

University of Kentucky Internal Audit Charter

Purpose

Internal Audit assists the University management, administration and the Board of Trustees in the effective discharge of their fiduciary and administrative responsibilities by providing independent, objective assurance and consulting services with respect to evaluating risk management, control, and governance processes. By monitoring areas of potential vulnerability and pursuing preventive measures, the department assists all members of the university community to comply with policies and procedures and uphold the highest standards of business conduct. To this end, Internal Audit will furnish management with analyses, recommendations, counsel, and information concerning the activities examined.

Standards

In all of its activities, Internal Audit will adhere to the Professional Standards and the Code of Ethics published by the *Institute of Internal Auditors in The Professional Practices Framework* handbook. Each member of the department is expected to consistently demonstrate high standards of conduct as well as appropriate judgment, independence and discretion.

Authority

Internal Audit provides advisory services to all entities and subsidiaries of the University and the University's Clinical Enterprise. Internal Audit activity should be independent, free from interference in determining the scope of audits, performing work, and communicating results. This independence is ensured through Internal Audit's reporting relationship to the President through the Executive Vice President for Finance and Administration to the Audit Subcommittee of the Board of Trustees. In carrying out these responsibilities, all Internal Audit personnel have unlimited and unrestricted access to all data, records, files, property, and personnel of the University.

Responsibility

1. Internal Audit will review its Work Plan with the Audit Subcommittee as well as provide a listing of investigative and administrative activities started or finished since the last subcommittee meeting. The Director of Internal Audit may, at his or her discretion, forward complete audit reports to the Audit Subcommittee.
2. Internal Audit will work collaboratively with the University's External Auditors so that efforts are not duplicated and resources are leveraged.
3. Internal Audit will be responsive and responsible to administrators and managers at all levels in the University. Similarly, each unit Director will ensure the cooperation of his or her staff throughout the internal audit process. Further, each unit Director is responsible for submitting a written response to each recommendation in the Draft report to be included in the Final Audit Report.
4. Internal Audit has no authority over, nor direct responsibility for, any of the activities reviewed. The services performed by Internal Audit are staff and advisory functions only, and in no way relieve business units of their responsibilities.

Dr. Lee Todd
University President

Date

JoEtta Wickliffe
Chair Audit Subcommittee

Date