



Office of Internal Audit

Internal Audit Charter

Mission

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve a State agency's operations. It helps a State agency accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance process.

Authority

The Office of Internal Audit is established by the powers granted to the Council of Internal Auditing in North Carolina General Statute § 143-474(c)(7).

The Manager and staff of the Office of Internal Audit are authorized to:

- Unrestricted access to all functions, records, property and personnel under review, to the extent permitted by law.
- Allocate resources, select subjects, determine scopes of work and apply the techniques required to accomplish audit objectives.
- Obtain the necessary assistance of personnel in State agencies where they perform audit activities.

Documents and information provided to internal audit staff shall be handled in the same prudent and confidential manner as by those employees normally accountable for them.

Independence

Independence and objectivity are crucial to the duties of the Office of Internal Audit. To provide for organizational independence the Office of Internal Audit is located within the Office of Budget and Management and functionally, reports to the Council of Internal Auditing and, administratively, to the State Budget Director.

Internal auditors shall have an impartial, unbiased attitude and avoid conflicts of interest. Internal auditors shall be free of all operational and management responsibilities that would impair their ability to make independent, objective evaluations of State agency's operations.

Responsibility

The scope of work in the Office of Internal Audit includes determining whether State agency's controls and processes, as designed and represented by management, are adequate and functioning in a manner to ensure effectiveness and efficiency of operations, safeguarding of public funds and assets, minimization of incidences of fraud, waste and abuse, and compliance with policies, procedures, laws and regulations.

Standard

In the performance of its responsibilities, the Office of Internal Audit intends to adhere to the *North Carolina Internal Audit Act*, *North Carolina Internal Audit Manual*, *Standards for the Professional Practice of Internal Auditing*, *Code of Ethics*, and when appropriate, the *Government Auditing Standards*.


David McCoy, Chairman of the Council of Internal Auditing

4/7/2011
Approval Date


Andy Willis, State Budget Director

4-4-11
Approval Date


Barbara Baldwin, Internal Audit Director

4-2-2011
Approval Date