

# WESTERN SYDNEY UNIVERSITY

## INTERNAL AUDIT CHARTER

*Adopted Board of Trustees August 2001*

*Revisions approved by Board of Trustees June 2003, Aug 2003, Oct 2010, Dec 2015.*

### **1 Objective**

1.1 This Charter establishes the authority and responsibility conferred by the Board of Trustees on the Office of Audit & Risk Assessment .

### **2 Role**

2.1 The primary purpose of the Office of Audit & Risk Assessment is to provide a comprehensive, value added internal audit and risk assessment service to management.

2.1 Internal auditing (as defined by the Institute of Internal Auditors) is an independent, objective assurance and consulting service designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

2.2 Risk assessment is a systematic process used to identify, analyse and evaluate risks (as defined in AS/NZS ISO 31000:2009 Risk Management) that could impact on the objectives of the University.

2.3 The ambit of the audit and risk assessment function encompasses all aspects of the University's and its related entities' activities including financial and operational matters. The extent and nature of audit and risk oversight of the related entities will be as specified in their constitutions, or in the case of partly owned entities pre-dating this Charter, specified in formal agreement between the University and the other entity parties.

### **3 Authority**

3.1 The authority for the establishment of an internal audit function in a Government organisation is provided for in Section 11, Part 2, Division 2 of the Public Finance & Audit Act 1983

3.2 The University Secretary and General Counsel, the staff of the Office of Audit and Risk Assessment and consultants contracted to undertake audit and risk assessment projects will have full, free and unrestricted access to all property, personnel, records, accounts files, and other documentation of the University and related entities.

3.3 Information accessed is to be used only for audit and risk assessment purposes.

## **4 Independence**

- 4.1 The internal auditors will be independent of the activities they audit.
- 4.2 The Head of the Office of Audit & Risk Assessment is located within the Office of University Secretary and General Counsel but retains, at all times, the right of direct access to the Vice-Chancellor and President and Chancellor.
- 4.3 The Head of the Office of Audit & Risk Assessment has the right of direct access to the Chair of the Audit and Risk Management Committee and is to meet privately at least once a year with the Chair and the Committee
- 4.4 The Office of Audit & Risk Assessment is not involved in the day-to-day operations of the University other than those required for the normal functioning of the Office itself.

## **5 Responsibilities**

Key activities undertaken by the Office of Audit & Risk Assessment include:

- 5.1 Reviewing systems and operations and appraising the adequacy of controls.
- 5.2 Recommending improvements to systems and procedures.
- 5.3 Providing advice on the design and implementation of, and testing planned controls when major changes are made to various administrative systems but not responsible for the detailed implementation of those systems.
- 5.4 Appraising and monitoring the extent of compliance across the University with policies, procedures, plans and legislation.
- 5.5 Ensuring that available resources are directed towards areas of highest risk.
- 5.6 Appraising the economy, efficiency and effectiveness with which University resources are employed.
- 5.7 Providing advice on a range of administrative and financial matters.
- 5.8 Conducting ad hoc and confidential investigations at the request of senior management.
- 5.9 Co-ordinating strategic and operational risk assessment activities.

**6 Scope**

- 6.1 The program of the Office of Audit & Risk Assessment will be sufficiently comprehensive to enable an effective and regular review of the University’s high risk activities.
- 6.2 The coverage of the Office of Audit & Risk Assessment extends to all areas of the University including the University’s controlled entities.

**7 Audit Evidence**

- 7.1 The Office of Audit and Risk Assessment shall keep and file appropriate evidentiary records of the work that it has performed.

**8 Audit and Risk Assessment Plan**

- 8.1 An Audit and Risk Assessment Work Plan will be prepared for the approval of the Vice-Chancellor and President and the Audit and Risk Assessment Committee before the close of each year. The Plan will be based on an assessment of the University’s risks.

**9 Reporting and Quality Assurance**

- 9.1 The University Secretary and General Counsel will report to the Vice-Chancellor and President and the Audit and Risk Management Committee on the activities and outcomes of the reviews, audits and investigations conducted by the Office of Audit & Risk Assessment at least four times a year. These reports will include University management responses and be prepared to coincide with the Audit and Risk Management Committee meetings.
- 9.2 The University Secretary and General Counsel will develop a quality assurance and improvement review process for the operations of the Office of Audit & Risk Assessment that will include benchmarking and performance indicators. The outcomes of this review will be reported to the Vice-Chancellor and President and the Audit and Risk Management Committee at its last meeting in each calendar year.

**10 Review**

- 10.1 The Audit and Risk Management Committee will review this Charter at two yearly intervals to ensure it remains relevant and effective and will advise the Board of Trustees on any recommended changes.

..... Date ...../...../.....  
 Chair, Audit and Risk Management Committee

..... Date ...../...../.....  
 Vice Chancellor and President