Business and Finance, provide information with respect to material audit and investigation matters so as to keep the President and appropriate Regents adequately informed on a timely basis.

6. ~~Coordinate and direct special non-recurring studies as requested by The Regents' Committee on Audit, the President, or other appropriate University officials.~~
7. ~~Coordinate all communications with the California State Auditor in connection with their investigations and requests for preliminary investigations by the University.~~
8. ~~Working with the campus/laboratory Internal Audit Directors, develop appropriate methodologies and objectives, and coordinate the preparation of annual and long-range Universitywide internal audit plans.~~
9. ~~Working with the campus/laboratory internal audit directors, establish documented standards for:~~
 - a. ~~the conduct, documentation and reporting of audit, consultation and investigation activities;~~
 - b. ~~timely follow up to assess whether appropriate action has been taken on reported audit findings;~~
 - c. ~~continuing education and a systematic training program for internal auditors;~~
 - d. ~~rotation of auditor assignments to enhance freshness and objectivity of audit perspective; and~~
 - e. ~~the determination of appropriate minimum levels of audit staffing.~~
10. ~~Develop and oversee the conduct of a peer review program designed to assess and assure compliance with Institute of Internal Auditors and University adopted professional standards.~~
11. ~~Coordinate the development of, and archive model audit programs to avoid duplication of efforts.~~
12. ~~Facilitate and serve as a conduit for the sharing of information among campus/laboratory audit departments regarding planned audit efforts, significant audit and investigation findings of mutual interest and concern, audit reports issued, and the development of improved audit techniques/technologies.~~
13. ~~Provide research and technical support to campuses/laboratories as needed and requested.~~

14. ~~Provide, or facilitate the sharing of human resources among the internal audit departments as needed and available.~~
15. ~~Develop Guidelines for local campus/laboratory audit committees and serve as an ex-officio member of each local committee.~~
16. ~~Oversee the campus, laboratory and Office of the President internal audit programs of comprehensive review and examination of policies and procedures to assure that all facets of the University are undertaking such in a clear, consistent and effective manner.~~

~~C. Campus/Laboratory Internal Audit Departments~~

1. ~~Audit campus/laboratory and medical center operations and activities in accordance with the annual plan submitted to the Office of the President.~~
2. ~~Conduct investigations in accordance with University Policy on Reporting and Investigating Allegations of Improper Governmental Activities, keeping the University Auditor, Senior Vice President Business and Finance and the General Counsel's office advised as called for by the Policy.~~
3. ~~Provide services in a consultation role as requested by management, business units, and academic administration when such requests are consistent with the professional expertise of the auditors and maintenance of an appropriate level of independence, and do not materially impact the accomplishment of the risk based campus annual internal audit plan.~~
4. ~~Review campus/laboratory compliance with University fiscal and administrative policies and procedures, conformance with governmental laws and regulations, and compliance with resource allocation and gift endowment restrictions.~~
5. ~~Participate and provide appropriate support to campus/laboratory committees, work groups, task forces and the like involved in the development, review and/or re-engineering of policies, procedures and systems. In these endeavors auditors will be mindful of their appropriate role versus the role of management and will actively promote and advocate a sound system of internal controls in support of operational effectiveness and efficiency objectives.~~
6. ~~As requested by the Chancellor/Laboratory Director, serve as external audit coordinator working with all external agencies having an audit interest in the University/Laboratory.~~

- ~~7. Support the whistleblower coordinator (Locally Designated Official) facilitating the adoption, implementation, and administration of local whistleblower procedures in support of the University policy.~~
- ~~8. Conduct audit, consultation and investigation activities in accordance with standards established for the entire University of California internal audit program.~~
- ~~9. Participate in the development of standards, audit planning methodologies, common audit programs, peer review programs, and other initiatives undertaken for the benefit of the entire University of California internal audit program.~~
- ~~10. Consult with the University Auditor on any matter representing a conflict of interest, or the appearance of a conflict of interest on the part of the local internal audit department.~~

~~IV. Reporting Channels~~

~~A. The University Auditor:~~

- ~~1. Reports administratively to the Senior Vice President Business and Finance and functionally to The Regents through its Committee on Audit and has direct access to the President as circumstances warrant.~~
- ~~2. Provides formal reports to The Regents' Committee on Audit semi-annually, and at other times as requested. The University Auditor will take it as his/her responsibility to seek to establish an active channel of communications with the Chair of The Regents' Committee on Audit.~~
- ~~3. Meets with the Vice Chancellors/Deputy Laboratory Directors or other officials to whom internal audit functions report quarterly to discuss audit matters of Universitywide concern, to provide information on systemwide internal audit initiatives and to promote consistency of internal audit oversight.~~
- ~~4. Conducts at least quarterly meetings of Internal Audit Directors forming a committee for the promulgation of auditing standards, practices and policies.~~
- ~~5. Serves as ex-officio member of all campus/laboratory audit committees/work groups.~~
- ~~6. Meets with Chancellors/Laboratory Directors and Vice Chancellors/Deputy Laboratory Directors as requested.~~

~~B. Campus/Laboratory Internal Audit Directors:~~

- ~~1. Report administratively to the Chancellor/Laboratory Director and to The Regents' Committee on Audit through the University Auditor but have direct access to the President or The Regents' Committee on Audit as the circumstances warrant.~~
- ~~2. When, pursuant to their redelegation authority, Chancellors/Laboratory Directors designate a position to whom the Internal Audit Director shall report, that position shall be at least at the Vice Chancellor/Deputy Laboratory Director level and the Chancellor/Laboratory Director shall retain responsibility for:~~
 - ~~a. approval of the annual audit plan;~~
 - ~~b. approval of audit committee/work group charter;~~

~~and shall meet with the Internal Audit Director at least annually to review the state of the internal audit function and the state of internal controls locally. When reporting responsibility is redelegated, Internal Audit Directors also have direct access to Chancellors/Laboratory Directors as the circumstances warrant.~~

- ~~3. Facilitate the scheduling of local audit committee/work group meetings and provide staff support to the audit committee/work group.~~

~~C. Direct Reporting to The Regents' Committee on Audit~~

- ~~1. Internal Auditors may take directly to the respective Chancellor or Laboratory Director, the University Auditor, the President, or The Regents matters that they believe to be of sufficient magnitude and importance. Internal Auditors shall take directly to the University Auditor who shall report to the Senior Vice President—Business and Finance and The Regents' Committee on Audit Chair any credible allegations of significant wrongdoing (including any wrongdoing for personal financial gain) by or about a Chancellor, Executive Vice Chancellor or Vice President, or any other credible allegations that if true could cause significant harm or damage to the reputation of the University. Internal Auditors shall take directly to the University Auditor who shall report to The Regents' Committee on Audit Chair any allegations by or about the Senior Vice President—Business and Finance or the President. Any such matters will be reported to The Regents' Board Chair at the discretion of the University Auditor or Committee on Audit Chair.~~
- ~~2. Internal Auditors shall report directly to the University Auditor who shall report to The Regents' Committee on Audit Chair any allegations by or~~

~~about the Senior Vice President Business and Finance or the President. Any such matters will be reported to The Regents' Board Chair at the discretion of the University Auditor or Committee on Audit Chair.~~

- ~~3. Internal Auditors shall report directly to the Senior Vice President Business and Finance who shall report to the Chair of The Regents' Committee on Audit any allegations related to the University Auditor.~~

~~V. Certain Personnel Matters~~

- ~~A. Action to appoint, demote or dismiss the University Auditor requires the approval of The Regents. Action to appoint campus/laboratory Internal Audit Directors requires the concurrence of the University Auditor. Action to demote or dismiss campus/laboratory Internal Audit Directors requires the concurrence of the President upon the recommendation of the University Auditor.~~

Summary of Changes

The following table compares the provisions in the 2004 documents in Attachment 1 to those in the Internal Audit Charter proposed in Attachment 2.

	<u>Original Documents dated 3/2004:</u> 1. Mission and Management Charter 2. Audit Management Plan	<u>Original documents superseded by:</u> Internal Audit Charter	
Topic	Original Documents	New Document	Comments
<u>Mission Statement</u>	Emphasis on monitoring the university community in the discharge of their oversight, management and operating responsibilities in relation to governance process, internal controls and compliance by providing relevant, independent and objective assurance and other services	The new Mission Statement emphasizes providing the Regents, President, and campus Chancellors independent and objective assurance and consulting services designed to add value and to improve operations. Internal audit brings a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.	Other clarifying language included in the new document
<u>Independence and Reporting Structure</u>	“Independence” section stressed that independence is essential to the effectiveness of Internal Audit and is based primarily upon organizational status and objectivity This section also included reporting structure for University Auditor, Internal Audit Departments, and Internal Auditors	“Independence and Reporting Structure” section contains the same content listed in “Independence” section, except for changes to job titles. Information in the “Independence” section was combined into “Independence and Reporting Structure” section.	Clarifying language in a concise format included in the new document

	<u>Original Documents dated 3/2004:</u> 1. Mission and Management Charter 2. Audit Management Plan	<u>Original documents superseded by:</u> Internal Audit Charter	
Topic	Original Documents	New Document	Comments
<u>Reporting Structure</u>	“University Audit Program” section contained a section on “Reporting channels” and detailed description of duties at each level of responsibility.	“Reporting Structure” section outlines reporting structure for the following positions: – Senior Vice President (SVP)– Chief Compliance and Audit Officer (CCAO) – Campus/Laboratory Internal Audit Directors (IADs) – no change in reporting structure. Included role of the SVP/CCAO in communications with The Regents’ Committee on Compliance and Internal Audit	Information in 3/2004 Original Documents is outdated. After Original Documents were approved in 2004, position of SVP-CCAO was added, superseding former responsibilities of University Auditor.
<u>Scope of Work</u>	Within “Outline of UC Audit Management Plan, a section entitled “University Audit Program” included detailed description of: – Program objectives – Audit group responsibilities (including External Auditors, campus IA, and University Auditor) – Responsibilities in performing audits, investigations, and consulting projects	“Scope of Work” section gives concise description of the scope of IA work. It emphasizes IA’s role in determining whether UC’s network of risk management, control, and governance process, as designed and represented by management at all levels, is adequate. In addition, IA’s role is to ensure (brief summary below): – Risks are identified and managed – Significant financial, managerial and operating information is accurate, reliable and	

	<u>Original Documents dated 3/2004:</u> 1. Mission and Management Charter 2. Audit Management Plan	<u>Original documents superseded by:</u> Internal Audit Charter	
Topic	Original Documents	New Document	Comments
		timely – Resources are acquired economically, and used efficiently – Objectives are achieved – Legislative or regulatory issues are recognized and addressed	
<u>Description of Services</u>	“University Audit Program” section references all of the services provided by internal audit in context of program objectives description and outlined audit group responsibilities.	“Nature of Assurance and Consulting Services” section includes a clear description of three types of services provided by internal audit: – Audits – assurance services – Consulting Services – nature and scope of services are agreed with the client, intended to add value and improve organization’s processes and risk management – Investigations - independent evaluations of allegations generally focused on improper governmental activities	
<u>Guidance/Standards</u>	”Standards” section outlines IA’s responsibility to serve the University in a manner consistent with the standards	“Mandatory Guidance” section outlines IA’s responsibility to serve the University in a manner consistent with the standards established by	The reference to IIA professional standards has been updated to reflect name change.

	<u>Original Documents dated 3/2004:</u> 1. Mission and Management Charter 2. Audit Management Plan	<u>Original documents superseded by:</u> Internal Audit Charter	
Topic	Original Documents	New Document	Comments
	established by UC and relevant professional standards: – Standards For the Professional Practice of Internal Auditing – Code of Ethics of the Institute of Internal Auditors	the SVP/CCAO and relevant professional standards: – Definition of Internal Auditing – Code of Ethics – International Standards for the Professional Practice of Internal Auditing	
<u>Personnel Matters</u>	No changes made	No changes made	