INTRODUCTION

The Office of Internal Audit at the University of North Georgia (UNG) has prepared this Charter to serve as a guide in the performance of its duties. Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps UNG accomplish its objectives by bringing a systematic, disciplined approach to evaluate risk and improve the effectiveness of control and governance processes.

MISSION AND SCOPE OF WORK

The mission of the Office of Internal Audit is to assist the University of North Georgia’s management by providing an independent evaluation of the soundness, adequacy, and application of accounting, financial and other operating controls necessary to accomplish the University’s objectives. Furthermore, it makes recommendations to improve systems, processes, and internal controls designed to safeguard University resources, promote its mission toward academic excellence, and ensure compliance with state and federal regulations, established policies, procedure, and sound business practices. In accomplishing its mission, the scope of the Office of Internal Audit includes:

- Evaluating the campus’ risks to ensure they are appropriately identified and managed.
- Reviewing the effectiveness of governance processes such to include the promotion of ethical behavior and efficiency of organizational performance management and accountability.
- Consulting and educating on financial and operational processes, controls, related risks, exposure and fraud awareness; providing guidance and advice
on control and risk aspects of new policies, systems, processes, and procedures.

- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report information.
- Reviewing the systems established to ensure compliance with policies, plans, procedures, laws, and regulations which could have a significant impact on operations.
- Validating that the institution is in compliance with established plans, policies, and procedures.
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Reviewing the status of Information Technology policies and procedures, verifying that required hardware, software, and process controls have been implemented and that the controls are functioning properly.
- Conducting special audits and/or reviewing specific operations at the request of the University President or USG Chief Audit Officer/Associate Vice Chancellor (CAO), as appropriate.
- Investigating fraud and other types of fiscal misconduct in compliance with applicable laws and guidelines.
- Analyzing and reviewing public private ventures undertaken by the UNG cooperative organizations, as appropriate.

**Professional Standards**

In all of its activities, the Office of 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. The Institute of Internal Auditors’ “Practice Advisories” will be adhered to as applicable. In addition, the department will adhere to UNG policies and procedures as well as those of the University System of Georgia Board of Regents (USG BOR).
**Organization**

The Internal Auditor has a dual reporting role as stated in the USG BOR Policy 7.10.2. The Office of Internal Audit reports to the University President and CAO. The Audit Director has the responsibility to develop an annual audit plan based on a documented risk assessment. The audit plan is approved in accordance with the USG Internal Audit Charter. The President may request audits or advisory services at his or her discretion. The requests are reviewed, prioritized, and completed based on available resources. The CAO has the authority to direct Internal Audit to audit specific areas at the University as needed to fulfill the system-wide audit plan. The dual reporting role provides assurances that both a broad range of audit coverage and adequate consideration to the effectiveness of governance, risks, and controls will be accomplished. The CAO will report all significant audit issues directly to the Chair of the Committee on Internal Audit, Risk, and Compliance and to the Chancellor.

Until January 2013, the Office of Internal Audit will provide audit services for North Georgia College & State University and Gainesville State College. In January 2013 (after final Board approval), the two institutions will consolidate to form the University of North Georgia.

**Authority**

To the extent permitted by law, the Office of Internal Audit is granted full, unrestricted access to any and all UNG records, physical properties, and personnel relevant to any function under review. All employees are directed to assist the Office of Internal Audit in fulfilling its function. Documents and information given to an Internal Auditor during a review will be handled in the same prudent and confidential manner as by those employees normally accountable for them.

The Office of Internal Audit will have no direct responsibility or authority for any of the activities or operations it reviews. The department 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 other university personnel of their responsibilities.
Charter Approvals

__________________________________________  ____________________________________________
Auditor’s Name                                      University President Name

__________________________________________  ____________________________________________
Auditor’s Signature                                 University President’s Signature

__________________________________________  ____________________________________________
Approval Date                                      Presidential Approval Date

Other Approvals

__________________________________________
USG Chief Audit Officer Name

__________________________________________
USG Chief Audit Officer Signature

__________________________________________
Approval Date