CHARTER OF THE EMORY INTERNAL AUDIT DIVISION

VISION STATEMENT
To be a trusted and essential advisor for Emory’s Board of Trustees and executive leadership, and provide valuable business insights that help protect and enhance Emory’s reputation.

MISSION STATEMENT
The Internal Audit Division delivers world-class assurance and advisory services by:

- Aligning and prioritizing our work efforts to focus on the enterprise’s strategic goals and risk management objectives.
- Attracting, retaining, and leveraging a talented team by cultivating a culture that empowers employees to be innovative and guides them towards success.
- Building mutually respectful and trusted relationships with colleagues across our schools, business units and healthcare facilities.
- Serving as thought leaders and catalysts for continuous improvement by sharing best practices and standards across the enterprise.

PURPOSE
This charter sets forth the authority and responsibility of the Internal Audit Division (IAD) at the Institution (Emory University and Emory Healthcare).

INDEPENDENCE
To provide for the independence of the IAD, the Chief Audit Officer reports functionally to the Audit and Compliance Committee of the Board of Trustees, and administratively to the Executive Vice President for Business and Finance, and to the Senior Vice President and General Counsel.

AUTHORITY
IAD is authorized to:

- Have full, free and unrestricted access to all computer data and files, records, physical properties, and personnel of the Institution in order to fulfill its mission.
- Make specific reports directly to the University President and the Executive Vice Presidents.
- Have free and unrestricted access to the Audit and Compliance Committee.
- Allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish objectives.
- Obtain the necessary assistance of personnel in units of the Institution, and specialized services from within or outside the Institution.

IAD is not authorized to:

- Perform any operational duties for the Institution.
- Initiate or approve accounting transactions external to IAD.
- Direct the activities of any Institution employee not employed by IAD, except to the extent such employees have been appropriately assigned to auditing teams or to assist IAD staff in conducting its operations.
COORDINATION WITH OTHER DEPARTMENTS
IAD coordinates effort and collaborates with the Emory University Office of Compliance, the Emory Healthcare Office of Compliance Programs, and the Emory University Office of the General Counsel through membership on the Executive Compliance Committee (ECC). The ECC meets regularly to discuss and review compliance matters, coordinate efforts, and collaborate on compliance initiatives. IAD also coordinates efforts and collaborates with the external auditor.

ACCOUNTABILITY
The Chief Audit Officer shall be accountable to management and the Audit and Compliance Committee to:

- Perform assessments of the adequacy and effectiveness of the Institution’s processes for governance, risk management and internal controls.
- Report significant issues and potential improvements related to the Institution’s governance, risk management and internal control processes; and monitor, through to resolution, management’s action plans to address significant issues.
- Report periodically on the status and results of the annual audit plan and the sufficiency of department resources.
- Maintain a professional staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this charter.

ASSURANCE AND ADVISORY SERVICES
IAD conducts evaluations of the adequacy and effectiveness of the Institution’s governance, risk management, and internal control processes, as designed and represented by management, to achieve the Institution’s stated goals and objectives.

Assurance and Advisory services may include, and are not limited to:

- Developing and implementing a flexible annual audit plan and scope of work using appropriate risk-based methodology, including risks or control concerns identified by management, and submitting those plans to the Audit and Compliance Committee for review and approval.
- Providing advisory services to assist management in meeting its objectives. Examples may include risk assessment facilitation, process and control design, policy input, and training.
- Conducting investigations of suspected fraudulent activities in conjunction with other Institutional resources.
- Examining and evaluating the adequacy and effectiveness of the systems of risk management and internal control.
- Reviewing the reliability and integrity of financial and operational information, and the means used to identify, measure, classify, and report such information.
- Reviewing operations or programs to ascertain whether results are consistent with established objectives.
- Verifying that Institutional control processes foster integrity, accountability, quality, and continuous improvement.
- In conjunction with Institutional compliance offices, assessing compliance with laws, regulations, ethical principles, contract/grant provisions, and internal policies, plans, and procedures.
- Evaluating and assessing significant new or changing services, processes, operations, and controls coincident with their development and implementation.
- Verifying that resources are acquired economically, used efficiently, accounted for accurately, and protected adequately.
- Identifying opportunities for reducing costs, improving processes, or enhancing the organization’s reputation.
INTEGRITY AND CONFIDENTIALITY
IAD is committed to operating with the upmost integrity, objectivity and confidentiality, in accordance with the Institution’s Statement of Guiding Ethical Principles, the International Standards for the Professional Practice of Internal Auditing, as well as other professional auditing and compliance standards that may be applicable to the performance of work assignments.

Approved by the Audit and Compliance Committee on March 24, 2016