

Eastern Illinois University

Office of Internal Auditing Charter

Purpose

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The internal audit function is an integral part of Eastern Illinois University's (University) control system. However, the internal audit review and appraisal process does not relieve other University personnel of the responsibilities assigned to them.

Organization and Authority

The Office of Internal Auditing (Office) functions in accordance with the University's Internal Governing Policy on Internal Auditing, the State of Illinois Fiscal Control and Internal Auditing Act (FCIAA), and the State Internal Audit Advisory Board.

FCIAA requires that the Director of Internal Auditing (Director) report to the President and have direct communications with the Board of Trustees (BOT). At the University, the Director reports functionally to both the President and BOT and administratively (i.e. day-to-day operations) to the President. FCIAA also requires that all Office staff be free from all operational duties and have complete unrestricted access to all University records, property, electronic media, and personnel relevant to the performance of their work.

Statement of Professional Practice

FCIAA established a State Internal Audit Advisory Board that has adopted the Institute for Internal Auditing's (IIA) mandatory elements of the International Professional Practices Framework (the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing (the *Standards*), and the Definition of Internal Auditing) which the Office adheres to for guidance.

The Director and staff of the Office are expected to apply and uphold the principles of integrity, objectivity, confidentiality, and competency as defined by the IIA in the Code of Ethics.

The Core Principles (Principles), taken as a whole, articulate internal audit effectiveness. For the internal audit function to be considered effective, all Principles should be present and operating effectively. The Director and Office staff are expected to follow all Principles as defined by the IIA.

Responsibility

The Office is responsible for providing the University's administrators and BOT members with information about the adequacy and the effectiveness of the University's system of internal controls and quality of operating performance. To accomplish this responsibility, all institutional activities are subject to audit. The Office also conducts special projects and consulting services that are advisory in nature for the University community. Examples of consulting services include counsel, advice, facilitation, and training. These projects are usually requested by BOT, administration, and departmental heads. When performing consulting services, the nature and scope of the activities will be agreed upon with the client and the Office

will not assume management responsibility. The Office does not perform consulting services outside of the University.

The scope of internal auditing encompasses examining and evaluating the adequacy and effectiveness of the University's systems of internal control and the quality of operating performance against established standards in carrying out assigned responsibilities.

The Director is generally responsible for the administration of this charter and for functionally directing internal audit activities throughout the University. These responsibilities include annually submitting a flexible two-year audit plan for the President's approval prior to June 30th and reporting to the President by September 30th the status of the completion of the prior year's audits and outstanding issues.

University administrators are responsible for providing internal auditors with timely access to all records, personnel, and physical properties which the Director has determined to be relevant, and pertinent and for making sure that prompt, pertinent, and comprehensive responses are made to audit recommendations.

This charter was prepared by the Director and has been reviewed and approved by the following:

Dr. David M. Glassman
President

Date

Ms. Joyce Madigan
Chairperson of the Board of Trustees

Date