

Louisiana Department of Public Safety Services  
Internal Auditing Division  
Charter

**Audit Planning:**

Annually, the Internal Audit Director shall submit to senior management a summary of the audit work schedule, staffing plan, and budget for the following fiscal year. The audit work schedule is to be developed based on a prioritization of the audit universe using a risk-based methodology. Any significant deviation from the formally approved work schedule shall be communicated to senior management through periodic activity reports.

**Reporting:**

A written report will be prepared and issued by the Internal Audit Director or designee following the conclusion of each audit and will be distributed as appropriate. A copy of each audit report and a summarization will be forwarded to the Deputy Secretary, Under secretary, Deputy Undersecretary, and the appropriate Agency or Budget Unit Head.

The Internal Audit Director or designee may include in the audit report the auditee's response and corrective action taken or to be taken regarding the specific findings and recommendations. Management's response should include a timetable for anticipated completion of corrective action and an explanation for any recommendations not addressed.

In cases where a response is not included in the audit report, management of the audited area should respond, in writing, within thirty days of publication to Internal Audit and those on the distribution list.

Internal Audit shall be responsible for appropriate follow-up on audit findings and recommendations. All significant findings will remain in an open issues file until cleared by the Internal Audit Director.

**Periodic Assessment:**

The Internal Audit Director should periodically assess whether the purpose, authority, and responsibility, as defined in this charter, continue to be adequate to enable the internal auditing activity to accomplish its objectives. The result of this periodic assessment should be communicated to senior management.

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Approved this 9 day of October, 2008.

Colonel Michael D. Edmonson,  
Deputy Secretary



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**Introduction:**

Internal Auditing, as defined by the Institute of Internal Auditors, is an independent and objective assurance and consulting activity designed to add value to and improve operations of an organization. It assists the organization in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the department's risk management, control, and governance processes.

**Professional Standards:**

The Internal Audit Staff of the Department of Public Safety Services shall govern themselves by adherence to The Institute of Internal Auditors' "Code of Ethics". The Institute's "*International Standards for the Professional Practice of Internal Auditing*" (*Standards*) shall constitute the operating procedures for the division. These two documents constitute an addendum to their charter. The Internal Audit Division will adhere to the Institute of Internal Auditors' "Practice Advisories" as applicable. The Standard Operating Procedures Manual shall include attribute, performance, and implementation standards to guide the Division.

**Role:**

The responsibility of Internal Audit is to serve the Department in a manner consistent with the Standards for the Professional Practice of Internal Auditing and with the professional standards of conduct outlined in the Code of Ethics. Internal Audit is authorized to review all records of the Department and has full and complete access to all activities, records, property, and personnel reasonably necessary to perform the responsibilities of this function.

This responsibility includes coordinating Internal Audit activities with the organization's external auditors and others to best achieve organizational and auditing objectives.

The Internal Audit Division shall safeguard documents and confidentiality of information obtained during an audit or review in the same prudent manner as those employees normally accountable for the documents or information.

An internal audit does not in any way relieve other persons in the Department of the responsibilities assigned to them.

All requests for special (unscheduled) audits will be directed to the Undersecretary or Deputy Undersecretary.

**Authority:**

Authority is granted for full, free, and unrestricted access to all Department records, physical properties, and personnel relevant to any function under review. All employees are requested to assist the Internal Auditors in fulfilling their staff function. Internal Audit shall also have access to senior management.

**Organization:**

The Chief Audit Executive shall report administratively to the Undersecretary or Deputy Undersecretary.

**Independence:**

All internal audit activities shall remain free of influence by any element in the organization, including matters of audit selection, scope, procedures, frequency, timing, or report content. This independence is necessary to ensure that all activities and reporting is performed with an objective and unbiased mental attitude.

Internal Audit shall have no direct operational responsibility or authority over any activities internal audit normally reviews. Accordingly, they should not develop and install procedures, prepare records, or engage in activities internal auditors would normally review.

**Audit Scope:**

The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization's governance, risk management process, system of internal control structure, and the quality of performance in carrying out assigned responsibilities to achieve the organization's stated goals and objectives. It includes:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify, and report such information.
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations that could have a significant impact on operations and reports and whether the organization is in compliance.
- Review the means of safeguarding assets from various types of losses, such as those resulting from theft, fire, improper or illegal activities, and exposure to the elements and, as appropriate, verify the existence of such assets.
- Reviewing and appraising the economy and efficiency with which resources are employed.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Examining and evaluating the adequacy and effectiveness of the Department's system of internal controls and the quality of performance in carrying out assigned responsibilities.
- Reviewing specific operations at the request of the management, as appropriate.
- Monitoring and evaluating the effectiveness of the organization's risk management system.
- Maintaining technical competence through continuing education and active participation in professional activities.
- Participating in, or conducting evaluations, financial and management studies, special audits and fraud investigations as directed.
- Serving as liaison with the Legislative auditors.