



UNIVERSITY  
OF  
LOUISIANA  
Lafayette

Office of Internal Audit

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November 12, 2024

Dr. E. Joseph Savoie  
President  
University of Louisiana at Lafayette

**RECEIVED**

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Université des Acadiens

Office of the President

Dear Dr. Savoie:

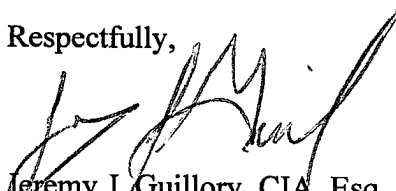
Revisions and updates to the Internal Audit Charter for the University of Louisiana at Lafayette have been made. I have reviewed these revisions and updates. This letter to you shall demonstrate my approval of said revisions and updates. Attached herewith for your approval is this revised Internal Audit Charter for the University of Louisiana at Lafayette.

The Internal Audit Charter for the University sets forth the purpose, mandate, board oversight, roles and responsibilities, scope and types of internal audit services of the internal audit activity for the University of Louisiana at Lafayette.

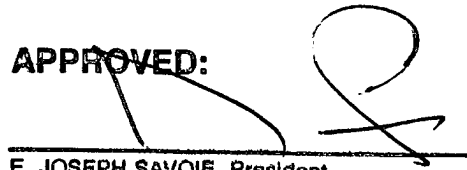
This update has been made to reflect the changes made to the Institute of Internal Auditors Global Audit Standards which shall be effective January 1, 2025.

The Internal Audit Charter for the University was last revised and updated in July 2023. Additionally, it was approved by the BOS at or around this time as well.

Respectfully,

  
Jeremy J. Guillory, CIA, Esq.  
Internal Audit Director

**APPROVED:**

  
E. JOSEPH SAVOIE, President



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**University of Louisiana at Lafayette  
Internal Audit Charter**

This charter sets forth the purpose, authority, and responsibilities of the internal audit function for the University of Louisiana at Lafayette. The charter establishes the internal audit function's position within the University of Louisiana at Lafayette, authorizes access to records, personnel, and physical properties relevant to the performance of engagements; and defines the scope of internal audit services.

The University of Louisiana at Lafayette supports a Director of Internal Audit (Director), and other personnel as needed, as a staff function. The University of Louisiana at Lafayette supports this staff function as a service to the University of Louisiana at Lafayette senior management and the University of Louisiana System Board of Supervisors (Board).

**I. Purpose**

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

The internal audit function enhances the University of Louisiana at Lafayette's:

- Successful achievement of its objectives.
- Governance, risk management, and control processes.
- Decision-making and oversight.
- Reputation and credibility with its stakeholders.
- Ability to serve the public interest.

The University of Louisiana at Lafayette's internal audit function is most effective when:

- Internal auditing is performed by competent professionals in conformance with The Institute of Internal Audit (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**

The University of Louisiana at Lafayette's internal audit function will 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. The Director will report annually to the Board and senior management regarding the internal audit function's conformance with the Standards, which will be assessed through a quality assurance and improvement program.

## **II. Mandate Authority**

The Board grants the internal audit function the mandate to provide the Board and senior management with objective assurance, advice, insight, and foresight.

The internal audit function's authority is created by its direct reporting relationship to the Board. Such authority allows for unrestricted access to the Board. The Director communicates to the Board through the UL System Chief Audit Executive (CAE). If a matter involves a disagreement between the Director and UL System CAE, or if there is an impairment of independence and/or objectivity caused by the UL System CAE, the Director may contact the Board directly.

The Board authorizes the internal audit function to:

- Have full and unrestricted access to all functions, data, records, information, physical property, and personnel pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of the University of Louisiana at Lafayette and other specialized services from within or outside the University of Louisiana at Lafayette to complete internal audit services.

### **Independence, Organizational Position, and Reporting Relationships**

The Director will be positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management, thereby establishing the independence of the internal audit function. (See "Mandate" section.) The Director will report functionally to the Board and administratively (for example, day-to-day operations) to the University of Louisiana at Lafayette President. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Board, when necessary, without interference and supports the internal auditors' ability to maintain objectivity.

The Director will confirm to the Board, at least annually, the organizational independence of the internal audit function. The Director will disclose to the Board any interference internal auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

### **Changes to the Mandate and Charter**

Circumstances may justify a follow-up discussion between the Director, Board, and senior management on the internal audit mandate or other aspects of the internal audit charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant acquisition or reorganization within the organization.
- Significant changes in the Director, Board, and/or senior management.
- Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

### **III. Board Oversight**

To establish, maintain, and ensure the University of Louisiana at Lafayette 's internal audit function has sufficient authority to fulfill its duties, the Board will:

- Discuss with the Director and senior management the appropriate authority, role, responsibilities, scope, and services (assurance and/or advisory) of the internal audit function.
- Ensure the Director has unrestricted access to and communicates and interacts directly with the Board, including in private meetings without senior management present.
- Discuss with the Director and senior management other topics that should be included in the internal audit charter.
- Participate in discussions with the Director and senior management about the “essential conditions,” described in the Global Internal Audit Standards, which establish the foundation that enables an effective internal audit function.
- Approve the internal audit function’s charter, which includes the internal audit mandate and the scope and types of internal audit services.
- Review the internal audit charter annually with the Director to consider changes affecting the University of Louisiana at Lafayette, such as the employment of new auditors or changes in the type, severity, and interdependencies of risks to the organization; and approve the internal audit charter annually.
- Approve the risk-based internal audit plan.
- Approve the internal audit function’s human resources administration and budgets.
- Approve the internal audit function’s expenses.
- Collaborate with senior management to determine the qualifications and competencies the organization expects in a Director, as described in the Global Internal Audit Standards.
- Authorize the appointment and removal of the Director.
- Approve the remuneration of the Director.
- 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 and review the results annually.
- Make appropriate inquiries of senior management and the Director to determine whether scope or resource limitations are inappropriate.

### **IV. Director of Internal Audit’s Roles and Responsibilities**

#### **Ethics and Professionalism**

The Director will ensure that the internal audit function:

- Conforms with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
- Understands, respects, meets, and contributes to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations.
- Encourages and promotes an ethics-based culture in the organization.
- Reports organizational behavior that is inconsistent with the organization’s ethical expectations, as described in applicable policies and procedures.

## **Objectivity**

The Director will ensure that the internal audit function remains free from all conditions that threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures, frequency, timing, and communication. If the Director determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties.

Internal auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on audit matters to others, either in fact or appearance.

Internal auditors will have no direct operational responsibility or authority over any of the activities they review. Accordingly, internal auditors will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing operational duties for the University of Louisiana at Lafayette or its affiliates.
- Initiating or approving transactions external to the internal audit function.
- Directing the activities of any the University of Louisiana at Lafayette employee that is not employed by the internal audit function, except to the extent that such employees have been appropriately assigned to internal audit teams or to assist internal auditors.

Internal auditors will:

- Disclose impairments of independence or objectivity, in fact or appearance, to appropriate parties and at least annually, such as the Director, Board, management, or others.
- Exhibit professional objectivity in gathering, evaluating, and communicating information.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid conflicts of interest, bias, and undue influence.

## **Managing the Internal Audit Function**

The Director has the responsibility to:

- At least annually, develop a risk-based internal audit plan that considers the input of the Board and senior management. Discuss the plan with the Board and senior management. Then submit the plan to the Board for review and approval.
- Communicate the impact of resource limitations on the internal audit plan to the Board and senior management.
- Review and adjust the internal audit plan, as necessary, in response to changes in the University of Louisiana at Lafayette 's business, risks, operations, programs, systems, and controls.
- Communicate with the Board and senior management if there are significant interim changes to the internal audit plan.
- Ensure internal audit engagements are performed, documented, and communicated in accordance with the Global Internal Audit Standards.
- Follow up on engagement observations by confirming the implementation of recommendations or action plans and communicate the results of internal audit services to the Board and senior management periodically and for each engagement as appropriate.

- Ensure the internal audit function collectively possesses or obtains the knowledge, skills, and other competencies and qualifications needed to meet the requirements of the Global Internal Audit Standards and fulfill the internal audit mandate.
- Identify and consider trends and emerging issues that could impact the University of Louisiana at Lafayette and communicate to the Board and senior management as appropriate.
- Consider emerging trends and successful practices in internal auditing.
- Establish and ensure adherence to methodologies designed to guide the internal audit function.
- Ensure adherence to the University of Louisiana at Lafayette and the University of Louisiana 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 to the Board and senior management regarding:

- The internal audit function's mandate.
- The internal audit plan and performance relative to its plan.
- Internal audit budget.
- Significant revisions to the internal audit plan and budget.
- Potential impairments to independence, including relevant disclosures as applicable.
- Results from the quality assurance and improvement program, which include the internal audit function's conformance with The IIA's Global Internal Audit Standards and action plans to address the internal audit function's deficiencies and opportunities for improvement.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other areas of focus for the Board.
- Results of assurance and advisory services.
- Resource requirements.
- Management's responses to risk that the internal audit function determines may be unacceptable or acceptance of a risk that is beyond the University of Louisiana at Lafayette's risk appetite.

#### **Quality Assurance and Improvement Program**

The Director will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the internal audit function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Annually, the Director will communicate with the Board and senior management about the internal audit function's quality assurance and improvement program, including the results of

internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the UL System; qualifications must include at least one assessor holding an active Certified Internal Auditor® credential.

**V. Scope and Types of Internal Audit Services**

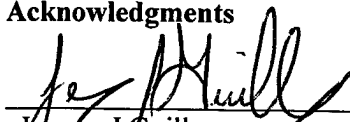
The scope of internal audit services covers the entire breadth of the organization, including all of the University of Louisiana at Lafayette's activities, assets, and personnel. The scope of internal audit activities also encompasses but is not limited to objective examinations of evidence to provide independent assurance and advisory services to the Board and management on the adequacy and effectiveness of governance, risk management, and control processes for the University of Louisiana at Lafayette.

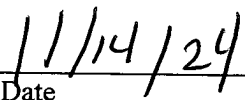
The nature and scope of advisory services may be agreed with the party requesting the service, provided the internal audit function does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during advisory engagements. These opportunities will be communicated to the appropriate level of management.

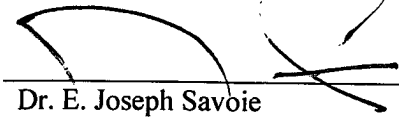
Internal audit engagements may include evaluating whether:

- Risks relating to the achievement of the University of Louisiana at Lafayette's strategic objectives are appropriately identified and managed.
- The actions of the University of Louisiana at Lafayette's officers, directors, management, employees, and contractors or other relevant parties comply with the University of Louisiana at Lafayette and the University of Louisiana System's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations and programs are consistent with established goals and objectives.
- Operations and programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the University of Louisiana at Lafayette.
- The integrity of information and the means used to identify, measure, analyze, classify, and report such information is reliable.
- Resources and assets are acquired economically, used efficiently and sustainably, and protected adequately.

**Acknowledgments**

  
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Jeremy J Guillory  
Internal Audit Director  
University of Louisiana at Lafayette

  
\_\_\_\_\_  
Date

  
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Dr. E. Joseph Savoie  
President  
University of Louisiana at Lafayette

  
\_\_\_\_\_  
Date