

MARSHALL UNIVERSITY INTERNAL AUDIT CHARTER

PURPOSE AND SCOPE

Internal Auditing is an independent and objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of Marshall 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 risk management, control, and governance processes so that:

- University assets are safeguarded;
- Information is accurate and reliable;
- University policies and procedures and external laws and regulations are followed;
- Resources are used efficiently and economically;
- Operations and programs are being carried out as planned and results are consistent with the University's objectives.

ROLE AND ORGANIZATION

The Department of Internal Audit is established by the Board of Governors, and its responsibilities are defined by the Finance, Audit, and Facilities Planning Committee (Audit Committee) of the Board of Governors as part of their oversight function.

The Director of Audits shall report functionally to the Chair of the Audit Committee of the Board of Governors and administratively through the Senior Vice President of Finance with unrestricted access to the President of the University.

AUTHORITY AND RESPONSIBILITY

Internal Audit is granted full, free, and unrestricted access to any and all of the University's records, physical properties, and personnel relevant to any function under review. All employees are requested to assist Internal Audit in fulfilling their assigned function. Internal Audit shall also have free and unrestricted access to the Chair of the Board of Governors and the members of the Audit Committee of the Board of Governors.

Documents and information given to Internal Audit during a periodic review will be handled in the same prudent and confidential manner as by those employees normally accountable for them.

In fulfilling its purpose, Internal Audit shall have the responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology.
- Submit the annual audit plan to the Board of Governors' Audit Committee Chairperson for their input and approval.
- Plan and perform audits and reviews as noted on the audit schedule.
- Perform special administrative requests, special projects, investigations and consulting services as requested by management and deemed high risk by the Director of Audits.

- Make recommendations for improvements to the systems of risk management, internal control and governance processes.
- Report the results of audit projects to the appropriate members of management and the Audit Committee.
- Provide periodic oral and/or written reports of audit activities to the Audit Committee.
- Work with the external auditors and other agencies to seek to avoid redundancies in audit effort.
- Maintain appropriate professional development to ensure the staff has the skills and abilities to perform audit assignments.
- Keep the Audit Committee and management aware of emerging trends regarding internal controls, risk management, governance and internal auditing.
- Comply with the Code of Ethics as issued by the Association of College & University Auditors.
- Remain independent and free of influence from 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.
- Avoid direct operational responsibility or authority over any of the activities Internal Audit reviews.
- Avoid involvement in the development or installation of systems or procedures, preparation of records, or engagement in any activity which would normally be audited.

Approved by the Marshall University Board of Governors

Original Date: December 19, 2006

Original Agenda Pages: 49 and 50.

Reviewed by the Marshall University Board of Governors

Date: December 13, 2023.

Agenda Pages: 318 and 319.