UNIVERSITY OF WEST FLORIDA INTERNAL AUDITING AND COMPLIANCE CHARTER

Introduction
Internal Auditing and Compliance (IAC) is an independent, objective assurance and consulting activity designed to add value and compliance oversight to improve the University of West Florida’s (UWF) operations. It assists the University in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, compliance and governance processes. IAC at the University of West Florida administers the internal audit and compliance programs for the University with the objective to assist members of the University and the Board of Trustees (BOT) in the effective discharge of their responsibilities. To this end, the IAC furnishes them with analyses, appraisals, recommendations, counsel, and information concerning the activities and organizations reviewed. IAC is also responsible for monitoring the increasingly numerous and complex federal and state requirements, as well as University policies.

Mission
IAC’s mission is to provide independent, objective assurance and consulting services, using a risk-based approach, to add value and improve the operation of the University. IAC serves the University of West Florida and its affiliated organizations. It provides a central point for coordination and an oversight of activities that promote accountability, integrity, and efficiency and assists the University in maintaining a “compliant culture.”

Scope of Work
The scope of the work performed is designed to determine whether the University’s risk management, internal controls, and governance processes, as designed and represented by management, are adequate and functioning in a manner to ensure:

- Risks are appropriately identified and managed.
- Interaction with the various governance groups occur as needed.
- Significant financial, managerial, and operating information is accurate, reliable, timely, and safeguarded.
- University policies, standards, procedures, and applicable external laws and regulations are followed.
- Resources are acquired economically, used efficiently, and adequately protected.
- Quality and continuous improvement are fostered in the University’s control processes.
- Legislative or regulatory issues are recognized and addressed appropriately.
- Operations and programs are being carried out as planned and their results are consistent with University objectives.

Organization, Independence, Authority
The UWF Board of Trustees Audit and Compliance Committee and the University President approve the appointment, reassignment, replacement, or dismissal of the Associate Vice President for Internal Auditing and Compliance (IAC) to ensure the administration of comprehensive internal auditing and compliance programs for UWF. IAC is a critical component of UWF’s governance, accountability, and compliance structure. The IAC Associate Vice President will report functionally to the UWF Audit and Compliance Committee of the Board of Trustees and administratively to the
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University President pursuant to the Institute of Internal Auditors Practice Advisory 1110-1 "Organizational Independence" to ensure departmental independence, promote comprehensive audit coverage and ensure adequate consideration of audit and compliance recommendations.

In performing its function, the IAC has no direct responsibility or authority over any of the activities it reviews. Therefore, IAC's audit, review and appraisal activities do not relieve other persons in the University of the responsibilities assigned to them.

IAC is authorized full and unrestricted access to all functions, activities, records, property, information systems, and personnel, including those records or activities exempt from the Public Records laws, as needed to fulfill its responsibilities. Documents and information provided to IAC staff during an engagement are handled in the same prudent manner as by those employees normally accountable for them.

IAC is responsible for effective coordination and cooperation between the Florida Auditor General, federal auditors, external auditors, and other governmental bodies, with a view toward avoiding duplication of effort. Direct Support Organizations may obtain internal audit and compliance services from public accountants or consultants. IAC also may provide internal audit and compliance services to Direct Support Organizations and entities under the control and direction of UWF at the request of management or the Board of Trustees.

Professional Standards
Audit and compliance activities shall be performed according to professional standards as appropriate for the engagement. The internal audit activity will govern itself by adherence to The Institute of Internal Auditors’ mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing. This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal audit activity’s performance.

The Institute of Internal Auditors’ Practice Advisories, Practice Guides, and Position Papers also will be adhered to as applicable to guide operations. In addition, the internal audit activity will adhere to UWF relevant policies and procedures and the IAC’s standard operating procedures manual.

The compliance activity will govern itself by adherence to Society of Corporate Compliance and Ethics (SCCE) Code of Professional Ethics for Compliance and Ethics Professionals. Investigative activities shall be governed by adherence to the Association of Certified Fraud Examiners Code of Professional Standards. As relevant, IAC engagements will adhere to the Information Systems Auditing Standards published by ISACA¹.

¹ Previously known as the Information Systems Audit and Control Association, ISACA now goes by its acronym only, to reflect the broad range of IT governance professionals it serves.
IAC staff members have a responsibility to the interests of those they serve and should refrain from entering into any activity that may create a conflict of interest. They have an obligation of self-discipline above and beyond the requirements of laws and regulations. They should uphold and demonstrate qualities of integrity, honesty, loyalty, morality, dignity, and confidentiality consistent with the professional standards. The Institute of Internal Auditor’s Standards for the Professional Practice of Internal Auditing and SCCE Code of Professional Ethics shall constitute the operating procedures for IAC.

Duties and Responsibilities

Internal Audit

- 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 BOT Audit and Compliance committee for review and approval.
- Evaluate risk exposure and the adequacy and effectiveness of controls in responding to risks within UWF’s governance, operations, and information systems regarding the achievement of UWF’s strategic objectives, reliability and integrity of financial and operational information, effectiveness and efficiency of operations and programs, safeguarding of assets, and compliance with laws, regulations, policies, procedures, and contracts.
- Implement the annual audit plan as approved, including and as appropriate, any special tasks or projects requested by management and the audit committee.
- Conduct and coordinate audits, investigations and management reviews relating to the programs and operations of the University and its support organizations.
- Conduct, supervise, or coordinate other activities carried out or financed by the University for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations. This may include facilitation, training, and advisory services.
- Execute audits, investigations, consulting services, and compliance oversight based on professional standards including the International Standards for the Practice of Internal Auditing, the Association of Certified Fraud Examiners, and the Society for Corporate Compliance and Ethics.
- Manage the University hotline. In accordance with UWF’s Policy on Fraudulent or Dishonest Acts, receive and consider complaints that do not meet the criteria for an investigation under the Florida Whistleblower’s Act, and conduct, supervise, or coordinate such inquiries, investigations, or reviews as appropriate.
- Evaluate the governance processes used by the University’s Board of Trustees to provide oversight of risk and control processes administered by management.
- Participate in the planning, design, and implementation of major information systems to ensure the systems are properly tested, secured, documented, and implemented to meet user requirements.
- Keep the University President, management, and the Audit and Compliance Committee for the University’s Board of Trustees informed concerning fraud, abuses, and internal control
deficiencies relating to programs and operations, initiate corrective actions, and report on the progress made in implementing corrective actions.

- Consider the scope of work and ensure effective coordination and cooperation between the Auditor General, federal auditors and other governmental bodies, and external auditors with a view toward avoiding duplication.
- Review, as appropriate, rules and procedures relating to the programs and operations of the University and make recommendations concerning their impact.
- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter.
- Establish a quality assurance program by which the associate vice president of IAC assures the operations of the IAC activities.
- Perform follow-up of recommendations to ascertain implementation status.

Compliance
- Monitor and promote University compliance with federal and state requirements, as well as all applicable policies, procedures, rules, and regulations.
- Inform, train and educate the UWF community in compliance matters, policies, procedures, ethical obligations, and Standards of Conduct.
- Manage, maintain, and operate the University’s Compliance database.
- Participate as a member of the SUS’s Compliance Consortium.
- Facilitate a culture of compliance at the University by overseeing compliance management and serving as an institutional resource for compliance matters.
- Ensure that each University function is effectively monitoring compliance risks.

In the performance of these services, IAC will ensure that an appropriate balance is maintained between audit, investigative, and other activities. IAC is responsible for performing audit work with due professional care, including having the appropriate education certification, experience, professionalism, personal integrity, and attitude of service, while producing relevant, timely, and quality work.

Betsy Bowers, Associate Vice President

Dr. Judith Bense Lewis Bear
President UWF Board of Trustees, Chair

Ms. Susan O’Connor
BOT Audit and Compliance Committee

Approved: March 1, 2016
Amended: March 11, 2008; March 8, 2012