

UNIVERSITY OF WEST FLORIDA
INTERNAL AUDITING AND MANAGEMENT CONSULTING CHARTER

I. Mission

Internal Auditing and Management Consulting (IAMC) is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of the University. It assists the University in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, and internal control. In addition, IAMC performs investigations to address alleged fraud, waste, abuse, or other wrongdoing, which could result in the loss or misuse of University resources. IAMC also audits for compliance with Federal and State laws and regulations.

Florida Board of Governors Regulation 4.002 states that each university shall have an office of chief audit executive as a point for coordination of and responsibility for activities that promote accountability, integrity, and efficiency in the operations of the university.

II. Organization

The Board of Trustees Audit and Compliance Committee and the President approve the appointment, reassignment, replacement, or dismissal of the Chief Audit Executive (CAE). The CAE reports functionally to the Audit and Compliance Committee and administratively to the President. The CAE shall have unrestricted access to the Board of Trustees.

III. Independence and Objectivity

IAMC will have no direct authority or responsibility over the activities it reviews; therefore, IAMC's audit, review, and appraisal activities do not relieve other persons in the University of the responsibilities assigned to them. To permit independence and objectivity in mental attitude and in appearance, IAMC staff will remain free from any conditions that threatens their ability to carry out their responsibilities in an unbiased manner, including matters of topic selection, scope, procedures, frequency, timing, report content, or report issuance. If the CAE determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties. Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

IV. Authority and Access to Records

To ensure that IAMC has sufficient authority to fulfill its duties, the Board of Trustees will approve the IAMC Charter and the annual, risk-based internal audit work plan. IAMC is authorized full and unrestricted access to all functions, activities, records, property, information systems, and personnel, including those records or activities exempt from the Public Record laws, as needed to fulfill its responsibilities. Documents and information provided to IAMC staff during an engagement will be handled in the same prudent manner used by those employees normally accountable for them.

V. Standards

Audit engagements shall be performed in accordance with the *International Professional Practices Framework*, published by the Institute of Internal Auditors, Inc.; the *Government Auditing Standards*,

UNIVERSITY OF WEST FLORIDA
INTERNAL AUDITING AND MANAGEMENT CONSULTING CHARTER

published by the United States Government Accountability Office; and/or the *Information Systems Auditing Standards* published by ISACA. All reports shall describe the extent to which standards were followed.

VI. Scope of Work

The scope of the work performed is designed to determine whether the University's risk management, internal controls, and governance processes, as developed and represented by management, are adequate and functioning in a manner to ensure:

1. Risks are appropriately identified and managed;
2. Interaction with governance groups occur as needed;
3. Significant financial, managerial, and operating information is accurate, reliable, timely, and safeguarded;
4. University policies, standards, procedures, and applicable external laws and regulations are followed;
5. Activities are carried out as planned and results are consistent with University objectives;
6. Resources are acquired economically, used efficiently, and adequately protected;
7. Quality and continuous improvement are fostered in the University's control processes; and
8. Legislative or regulatory issues are recognized and addressed appropriately.

VII. Duties and Responsibilities

The CAE shall:

1. Provide direction for, supervise, and coordinate audits and investigations which promote economy, efficiency, and effectiveness in the administration of University programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
2. Initiate, conduct, supervise, or coordinate investigations that fall within the purview of IAMC and be designated by the Board of Trustees as the employee to review statutory whistle-blower information and coordinate all activities of the University as required by the Florida Whistle-blower's Act. Investigative assignments shall be performed in accordance with professional standards issued for the State University System. All final investigative reports shall be submitted to the appropriate action officials, the Board of Trustees, and the Board of Governors if, in the CAE's judgment, the allegations are determined to be significant and credible. Such reports shall be redacted to protect confidential information and the identity of individuals, when provided for by law.
3. Conduct, supervise, or coordinate activities for the purpose of preventing and detecting fraud and abuse within University programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
4. Establish and maintain a process for university staff, faculty, students, and Board of Trustees members to report allegations of waste, fraud, or financial mismanagement to the CAE.
5. Address significant and credible allegations relating to waste, fraud, or financial mismanagement as provided in Board of Governors Regulation 4.001.
6. Keep the President and Board of Trustees informed concerning significant and credible allegations and known occurrences of waste, fraud, mismanagement, abuses, and deficiencies relating to

UNIVERSITY OF WEST FLORIDA
INTERNAL AUDITING AND MANAGEMENT CONSULTING CHARTER

- University programs and operations; recommend corrective actions; and report on the progress made in implementing corrective actions.
7. For significant and credible allegations of waste, fraud, or financial mismanagement within the University and its Board of Trustees operational authority, timely provide sufficient information to the Board of Governors Office of Inspector General and Director of Compliance (OIGC) to demonstrate that the Board of Trustees is both willing and able to address the allegations (if it does not clearly demonstrate this, the OIGC will conduct a preliminary inquiry in accordance with section 10.2.a of the OIGC charter).
 8. The OIGC will forward complaints with University-related allegations to the CAE; who will provide a copy of the referral to the Chief Compliance Officer and General Counsel. For significant and credible allegations of waste, fraud, or financial mismanagement, the CAE shall provide the OIGC with University action and final case disposition information sufficient to demonstrate that the Board of Trustees was both willing and able to address such allegations. When case disposition does not clearly demonstrate that the Board of Trustees was both willing and able to address significant and credible allegation(s), the OIGC will conduct a preliminary inquiry in accordance with section 10.2.a of the OIGC charter.
 9. Establish policies which articulate the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.
 10. Assist University Police and other law enforcement agencies with criminal or other investigations as required.
 11. Develop audit plans using an appropriate risk-based methodology. The plans shall be submitted to the Board of Trustees and the President for approval. A copy of approved audit plans will be provided to appropriate University management and the Board of Governors. Any significant deviations from the approved audit work plan shall be discussed with the Audit and Compliance Committee and the President.
 12. Prepare reports to communicate audit results and action plans to the Board of Trustees and University management. A copy of the final audit report will be provided to the Board of Governors consistent with Board of Governors Regulation 1.001(6)(g).
 13. Monitor the disposition of results (from both internal and external audits) communicated to University management and determine whether corrective actions have been effectively implemented or that senior management or the Board of Trustees, as appropriate, has accepted the risk of not taking corrective action. If, in the CAE's judgment, senior management or the Board of Trustees has chosen not to take corrective actions to address substantiated instances of waste, fraud, or financial mismanagement, then the CAE shall timely notify the Board of Governors, through the OIGC.
 14. Review and make recommendations, as appropriate, concerning policies and regulations related to the University's programs and operations including, but not limited to, auxiliary facilities and services, direct support organizations, and other component units.
 15. Promote, in collaboration with other appropriate University officials, effective coordination between the University and the Florida Auditor General, federal auditors, accrediting bodies, and other governmental or oversight bodies.
 16. Communicate to the President and the Board of Trustees, at least annually, the office's plans and resource requirements, including significant changes, and the impact of resource limitations.
 17. Prepare an annual report summarizing IAMC activities for the preceding year, by September 30. Distribute to the Board of Trustees, the President, senior management, and OIGC.

UNIVERSITY OF WEST FLORIDA
INTERNAL AUDITING AND MANAGEMENT CONSULTING CHARTER

18. Provide training and outreach, to the extent practicable, designed to promote accountability and address topics such as fraud awareness, risk management, controls, and other related subject matter.
19. Coordinate or request audit, financial- and fraud-related compliance, controls, and investigative information or assistance as may be necessary from any university, federal, state, or local government entity.
20. Inform the Board of Trustees when contracting for specific instances of audit or investigative assistance.
21. Report routinely to the Board of Trustees on matters including significant risk exposures, control issues, fraud risks, governance issues, and other matters requested by the President and the Board of Trustees.
22. Conduct and report on audits, investigations, and other inquiries free of actual or perceived impairment to the independence of IAMC.
23. Have timely access to any records, data, and other information in possession or control of the University including information reported to the University's hotline (Integrity Helpline).
24. Notify the Chair of the Audit and Compliance Committee or the President, as appropriate, of any unresolved restriction or barrier imposed by any individual on the scope of an inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry. The CAE shall work with the Board of Trustees and University management to remedy scope or access limitations. If the University is not able to remedy such limitations, the CAE shall timely notify the Board of Governors, through the OIGC, of any such restriction, barrier, or limitation.
25. Review and evaluate controls necessary to enhance and promote the accountability of the University. The CAE shall perform or supervise audits and prepare reports of their findings, recommendations, and opinions. The scope and assignment of the audits shall be determined by the CAE; however, the President and Board of Trustees may request the CAE to direct, perform, or supervise audit engagements.
26. Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
27. Ensure that an appropriate balance is maintained between audit, investigative, and other activities.
28. Develop and maintain a quality assurance and improvement program for IAMC in accordance with professional audit standards. This program must include an external assessment conducted at least once every five years. The external assessment report and any related improvement plans shall be presented to the Board of Trustees and the President, with a copy provided to the Board of Governors.
29. Propose items for consideration at Audit and Compliance Committee meetings for approval, acceptance, or simply for informational purposes.

VIII. Charter Review

This Charter is required to be reviewed every three years for consistency with applicable Board of Governors and University regulations, professional standards, and best practices. A copy of the approved Charter and any subsequent changes will be provided to the Board of Governors.

Approved: May 13, 2021

History: Revised March 11, 2008, March 8, 2012, March 1, 2016, May 24, 2018, substantive changes
May 13, 2021