

EL PASO ISD INTERNAL AUDIT DEPARTMENT CHARTER

**DEFINITION PURPOSE AND MISSION**

**THE PURPOSE OF THE EL PASO INDEPENDENT SCHOOL DISTRICT'S (THE DISTRICT) INTERNAL AUDIT DEPARTMENT IS TO PROVIDE** ~~“Internal auditing is an independent, objective assurance and consulting SERVICES activity designed to add value and improve THE DISTRICT'S an organization's operations. THE MISSION OF THE INTERNAL AUDIT DEPARTMENT IS TO ENHANCE AND PROTECT ORGANIZATIONAL VALUE BY PROVIDING RISK-BASED AND OBJECTIVE ASSURANCE, ADVICE, AND INSIGHT. THE INTERNAL AUDIT DEPARTMENT HELPS THE DISTRICT~~ ~~It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of GOVERNANCE, risk management, AND control, and governance processes.”~~<sup>4</sup>

**PROFESSIONALISM STANDARDS FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING**

The Internal Audit Department will govern itself by adherence to the ~~institute of internal auditors' mandatory guidance~~ **ELEMENTS OF THE INSTITUTE OF INTERNAL AUDITORS' (IIA) INTERNATIONAL PROFESSIONAL PRACTICES FRAMEWORK**, including the **CORE PRINCIPLES FOR THE PROFESSIONAL PRACTICE OF INTERNAL AUDITING**, ~~definition~~ **Definition of internal auditing**, the ~~e~~ **Code of ethics**, and the ~~international~~ **International standards** ~~Standards for the professional practice~~ **Practice of internal Internal auditing** ~~(standardsStandards)~~. **THE CHIEF INTERNAL AUDITOR WILL REPORT PERIODICALLY TO THE DISTRICT'S BOARD OF TRUSTEES (BOARD) REGARDING THE INTERNAL AUDIT DEPARTMENT'S CONFORMANCE TO THE CODE OF ETHICS AND THE STANDARDS.** ~~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 Department's performance. The institute of internal auditors' practice advisories, practice guides, and position papers will also be adhered to as applicable to guide operations.~~ In addition, the Internal Audit Department will adhere to the District's ~~relevant~~ policies and procedures.

**ORGANIZATION AUTHORITY**

The Internal Audit Department is a vital part of the District and functions in accordance with ~~policy CFC (LOCAL) established by the Board and appropriate state and federal law.~~ The District's chief internal auditor reports **FUNCTIONALLY AND ADMINISTRATIVELY** to the District's Board. The chief internal auditor will **HAVE UNRESTRICTED ACCESS TO, AND COMMUNICATE AND INTERACT DIRECTLY WITH THE BOARD, INCLUDING IN PRIVATE MEETINGS WITHOUT MANAGEMENT PRESENT.** ~~during and between Board meetings, as appropriate. The chief internal auditor will:~~

- ~~● Provide monthly reports on the internal audit activities and related matters during the regularly scheduled Board meetings;~~
- ~~● Meet with the Board audit committee on a quarterly basis to discuss the status of the annual audit plan, specific findings/reports, and other department matters;~~

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- ~~Consider input from Board members individually through e-mail, telephone, or in person in developing the annual audit plan;~~
- ~~Meet with the Board in closed meetings if issues arise that meet one of the exceptions of the Open Meetings Act;~~
- ~~Submit reports, described under the AUDIT REPORTS section of this charter, to Board members, the Superintendent, and administration simultaneously;~~
- ~~Report significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by the Board; and~~
- Notify Board members immediately of suspected or substantiated fraud or improprieties, including those defined in CAA(LOCAL), as well as noncompliance/wrongdoing of a nonfinancial nature. Reports related to these matters shall be submitted by the chief internal auditor directly to Board members and to the Superintendent simultaneously, except in those cases where the Superintendent has been the subject of the investigation.

**TO ESTABLISH, MAINTAIN, AND ASSURE THE DISTRICT'S INTERNAL AUDIT DEPARTMENT HAS SUFFICIENT AUTHORITY TO FULFILL ITS DUTIES.** The Board will:

- Approve the ~~internal audit~~Internal Audit charter;
- Approve the risk based ~~internal audit~~Internal Audit plan;
- Approve the ~~internal audit~~Internal Audit budget and resource plan;
- RECEIVE COMMUNICATIONS FROM THE CHIEF INTERNAL AUDITOR ON THE INTERNAL AUDIT DEPARTMENT'S PERFORMANCE RELATIVE TO ITS PLAN AND OTHER MATTERS:**
  - Approve decisions regarding the appointment and removal of the chief internal auditor;
  - Approve the remuneration of the chief internal auditor; and
  - Make appropriate inquiries of management and the chief internal auditor to determine whether there is inappropriate scope or resource limitations.

The Superintendent will provide appropriate support for the District's Internal Audit Department that includes, but is not limited to, providing:

- ~~Budget, accounting, procurement, and information technology support;~~
- ~~Human resource administration, including support in hiring personnel and providing compensation;~~
- ~~Adequate working space, furniture, and equipment; and~~
- ~~Administration of the District's policies and procedures, to include enforcement of time and attendance, travel, and purchasing requirements.~~

The Internal Audit Department operates independent of other departments and functions of the District. The organizational status and the support accorded to the Internal Audit Department by the Board are major determinants of the scope and value of the internal audit function to the District.

#### **AUTHORITY**

##### **THE BOARD AUTHORIZES THE INTERNAL AUDIT DEPARTMENT TO:**

The internal audit activity, with strict accountability for confidentiality and safeguarding records and information, is authorized |

- ~~full~~ Full, free, and unrestricted access to ~~any and~~ all of the District's **FUNCTIONS**, records, ~~physical properties, PROPERTY,~~ and personnel pertinent to carrying out any engagement. **SUBJECT TO ACCOUNTABILITY FOR CONFIDENTIALITY AND SAFEGUARDING OF RECORDS AND INFORMATION.**
- **ALLOCATE RESOURCES, SET FREQUENCIES, SELECT SUBJECTS, DETERMINE SCOPES OF WORK, APPLY TECHNIQUES REQUIRED TO ACCOMPLISH AUDIT OBJECTIVES, AND ISSUE REPORTS.**
- **OBTAIN ASSISTANCE FROM THE NECESSARY PERSONNEL OF THE DISTRICT, AS WELL AS OTHER SPECIALIZED SERVICES FROM WITHIN OR OUTSIDE THE DISTRICT, IN ORDER TO COMPLETE THE ENGAGEMENT.** All employees are required to assist the ~~internal audit~~ Internal Audit **DEPARTMENT** activity in fulfilling its roles and responsibilities. ~~The internal audit activity will also have free and unrestricted access to the Board.~~

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#### **INDEPENDENCE AND OBJECTIVITY**

**THE CHIEF INTERNAL AUDITOR WILL ENSURE THAT THE INTERNAL AUDIT DEPARTMENT REMAINS FREE FROM ALL CONDITIONS THAT THREATEN THE ABILITY OF INTERNAL AUDITORS TO CARRY OUT THEIR RESPONSIBILITIES IN AN UNBIASED MANNER, INCLUDING MATTERS OF AUDIT SELECTION, SCOPE, PROCEDURES, FREQUENCY, TIMING, AND REPORT CONTENT. IF THE CHIEF INTERNAL AUDITOR DETERMINES THAT INDEPENDENCE OR OBJECTIVITY MAY BE IMPAIRED IN FACT OR APPEARANCE, THE DETAILS OF IMPAIRMENT WILL BE DISCLOSED TO APPROPRIATE PARTIES.** ~~The internal audit activity is independent and the District's internal auditors will remain objective and exercise due professional care in performing their work.~~

**INTERNAL AUDITORS WILL REMAIN UNBIASED TO ALLOW THEM TO PERFORM ENGAGEMENTS OBJECTIVELY AND IN SUCH A MANNER THAT THEY BELIEVE IN THEIR WORK PRODUCT, THAT NO QUALITY COMPROMISES ARE MADE, AND THAT THEY DO NOT SUBORDINATE THEIR JUDGMENT ON AUDIT MATTERS TO OTHERS.** In order to provide for the independence of the ~~internal audit~~ Internal Audit ~~department~~ Department, the department's personnel will report to and ~~BE~~ **are** evaluated by the chief internal auditor.

Internal auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, they will not implement internal controls, develop procedures,

install systems, prepare records, or engage in any other activity that may impair ~~an~~ THEIR ~~an~~ internal auditor's judgment. INCLUDING:

- ASSESSING SPECIFIC OPERATIONS FOR WHICH THEY HAD RESPONSIBILITY WITHIN THE PREVIOUS YEAR.
- PERFORMING ANY OPERATIONAL DUTIES FOR THE DISTRICT.
- INITIATING OR APPROVING TRANSACTIONS EXTERNAL TO THE INTERNAL AUDIT DEPARTMENT.
- DIRECTING THE ACTIVITIES OF ANY DISTRICT EMPLOYEE NOT EMPLOYED BY THE INTERNAL AUDIT DEPARTMENT, EXCEPT TO THE EXTENT THAT SUCH EMPLOYEES HAVE BEEN APPROPRIATELY ASSIGNED TO AUDITING TEAMS OR TO OTHERWISE ASSIST INTERNAL AUDITORS.

Internal auditors will ~~exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.~~

- DISCLOSE ANY IMPAIRMENT OF INDEPENDENCE OR OBJECTIVITY, IN FACT OR APPEARANCE, TO APPROPRIATE PARTIES. EXHIBIT PROFESSIONAL OBJECTIVITY IN GATHERING, EVALUATING, AND COMMUNICATING INFORMATION ABOUT THE ACTIVITY OR PROCESS BEING EXAMINED.
- ~~Internal auditors will make~~ Make a balanced assessment of all AVAILABLE AND ~~the~~ relevant FACTS AND circumstances.
- TAKE NECESSARY PRECAUTIONS TO AVOID BEING ~~and not be~~ unduly influenced by their own interests or by others in forming judgments.

The chief internal auditor will confirm to the Board, at least annually, the organizational independence of the ~~internal audit~~ Internal Audit activity DEPARTMENT.

#### PLANNING, COORDINATION, AND RESPONSIBILITY SCOPE OF INTERNAL AUDIT ACTIVITIES

~~In accordance with policy CFC (LOCAL), the chief internal auditor will submit to the Board an audit plan for the Board's review and approval. The plan will consist of a risk assessment, audit work schedule, and staffing plan for the next fiscal year. The audit plan is based on a prioritization of the audit universe using a risk based model that includes input of senior management and the Board.~~

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~~The chief internal auditor will review and adjust the plan, as necessary, in response to changes in the District's business, risks, operations, programs, systems, and controls. Any significant deviation from the approved internal audit plan will be taken to the Board for approval.~~

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The SCOPE ~~responsibilities of the Internal Audit Department~~ ACTIVITIES encompasses, but IS ~~are~~ not limited to, OBJECTIVE ~~the examinations and evaluation of~~ EVIDENCE FOR THE

**PURPOSE OF PROVIDING INDEPENDENT ASSESSMENTS TO THE BOARD, MANAGEMENT, AND OUTSIDE PARTIES ON** the adequacy and effectiveness of the District's governance, risk management, and ~~internal controls~~ **CONTROL PROCESSES FOR THE DISTRICT**, as well as the quality of performance in carrying out assigned responsibilities to achieve the District's stated goals and objectives. This includes: **INTERNAL AUDIT ASSESSMENTS INCLUDE EVALUATING WHETHER:**

1. ~~Evaluating risk-Risks exposure~~ relating to the achievement of the District's **GOALS AND STRATEGIC objectives ARE APPROPRIATELY IDENTIFIED AND MANAGED.**
2. **THE ACTIONS OF THE DISTRICT'S EMPLOYEES AND VENDORS/CONTRACTORS ARE IN COMPLIANCE WITH THE DISTRICT'S POLICIES, PROCEDURES, AND APPLICABLE LAWS, REGULATIONS, AND GOVERNANCE STANDARDS.**
3. **THE RESULTS OF OPERATIONS OR PROGRAMS ARE CONSISTENT WITH ESTABLISHED GOALS AND OBJECTIVES.**
4. **OPERATIONS OR PROGRAMS ARE BEING CARRIED OUT EFFECTIVELY AND EFFICIENTLY.**
- ~~2.5. Evaluating the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.~~
- ~~3.6. Evaluating the systems established Established PROCESSES AND SYSTEMS ENABLE to ensure compliance with these THE policies, plans, laws, regulations, and procedures, which THAT could have a significant SIGNIFICANTLY impact on the District's operations. (Testing the adequacy of the control systems.)~~
7. **INFORMATION AND THE MEANS USED TO IDENTIFY, MEASURE, ANALYZE, CLASSIFY, AND REPORT SUCH INFORMATION ARE RELIABLE AND HAVE INTEGRITY.**
- ~~4.8. Evaluating the means of safeguarding assets, and as appropriate, verifying the existence of such assets.~~
- 5.9. Evaluating the effectiveness and efficiency with which ~~resources-Resources~~ **AND ASSETS** are acquired economically, used efficiently, and adequately protected.
- ~~6.10. Evaluating the design of manual and automated systems as an advisor on internal controls.~~
- ~~7.11. Investigating reported occurrences of fraud, embezzlement, theft, waste, and the like, and recommending controls to prevent and/or detect such occurrences (for example, hotline reports).~~

**THE CHIEF INTERNAL AUDITOR ALSO** ~~Coordinating~~ **COORDINATES ACTIVITIES** ~~audit efforts~~ **AND CONSIDERS RELYING UPON THE WORK OF OTHER INTERNAL AND** ~~with external auditors~~ **ASSURANCE AND CONSULTING SERVICE PROVIDERS** in order to avoid duplication of effort, minimize audit findings, improve the effectiveness of corrective action plans, and improve communications between affected departments and personnel. **THE**

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SUPERINTENDENT OR DESIGNEE IS RESPONSIBLE FOR ENSURING THE CHIEF INTERNAL AUDITOR RECEIVES COPIES OF ALL EXTERNAL AUDIT/REVIEWS REPORTS. EXTERNAL AUDIT/REVIEW REPORTS WILL BE USED FOR INTERNAL AUDIT PLAN RISK ANALYSIS PURPOSES AND TO MONITOR THE PROGRESS MADE BY MANAGEMENT TO ADDRESS HIGH RISK FINDINGS.

9.12 Evaluating specific operations at the request of the Board or administration, as appropriate.

THE INTERNAL AUDIT DEPARTMENT MAY PERFORM ADVISORY AND RELATED CLIENT SERVICE ACTIVITIES, THE NATURE AND SCOPE OF WHICH WILL BE AGREED WITH THE CLIENT, PROVIDED THE INTERNAL AUDIT DEPARTMENT DOES NOT ASSUME MANAGEMENT RESPONSIBILITY.

OPPORTUNITIES FOR IMPROVING THE EFFICIENCY OF GOVERNANCE, RISK MANAGEMENT, AND CONTROL PROCESSES MAY BE IDENTIFIED DURING ENGAGEMENTS. THESE OPPORTUNITIES WILL BE COMMUNICATED TO THE APPROPRIATE LEVEL OF MANAGEMENT.

THE CHIEF INTERNAL AUDITOR WILL:

- PERIODICALLY REPORT TO THE BOARD AND INFORM SENIOR MANAGEMENT REGARDING THE INTERNAL AUDIT DEPARTMENT'S PURPOSE, AUTHORITY, AND RESPONSIBILITY.
- PROVIDE QUARTERLY REPORTS TO THE BOARD ON THE INTERNAL AUDIT DEPARTMENT'S PLAN AND PERFORMANCE RELATIVE TO ITS PLAN.
- PERIODICALLY REPORT TO THE BOARD THE INTERNAL AUDIT DEPARTMENT'S CONFORMANCE WITH THE IIA'S CODE OF ETHICS AND STANDARDS, AND ACTION PLANS TO ADDRESS ANY SIGNIFICANT CONFORMANCE ISSUES.
- PERIODICALLY REPORT SIGNIFICANT RISK EXPOSURES AND CONTROL ISSUES, INCLUDING FRAUD RISKS, GOVERNANCE ISSUES, AND OTHER MATTERS REQUIRING THE ATTENTION OF, OR REQUESTED BY, THE BOARD.
- MEET WITH THE BOARD AUDIT COMMITTEE ON A QUARTERLY BASIS TO DISCUSS THE STATUS OF THE INTERNAL AUDIT PLAN, RESULTS OF AUDIT ENGAGEMENTS OR OTHER ACTIVITIES, AND OTHER MATTERS REQUESTED BY THE BOARD.
- PERIODICALLY REPORT RESOURCE REQUIREMENTS TO THE BOARD.
- REPORT TO THE BOARD AND INFORM SENIOR MANAGEMENT OF ANY RESPONSE TO RISK (INCLUDING RESPONSES TO AUDIT FINDINGS) BY MANAGEMENT THAT MAY BE UNACCEPTABLE TO THE DISTRICT.

#### RESPONSIBILITY

THE CHIEF INTERNAL AUDITOR HAS THE RESPONSIBILITY TO:

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1. SUBMIT, AT LEAST ANNUALLY, TO THE BOARD A RISK-BASED INTERNAL AUDIT PLAN FOR REVIEW AND APPROVAL.
2. COMMUNICATE TO THE BOARD THE IMPACT OF RESOURCE LIMITATIONS ON THE INTERNAL AUDIT PLAN.
3. REVIEW AND ADJUST THE INTERNAL AUDIT PLAN, AS NECESSARY, IN RESPONSE TO CHANGES IN THE DISTRICT'S BUSINESS, RISKS, OPERATIONS, PROGRAMS, SYSTEMS, AND CONTROLS.
4. COMMUNICATE TO THE BOARD, FOR REVIEW AND APPROVAL, ANY SIGNIFICANT INTERIM CHANGES TO THE INTERNAL AUDIT PLAN.
5. ENSURE INTERNAL AUDIT PLAN ENGAGEMENTS EXECUTED INCLUDE THE ESTABLISHMENT OF OBJECTIVES AND SCOPE, THE ASSIGNMENT OF APPROPRIATE AND ADEQUATELY SUPERVISED RESOURCES, THE DOCUMENTATION OF WORK PROGRAMS AND TESTING RESULTS, AND THE COMMUNICATION OF ENGAGEMENT RESULTS WITH APPLICABLE CONCLUSIONS AND RECOMMENDATIONS TO APPROPRIATE PARTIES.
6. FOLLOW UP ON ENGAGEMENT FINDINGS AND CORRECTIVE ACTIONS, AND REPORT TO THE BOARD AND SENIOR MANAGEMENT ANY CORRECTIVE ACTIONS NOT EFFECTIVELY IMPLEMENTED OR UNDULY DELAYED. THE CHIEF INTERNAL AUDITOR WILL NOTIFY THE BOARD OF DELAYED/PAST DUE CORRECTIVE ACTION PLAN ACTIVITIES DURING THE REGULARLY SCHEDULED MONTHLY BOARD MEETINGS.
7. ENSURE THE PRINCIPLES OF INTEGRITY, OBJECTIVITY, CONFIDENTIALITY, AND COMPETENCY ARE APPLIED AND UPHELD.
8. ENSURE THE INTERNAL AUDIT DEPARTMENT COLLECTIVELY POSSESSES OR OBTAINS THE KNOWLEDGE, SKILLS, AND OTHER COMPETENCIES NEEDED TO MEET THE REQUIREMENTS OF THE INTERNAL AUDIT CHARTER.
9. ENSURE TRENDS AND EMERGING ISSUES THAT COULD IMPACT THE DISTRICT ARE CONSIDERED AND COMMUNICATED TO THE BOARD AND SENIOR MANAGEMENT AS APPROPRIATE.
10. ENSURE EMERGING TRENDS AND SUCCESSFUL PRACTICES IN INTERNAL AUDITING ARE CONSIDERED.
11. ESTABLISH AND ENSURE ADHERENCE TO POLICIES AND PROCEDURES DESIGNED TO GUIDE THE INTERNAL AUDIT DEPARTMENT.
12. ENSURE ADHERENCE TO THE DISTRICT'S RELEVANT POLICIES AND PROCEDURES, UNLESS SUCH POLICIES AND PROCEDURES CONFLICT WITH THE INTERNAL AUDIT CHARTER. ANY SUCH CONFLICTS WILL BE RESOLVED OR OTHERWISE COMMUNICATED TO THE BOARD.

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**13. ESTABLISH A QUALITY ASSURANCE AND IMPROVEMENT PROGRAM DESIGNED TO ENABLE AN EVALUATION OF THE INTERNAL AUDIT DEPARTMENT'S CONFORMANCE WITH THE STANDARDS AND AN EVALUATION OF WHETHER INTERNAL AUDITORS APPLY THE IIA'S CODE OF ETHICS.**

**14. COMMUNICATE TO THE BOARD ON THE QUALITY ASSURANCE AND IMPROVEMENT PROGRAM, INCLUDING RESULTS OF INTERNAL AND EXTERNAL ASSESSMENTS.**

**15. ENSURE CONFORMANCE OF THE INTERNAL AUDIT DEPARTMENT WITH THE STANDARDS, WITH THE FOLLOWING QUALIFICATIONS:**

- **IF THE INTERNAL AUDIT DEPARTMENT IS PROHIBITED BY LAW OR REGULATION FROM CONFORMANCE WITH CERTAIN PARTS OF THE STANDARDS, THE CHIEF INTERNAL AUDITOR WILL ENSURE APPROPRIATE DISCLOSURES AND WILL ENSURE CONFORMANCE WITH ALL OTHER PARTS OF THE STANDARDS.**
- **IF THE STANDARDS ARE USED IN CONJUNCTION WITH REQUIREMENTS ISSUED BY OTHER AUTHORITATIVE BODIES, THE CHIEF INTERNAL AUDITOR WILL ENSURE THE INTERNAL AUDIT DEPARTMENT CONFORMS WITH THE STANDARDS, EVEN IF THE INTERNAL AUDIT DEPARTMENT ALSO CONFORMS WITH THE MORE RESTRICTIVE REQUIREMENTS OF OTHER AUTHORITATIVE BODIES.**

**INTERNAL AUDIT REPORTS AND CORRECTIVE ACTION PLANS**

~~The chief internal auditor will submit reports to the Board in accordance with policy CFC(LOCAL). Audit reports are reviewed in order to ensure that all legal aspects, if any, and ethical implications have been considered and addressed in the report. All audit reports are objective, factual, concise, constructive, complete, and timely in nature and include findings, analyses, and recommendations in sufficient detail to facilitate review and the implementation of corrective action as appropriate. Draft audit reports are communicated to data owners who can ensure that the results are given due consideration.~~ **INTERNAL AUDIT REPORTS WILL BE COMMUNICATED IN ACCORDANCE WITH THE INTERNAL AUDIT DEPARTMENT'S POLICIES AND PROCEDURES MANUAL. DRAFT INTERNAL** Audit reports are distributed **TO THE SUPERINTENDENT** in a controlled manner on the basis of organizational relationships and on a "need to know" basis, primarily to those activities and levels of management that have functional responsibility for acting on the findings and recommendations reported. **THE CHIEF INTERNAL AUDITOR WILL ENSURE DRAFT INTERNAL AUDIT REPORTS ARE DISTRIBUTED TO THE BOARD FOR INFORMATIONAL PURPOSES.**

**DISTRICT MANAGEMENT AND LEADERSHIP ARE RESPONSIBLE FOR DEVELOPING A CORRECTIVE ACTION PLAN (CAP) TO ADDRESS FINDINGS, RECOMMENDATIONS, AND OBSERVATIONS.**

~~For standard audits, after internal audit staff members have met with auditees to confirm potential findings and discuss planned recommendations, the chief internal auditor will brief the Board officers. Once a Corrective Action Plan (CAP) has been submitted and found to be adequate, then the~~ **INTERNAL** audit report will be finalized. If in the opinion of



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the chief internal auditor, the approval or adequacy of a CAP is unduly delayed, the chief internal auditor will report the same to the Board.

~~Only finalized~~ **Finalized INTERNAL AUDIT** reports will be posted on the District's website, except information that is protected under the Family Educational Rights and Privacy Act (FERPA).

Some reports may require special consideration. In cases where related investigations are being performed by human resources/other departments or findings are referred to law enforcement, the report posting may be delayed. In other cases, a more generalized report will be prepared for publication. When disclosing detailed weaknesses, such as nonfunctioning controls, would put the District at risk until fixed, a general report would be prepared for the public and a more detailed report would be prepared for the department personnel charged with correcting the weaknesses. In either case, the chief internal auditor will work with the District's legal counsel.

**THE CHIEF INTERNAL AUDITOR WILL ENSURE FINAL INTERNAL AUDIT REPORTS ARE DISTRIBUTED TO THE BOARD, SUPERINTENDENT, AND MANAGEMENT AT LEAST FIVE WORKING DAYS PRIOR TO POSTING THE REPORT ON THE DISTRICT'S WEBSITE.**

~~Draft reports or work papers will not be posted or made available for publication.~~

#### **~~CORRECTIVE ACTION/MONITORING PROGRESS~~**

~~The chief internal auditor will be responsible for appropriate follow-up on audit findings and recommendations. In finalizing the audit report, the chief internal auditor or designee will consider the auditee's response and a CAP to address findings and recommendations. The auditee's response should include an explanation for any recommendation not addressed. The auditee's CAP should include activities that address the findings (and prevent the re-occurrence of the noncompliance/deficiencies), a timetable illustrating status, and completion dates. Auditees who fail to provide a complete CAP are required to meet with the Superintendent and the chief internal auditor to address their concerns and/or reasons for failing to respond.~~

~~The chief internal auditor will determine the appropriate follow-up process to monitor and ensure that management actions have been effectively implemented or that the Superintendent and/or staff members have accepted the risk of not taking action and the Board has been notified of their decision. The chief internal auditor will simultaneously notify the Board, the Superintendent, and the leadership of any delayed/past due CAP activities. The chief internal auditor will notify/update the Board of delayed/past due CAP activities at the regularly scheduled Board meeting each month. CAP owners must be in attendance at the Board meeting and explain their status.~~

~~Standards for the Professional Practice of Internal Auditing, Institute of Internal Auditors:~~

<sup>1</sup>Definition of Internal Auditing

<sup>2</sup>Coordination 2050

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*This charter has been approved by the El Paso Board of Trustees/Managers and will only be modified upon a majority vote of the Board.*

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