
COLORADO STATE UNIVERSITY SYSTEM

Policy and Procedures Manual

SUBJECT: GOVERNANCE

Policy 111: CSUS Board Audit Charter Policy

Board Policy

The Internal Auditing Department (IA) shall provide the Board, the Chancellor and the university administrations with an independent and objective evaluation of governance, risk management, and control processes to assist the Colorado State University System (System) in achieving its objectives. This Charter of Operations for the IA Department is intended to supplement Article VIII of the Bylaws relating to the Director of IA and is authorized by Article XII of the Bylaws.

Purpose

The purpose of the internal audit function is to strengthen the CSU System's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight.

Internal Auditing supports the CSU System' mission by:

- Assisting in the successful achievement of its objectives.
- Independently evaluating governance, risk management, and control processes.
- Providing value-added insights to assist with decision-making and oversight.
- Enhancing the System's reputation and credibility with stakeholders.
- Assisting in its ability to serve the public interest.

The CSU System's internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with the Institute of Internal Auditors' (IIA) Global Internal Audit Standards™, which are set in the public interest.
- The internal audit function is independently positioned with direct accountability to the board.
- Internal auditors are free from undue influence and committed to making objective assessments.

Commitment to Adhering to the Global Internal Audit Standards

CSU System IA will take reasonable steps to adhere to the mandatory elements of The Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements (Standards). The Director will report periodically to the Board and senior management regarding the internal audit function'

Review the Director's performance.

Receive communications from the Director about the internal audit function, including its performance relative to its plan.

Ensure a quality assurance and improvement program has been established.

Review of the results of the quality assurance and improvement program annually.

Make appropriate inquiries of management and the Director to determine whether scope or resource limitations are inappropriate.

Director Roles and Responsibilities

Ethics and Professionalism

The Director will ensure that internal auditors:

to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist internal auditors.

Where the Director of IA has or is expected to have roles and/or responsibilities that fall outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

The Director of IA and Internal Audit staff will:

Assist in assessing and addressing reports generated through the Compliance Reporting Hotline.

Ensure adherence to the CSU System's relevant policies and procedures unless such policies and procedures conflict with the internal audit charter or the Global Internal Audit Standards. Any such conflicts will be resolved or documented and communicated to the Board and senior management.

Coordinate activities and consider relying upon the work of other internal and external providers of assurance and advisory services. If the Director cannot achieve an appropriate level of coordination, the issue must be communicated to senior management and if necessary, escalated to the Board.

Communication with the Board and Senior Management

The Director will report periodically to the Board and senior management regarding:

The internal audit function's purpose, authority, and responsibility.

The internal audit plan and performance relative to its plan.

The internal audit budget.

Significant revisions to the internal audit plan and budget.

History: Policy and Procedures Manual effective October 4, 2013 by Board Resolution
Amended August 2, 2017 by Board Resolution
Amended October 4, 2018 by Board Resolution
Amended June 10, 2022 by Board Resolution
Amended June 9, 2023 by Board Resolution
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