

Policy Number/Title: 8.2.01 Internal Audit Charter

Effective Since: 5/1/2025

Last Revision Approved: 6/2/2025

Responsible Officer: Keziah Adadzewa Otu

1. Scope:

This Charter applies to all employees, departments, contractors, and third parties involved in activities subject to internal audit across Winthrop University.

2. Definitions: N/A

3. Policy:

PURPOSE

The purpose of the internal audit function at Winthrop University is to objectively evaluate the University's financial processes to ensure their effectiveness, efficiency, and compliance with all relevant regulations, laws, contracts, and policies. The internal audit function aims to provide a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal controls, and governance processes.

MISSION

The mission of Winthrop University's internal audit function is to enhance and protect the University's integrity by providing independent and objective assurance reviews. Through these reviews, the internal audit function contributes to the University's strategic goals and operational objectives.

ROLES AND RESPONSIBILITIES

Evaluate Financial Processes: Assess financial processes to ensure they generate accurate, reliable, and timely information that aligns with the University's mission and meets the requirements of applicable regulations, laws, contracts, and policies.

Protect Assets: Ensure that the University's assets are adequately safeguarded against loss, fraud, or misuse.



Collaborate with Management: Work closely with University management to assess and confirm that policies, procedures, and processes are both effective and efficient in supporting the University's objectives.

Provide Resources: Serve as a resource to the University community by offering guidance and advice on internal controls, governance, and risk management practices.

STANDARDS OF PRACTICE AND ETHICS

The internal audit function adheres to professional standards of practice and ethics, including those established by the Institute of Internal Auditors (IIA) and relevant industry frameworks. Financial audits are performed in accordance with Generally Accepted Accounting Principles (GAAP). The Internal Auditor shall maintain the highest level of integrity, objectivity, confidentiality, and professional behavior while conducting audits and interacting with the University community.

RELATIONSHIPS

Reporting Structure

The internal auditor will report directly to the President of Winthrop University, with access to the Board of Trustees to ensure the independence and objectivity of the internal audit function.

ACCESSIBILITY

The internal audit function shall have unrestricted access to all relevant University data, documents, systems, and personnel necessary to perform its audits. The University staff is expected to fully support the internal audit process and provide the necessary resources to execute audit procedures effectively.

PRIMARY SCOPE

The scope of internal auditing covers all areas of the University. Annual audit programs will be prescriptive to review higher areas of assessed risk more frequently. During the scope of any audit, Internal Audit will also review the business management performance of the unit, in addition to unit-specific compliance and audit risk.

AUDIT CYCLE (PROCESS AND RISK-FOCUSED)

Risk Assessments

Each financial process will be subject to a thorough risk assessment to evaluate inherent risk, control risk, and detection risk. These assessments are intended to identify areas of higher risk that may require more frequent audits or specialized attention.

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Develop Audit Plan

Based on the results of the risk assessments, an annual audit plan will be developed outlining the audit procedures to be performed. This plan will also provide flexibility to accommodate unforeseen priorities or emerging risks.

Execute Audit Plan

Auditing procedures will be carried out throughout the year according to the established plan, addressing both routine and high-priority audits.

Identify Areas of Recommended Improvement

During audits, processes, controls, or compliance will be reviewed. The impact of any observed deficiencies will be quantified, and the root causes will be researched.

Recommend Resolution Plan

After identifying areas for improvement, the internal audit team will collaborate with unit leadership to develop and implement a resolution plan, which may include recommendations for process improvements, control enhancements, or training.

Follow-up and Monitor Change

Changes in processes, regulations, or risks will be monitored and addressed to ensure continued compliance and effectiveness. Units will provide documented progress toward resolution of any audit recommendation. The audit plan and procedures will be updated as necessary to reflect these changes.

AUDITING PROCEDURES

Audit Procedures

Audits will involve a variety of techniques, including analytics, independent verification, and reperformance of processes to assess the integrity of financial information and compliance with controls.

Audit Cycle Frequency

Each process will be assigned an audit cycle of one, two, or three years, based on its risk assessment results.

CHARTER APPROVAL

This Internal Audit Charter is subject to approval by the President of Winthrop University and the Board of Trustees. Any changes or revisions to the Charter must be formally approved by these governing bodies.

4. Procedures: N/A

5. Guides: N/A

6. Forms: N/A

7. History of Revisions:

1. Approved

Approved by: [Signature] Date: [Date]

Approved by: [Signature] Date: [Date]

Approved by: [Signature] Date: [Date]