

# INTERNAL AUDIT CHARTER

## PURPOSE

The purpose of the Internal Audit Department (the "Department") is to provide independent and objective appraisals of financial, data processing, and other relevant matters within the District in order to assist management and employees in the effective discharge of their responsibilities by furnishing them with analyses, appraisals, recommendations, and pertinent comments concerning the activities reviewed.

## AUTHORITY, RESPONSIBILITIES, AND INDEPENDENCE

a. The authority and responsibilities of the Department are established by the Board of Trustees. The Director of Internal Auditing reports to the Superintendent for administrative purposes and to the Board of Trustees.

b. The Department has a responsibility to inform and advise management and the Board of Trustees as to significant deficiencies or other substantive issues noted in the course of its activities.

c. The Department has unrestricted access to all records, properties, functions and personnel necessary to effectively discharge its responsibilities. All activities of the District may be subject to audit periodically by the Department.

d. In performing its functions, the Department shall have no direct responsibility or authority over any of the activities reviewed. It shall not design and install procedures, prepare records, or engage in any other activity that it would normally review and appraise and that could reasonably be construed to compromise its independence and objectivity.

e. The Department's objectivity is not adversely affected, however, by recommending standards of controls to be applied in developing systems and procedures, or by evaluating existing or planned financial operating systems and related procedures and making recommendations for modification and improvements thereto in order to improve controls and/or enhance operational effectiveness .