

Internal Audit Office

POLICY III.5.1

Volume III, Governance
Chapter 5, Internal Audit
Issuing Office: Executive Vice President and
Treasurer
Responsible Officer: Executive Vice
President and Treasurer
Responsible Office: Executive Vice President
and Treasurer
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Statement of Policy

The Internal Audit Office is structured in accordance with The Bylaws of the Trustees Article IV, Section 6: "The Treasurer of the Corporation shall maintain an internal audit office independent of any other office of the Corporation or of the University. The Director of Audits shall submit to the Board annually a written report on the work of the internal audit office for the preceding calendar year. In addition, the Director of Audits, prior to the presentation of the written annual report, shall make an annual oral presentation concerning the work of the internal audit office to the Audit and Insurance Committee, which shall be made in the presence of the Treasurer. Immediately following the completion of each oral presentation, the Director of Audits shall confer with the Audit and Insurance Committee, outside the presence of the Treasurer or any other officer of the University on any subject germane to the area of responsibility of the internal audit office. The written annual report to the Board shall be made at a stated meeting selected by the Audit and Insurance Committee but in no event shall it be deferred beyond July 1 of each year without the consent of the Chairman. In addition, at any time when in the judgment of the Director of Audits circumstances warrant or in response to a request from the Chairman of the Audit and Insurance Committee, the Director of Audits shall make a written or oral report to the Chairman of the Audit and Insurance Committee without informing the Treasurer or any other University officer. Subject to the foregoing, the Treasurer shall attend the meetings of the Audit and Insurance Committee and serve as its Secretary and keep a record of its proceedings".

Mission

The mission of the Internal Audit Office is to provide independent, objective assurance and consulting services designed to add value and assist all levels of administration in achieving University goals and objectives by striving to provide a positive impact on the efficiency and effectiveness of the operations. The Internal Audit Office helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Role

The Internal Audit Office serves as an independent and objective resource to examine and evaluate University activities as a service to the Board of Trustees and management of Purdue University.

Responsibility

The Internal Audit Office is responsible for conducting internal audits and evaluating the University's risk management, control, and governance processes. The audits include assessments of the reliability of departmental financial information, compliance with University policies and procedures, compliance with laws and regulations, safeguarding assets, and the effectiveness and efficiency of operations. In addition, the Internal Audit Office may provide consulting services including evaluations of internal controls, system implementation controls, and other areas of interest and concern. The Internal Audit Office may also provide specific audit or consulting services for other activities in support of its mission.

Independence

The Internal Audit Office has no direct operating responsibility or authority for management processes, internal controls, or any of the activities or operations they review, thereby maintaining a spirit of independence and objectivity. The internal audit review and appraisal does not in any way relieve other persons in the organization of the responsibilities assigned to them.

Authority

The Internal Audit Office has the authority to audit all parts of the University and is granted full and complete access to any records (in any form), physical properties, and personnel relevant to a review. Documents and information given to internal auditors during a review will be handled in accordance with University policies and procedures.

The Director of Audits is responsible for supervising the Internal Audit Office and for coordinating all internal and external auditing functions, including annual financial audits by certified public accounting firms and the Indiana State Board of Accounts. The Director of Audits will be responsible for coordinating federal audits with appropriate University offices.

Reason for Policy

This document communicates the reporting structure, mission, role, responsibilities, independence, and authority of the Internal Audit Office.

Who Should Know This Policy

President
Provost
Chancellors
Vice Presidents
Deans
Directors/Department Heads/Chairs
Principal Investigators

Faculty
Administrative and
Professional Staff
Business Office Staff
Clerical and Service Staff
All Employees
Graduate Students
Undergraduate Students

Related Documents

The Bylaws of the Trustees Article IV, Section 6

Contacts

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