Office of the President  
March 29, 2011

Members, Audit Subcommittee:

PROPOSED REVISIONS TO INTERNAL AUDIT CHARTER

Recommendation: that the Audit Subcommittee approve revisions to the Internal Audit Charter.

Background: The Audit Subcommittee of the Finance Committee approved the Internal Audit Charter on May 10, 2005. In 2009 the University of Kentucky Internal Audit (IA) department, as part of its quality assurance program and in keeping with the International Standards for the Professional Practice of Internal Auditing, engaged The Institute of Internal Auditors to perform a Quality Assessment Review (QAR).

One QAR recommendation noted that the Internal Audit Charter needed to be updated to reflect the current International Professional Practices Framework and the current Audit Subcommittee Chair. The QAR also recommended that the Charter “be reviewed and approved on a more frequent basis” and that “the (IA) annual work plan should be reviewed and approved by the Audit Subcommittee, along with any significant interim (work plan) changes.” The proposed revisions to the Internal Audit Charter include these QAR recommendations.

A summary of the recommended changes and final charter are attached.

Action taken: ☑ Approved ❌ Disapproved ❌ Other ____________________