

INTERNAL AUDIT ACTIVITY CHARTER

INTRODUCTION:

The Institute for Internal Auditors identifies the mission of internal auditing as, "to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight."

The leadership of California State University Channel Islands (hereafter referred to as Cal State Channel Islands) acknowledges the value of such a function and supports the development and continuous improvement of an audit program that seeks to assist the University in accomplishing its strategic objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the University's governance, risk management, and internal controls.

MISSION AND OBJECTIVES:

The mission of the Internal Audit Office (Internal Audit) is to transform the delivery of the University's internal audit services through the implementation of a continuously improving audit program. The audit program seeks to assist the Cal State Channel Islands and its auxiliaries in assessing risks and evaluating the controls designed to address those risks. Internal Audit strives to furnish management with analyses, recommendations, counsel, and information concerning activities reviewed, both financial and non-financial.

SCOPE:

Internal Audit will have unrestricted access to all information, records, and personnel relevant to the objectives and scope of audit assignments, encompassing the University, auxiliary organizations, alumni association, centers and institutes, self-supporting enterprises, and student clubs and organizations.

The scope of internal auditing encompasses, but is not limited to, examining and evaluating the policies, procedures, and systems which are in place to ensure: reliability and integrity of information, compliance with policies, plans, procedures, laws and regulations; safeguarding assets; economical and efficient use of resources; and accomplishment of establishing objectives and goals for operations or programs. Internal Audit may provide consulting services within the University concerning issues related to internal controls, special investigations, and other areas of interest and concern.

Internal Audit is responsible for coordinating audit planning and scheduling activities with external auditors. Campus personnel are required to report all audits to the University Internal Auditor to ensure appropriate coordination with all related parties and entities upon initial contact by outside agencies.

AUTHORITY AND RESPONSIBILITY:

Internal Audit is responsible for serving the University in a manner consistent with the Standards of the Professional Practice of Internal Auditing and with the professional standards of conduct outlined in the Code of Ethics.

¹ "Mission of Internal Audit". *Institute of Internal Auditors*, <https://na.theiaa.org/standards-guidance/Pages/Mission-of-Internal-Audit.aspx>.

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Internal Audit, with strict accountability for confidentiality and safeguarding records and information, is authorized to review all records of the University and its Auxiliary Corporations, and has **full** access to all activities, records, property, and personnel reasonably necessary to perform the responsibilities of this function. Information obtained during the course of the audit activities will be held with appropriate confidentiality.

Internal Audit will have no direct responsibility of authority for any of the activities or operations they review. Internal Audit will not develop and install procedures, prepare records, or engage **in** activities that would normally be reviewed by internal auditors. Furthermore, an internal audit does not, in any way, relieve others in the University of the Responsibilities assigned to them.

INDEPENDENCE AND OBJECTIVITY:

Internal Audit will exhibit the highest level of professional objectivity **in** gathering, evaluating, and communicating information about the activity or process being examined. In addition, it will make a balanced assessment of all the relevant circumstances and not be unduly influenced by its own interests or by others in forming judgments.

ORGANIZATION:

The University Internal Auditor reports to the Special Assistant to the President and Associate Vice President for Organizational Effectiveness. The University President will approve the internal audit charter, as well as provide final approval of an annual risk-based audit plan.

REPORTING AND MONITORING:

Internal Audit is responsible for the campuswide monitoring of the process, development, results, and follow-up to external audits conducted by the Chancellor's Office or any external party.

The monitoring and results of internal assurance and consulting services will be properly communicated to the appropriate management or operating personnel in the form of written reports, consultation, advice, or through other appropriate means.

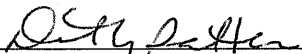
Periodic written reports that include management comments itemizing specific actions taken or planned to mitigate identified risks - due to external or internal reviews - will be submitted and/or available to executive management and monitored by Internal Audit to ensure that operational objectives are achieved and that practices can be streamlined over time.

California State University Channel Islands Internal Audit Activity Charter


Approved this 21 day of January, 2025.


Howard Lutwak, University Internal Auditor

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Dottie Patten, Ed.D., Special Assistant to the President
AVP Organizational Effectiveness



Richard Yao, Ph.D., University President