

NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY

INTERNAL AUDIT

CHARTER

INTRODUCTION

Internal Audit is an independent review and appraisal activity established within the Department to examine and evaluate operational, administrative, and financial activities as a service to management. Internal Audit will assist all levels of Departmental Management in the effective discharge of their responsibilities and promote effective controls by furnishing them with analyses, appraisals, recommendations, counsel, and information concerning the activities examined.

PROFESSIONAL STANDARDS AND ETHICS

All examinations will be performed in accordance with the Institute of Internal Auditors, "International Standards for the Professional Practice of Internal Auditing". The Internal Audit staff shall govern themselves by adherence to the Institute's "Code of Ethics." The Internal Audit staff is responsible for conducting themselves so that their integrity and objectivity will be above reproach. In addition, Internal Audit will adhere to Internal Audit's Standard Operating Procedures Manual and Department of Public Safety policies and procedures.

AUTHORITY

Authority is granted for full, free, and unrestricted access to any and all of the Department's records, physical properties, information systems, and personnel relevant to any function under review. All employees shall assist Internal Audit in fulfilling their staff function.

ORGANIZATION

The Director of Internal Audit shall report directly to the Department of Public Safety's Commissioner of Administration. The Director of Internal Audit shall also have access to the Secretary of the Department of Public Safety.

INDEPENDENCE

All audit activities shall remain free of influence by any element in the Department, including matters of audit scope, procedures, frequency, timing, or report content to permit maintenance of an independent mental attitude necessary in rendering objective reports.

Internal Auditors shall have no direct operational responsibility or authority over any of the activities they review. Additionally, they shall not develop or install systems or procedures, prepare records, or engage in any other activity that would normally be reviewed by internal auditors. An internal audit does not in any way relieve other departmental personnel of their responsibilities.

AUDIT SCOPE

The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the Department's internal control structure and the quality of performance in carrying out assigned responsibilities to achieve the Department's stated goals and objectives. It includes:

- Determining whether the department's various operations carry out their functions in a manner consistent with Department of Public Safety's objectives and standards of administrative practice
- Determining the adequacy and effectiveness of the Department's systems of accounting and operating controls

- Reviewing the reliability and integrity of financial and operating information
- Reviewing the controls over computer systems, related support functions, and electronic information
- Determine the extent of compliance with policies, procedures, laws and regulations
- Reviewing the means of safeguarding assets and verifying the existence of such assets
- Reviewing and appraising the economy and efficiency with which resources are utilized
- Providing a coordinated audit effort with Departmental management and other external auditors
- Providing evaluations, consultations and recommendations to educate and continually improve operational effectiveness
- Investigating fiscal misconduct and responding to management's requests in a timely and effective manner

AUDIT PLANNING

Annually, the Director of Internal Audit shall submit to the Secretary a report on Internal Audit activity during the preceding year, and a summary of the planned audit schedule for the coming year. The audit schedule shall be developed based on a prioritization of the Department's audit needs as determined by the Director of Audits with input from the Secretary and other senior management as appropriate. Any significant deviation from the formally approved audit schedule shall be communicated to the Secretary through periodic activity reports.

REPORTING

A written report shall be prepared and issued by the Director of Internal Audit or a designee following the conclusion of each audit, and shall be distributed as appropriate. A copy of each audit report, or a summarization, shall be forwarded to the Secretary and other departmental managers as deemed appropriate. The Director of Internal Audit may include in the audit report the auditee's response and corrective action taken or to be taken in regard to the specific findings and recommendations.

Internal Audit shall be responsible for follow-up on audit findings and recommendations in accordance with Internal Audit's Standard Operating Procedures.


 Director of Internal Audit

12/10/13
 Date

APPROVED: 
 Secretary/Designee, Department of Public Safety

12/10/2013
 Date