



Executive Committee

# Audit Department Charter Revisions

Item 7-1

November 20, 2024

# Item 7-1 Audit Department Charter Revisions

## Subject

Audit Department Charter Revisions

## Purpose

To share recommended revisions to the Audit Department Charter and request Board approval for revisions.

## Next Steps

Review the Charter annually with the Board and recommend revisions to ensure alignment with professional internal audit standards and industry best practices.

# Administrative Code

## 6451 Audit Department Charter

- 6451(a) - Mission & Scope of Work
- 6451(b) - Accountability
- 6451(c) - Professional Standards
- 6451(d) - Responsibilities
- 6451(e) - Authority

# Audit Department Charter

## Recommended Updates

1. Add to the Charter:
  - Information technology under Scope of Work – Section 6451(a)
2. Delete from the Charter:
  - References to Government Auditing Standards (GAGAS), e.g., Section 6451(c), 6451(d)(7)
  - Issuing an opinion on internal controls over financial reporting on an annual basis – Section 6451(d)(3)

# Audit Department Charter

## Recommended Updates (con't)

3. Clarification of:
  - Follow-up reviews to reflect new process in place – Section 6451(d)(5)
4. Minor, non-substantive changes (e.g., term consistency)

# Audit Department Charter

## Future Updates

- Mission & Scope of Work
- Professional Standards
- Responsibilities

# Board Options

## Option #1

- Approve amendments to the Administrative Code (Section 6451 – Audit Department Charter)
  - Updates the scope of work
  - Updates professional standards and responsibilities

# Board Options

## Option #2

- Do not approve amendments to the Administrative Code



# Board Options

## Staff Recommendation

- Option #1  
Approve amendments to the Administrative Code  
(Section 6451 Audit Department Charter)

