

# TEMPLE UNIVERSITY

## POLICIES AND PROCEDURES

<b>Title:</b>	The Internal Audit Program
<b>Policy Number:</b>	05.20.16
<b>Issuing Authority:</b>	Office of the President
<b>Responsible Officer:</b>	Senior Vice President and Chief Operating Officer
<b>Date Created:</b>	September 30, 1980
<b>Date Last Amended/Reviewed:</b>	November 2022
<b>Date Scheduled for Review:</b>	January 2025
<b>Reviewing Offices:</b>	Office of Internal Audits

### **Scope of Policy**

This policy establishes the Internal Audit Program to assist the University in reaching its goals and objectives. The Internal Audit Program serves management and assists Deans, Directors, and Budget Unit Heads in the discharge of their responsibility by reviewing, interpreting, and reporting activities in a factual and objective way.

### **Policy**

The University shall have only one Department of Internal Audits serving all its components, at all its locations.

In performing internal audits, the Department of Internal Audits shall make appraisals of the financial and informational systems of the University and shall make independent appraisals of operations to the extent provided for in the Department's annual budget. The Department shall determine the adequacy of internal controls; the accuracy of financial and operational reports; and compliance with laws, governmental regulations, standard accounting practices, third party reimbursement requirements and University plans, policies, and procedures.

Internal audits shall be conducted under the schedule recommended by the Management Audit and Compliance Committee (MACC) and approved by the President. However, such schedule may be superseded by specific request by the President or by the Vice President for Finance and Treasurer, or upon the initiative of the Associate Vice President and Chief Auditor Officer when in their individual judgments' conditions warrant such interruption.

The Department of Internal Audits shall perform follow-up audits of special projects, investigations, and audits to determine that the agreed upon corrective actions have been implemented and are effective. These follow-up audits will be performed approximately three to six months after the completion of the original project. The time and nature of the follow-up audits is dependent upon the significance of the weaknesses to be corrected and the nature of the corrective actions required to be implemented. The Associate Vice

President and Chief Audit Officer shall provide quarterly reports to the University President detailing the results of the follow-up audits performed. In addition, the Associate Vice President and Chief Audit Officer will issue a memorandum to the University President and the Management Audit and Compliance Committee (MACC) advising them of any areas that have not implemented corrective actions during two or more consecutive follow-up audits.

When University Counsel conducts an investigation in connection with rendering legal advice or in connection with or in anticipation of litigation, University Counsel may request the assistance of Internal Audits in conducting confidential investigations. Under these circumstances, Internal Audits shall operate at the direction or under the control of University Counsel.

The Department of Internal Audits shall have full, free, and unrestricted access to all University activities, records, electronic files, property, and personnel relevant to the subject under review. Appropriate prior approval shall be obtained from the President or the Chair of the Compliance, Audit and Risk Committee of the Board of Trustees for access to University records, files, and reports. The Associate Vice President and Chief Audit Officer shall be responsible for controlling access to electronic files by the Department. All personnel have the responsibility to cooperate with the Department of Internal Audits.

The Department of Internal Audits shall have no authority to make operational decisions, to direct anyone in operations, to take action or implement any recommendation.

The Associate Vice President and Chief Audit Officer, Department of Internal Audits, shall be responsible to the President of the University, and concurrently to the Board of Trustees, for the Internal Audit Program.

The Associate Vice President and Chief Audit Officer Department of Internal Audits shall provide copies of all internal audit reports to the President and the members of the Compliance, Audit and Risk Committee of the Board of Trustees. Members of the Management Audit and Compliance Committee (MACC) will also receive and review copies of internal audit reports.

The Associate Vice President and Chief Audit Officer shall make periodic written reports to the President as well as to the Board of Trustees and/or the Compliance, Audit and Risk Committee of the Board on the progress of the Internal Audit Program and be available for those purposes determined by the Board and its Committees.

The Department of Internal Audits shall adopt policies and procedures to implement the Internal Audit Program.

This policy supersedes all prior University Policies with which it conflicts.

## **Notes**

### 1. History:

This policy replaces former Presidential Policy Statement No. I-2, which was approved by the President in Executive Cabinet on September 30, 1982.

A copy of Presidential Policy Statement I-2 is on file in the office of the University Policy Coordinator.

Last Amended:

Amended by the President, in Executive Cabinet, February 14, 1984.

Amended by the President, in Executive Cabinet, October 5, 1990.

Approved by the President on December 27, 2004.

Amended by the President on April 13, 2006.

November 2022: Updated to reflect current Bylaws and job titles.

### 2. Cross References

None