



Internal Audit Charter

PURPOSE AND MISSION

The Office of Internal Audit and Consulting Services (IACS) serves as the University of Missouri's (University) internal auditor. The mission of the office is to provide independent, objective assurance and consulting services designed to add value and improve the University's operations. It helps the University accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the efficiency and effectiveness of risk management, control and governance processes.

IACS serves the University by providing internal audits and reviews, management consulting and advisory services, investigations of fraud and abuse, follow-up of audit recommendations, and evaluation of the processes of risk management, control and governance.

INDEPENDENCE

The IACS personnel report to the Chief Audit Executive (CAE), who reports directly to the University Board of Curators and administratively to the Vice President of Finance and President. This reporting structure promotes independence and full consideration of audit recommendations and management action plans.

All internal audit activities shall remain free of influence by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective mental attitude necessary in rendering reports. Internal auditors shall have no direct operational responsibility or authority over any of the activities they review. Accordingly, they shall not develop or install systems or procedures, prepare records, perform management functions, or engage in any other activity that would normally be audited.

AUTHORITY

Under direction of the CAE, the IACS:

- Has authority to audit or investigate all areas of the University. Audits, reviews, and investigations shall not be restricted or limited by management, the president, or the University Board of Curators.
- Has unrestricted access to all functions, records, data, personnel, and physical property relevant to performing audits, reviews, investigations, and consulting services.
- Has authorization to allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit objectives.

- Has authorization to obtain the necessary assistance of personnel in units of the organization where they perform audits, as well as other specialized services from within or outside the University.

RESPONSIBILITY

The CAE and staff of the IACS have responsibility to:

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the President, Vice President for Finance, the Audit Committee, and University Board of Curators.
- Implement the annual audit plan, as approved, including, and as appropriate, any special tasks or projects requested by management, the Audit Committee and/or the University Board of Curators.
- Follow-up on management's progress in implementing internal audit recommendations.
- Perform consulting and advisory services, beyond internal auditing assurance services, to assist management in meeting its objectives.
- Support the President, senior management, and the University Board of Curators, as requested.
- Investigate allegations of fraud, waste, abuse, and other wrongdoing.
- Maintain a professional staff with sufficient knowledge, skills, experience, and professional certifications.
- Establish a quality assurance improvement program of internal auditing activities.
- Maintain confidentiality. Documents and information given to internal auditors will be handled in the same prudent and confidential manner as by those employees normally accountable for those records.

PROFESSIONAL STANDARDS

The IACS adheres to the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing adopted by The Institute of Internal Auditors.