



# Office of County Internal Audit Charter

## **MISSION**

The mission of the Office of County Internal Audit (Office) is to enhance and protect Clackamas County's organizational value by providing risk-based and objective assurance, advice, and insight.

## **VISION**

The Office provides assurance, advisory, and investigative services to the public, employees and departments of Clackamas County so they can feel confident that the public's interests are protected and can engage with an accountable, high performing, and transparent local government.

## **PURPOSE**

The County Internal Auditor establishes, implements, and monitors internal audit policies, procedures, and resources to provide independent and objective assurance, advisory and investigative services designed to add value and improve County operations. The Office supports transparent, accountable, and informed decision-making and helps the County serve and enrich our community by bringing a systematic, disciplined approach to evaluating and improving the effectiveness and efficiency of governance, risk management, and control processes.

## **AUTHORITY**

The Office is established under the authority provided in County Code Chapter 2.15: County Internal Auditor. The County Internal Auditor is the Chief Audit Executive. The County Internal Auditor reports functionally to the Internal Audit Oversight Committee (Committee) and administratively to the elected County Treasurer. Functional oversight responsibilities of the Committee include approving the risk-based audit plan, reviewing audit reports and recommendations, and providing input regarding the appointment or removal of the County Internal Auditor.

The Office is authorized to examine and evaluate the operations and activities of any office, department, political subdivision, or organization which receives appropriations from the Board of County Commissioners, or for which governing bodies are, or are appointed by, the Board of County Commissioners.

The Office is granted full, free and unrestricted timely access to all activities, information, records, property and personnel required to provide assurance, advisory or investigative services. The Office has the authority to request reasonable assistance from County personnel in acquiring records, documents, and files, as well as inspection and entry privileges to all assets owned, leased, or borrowed by the County. Internal Audit staff are held strictly accountable for the safeguard of all materials and the confidentiality of information, when appropriate.

## **PROFESSIONALISM**

The Office governs itself by adherence to The Institute of Internal Auditors' Global Internal Audit Standards (Standards). The Standards constitute principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the Office's performance. The County Internal Auditor annually affirms to the Committee compliance with the Global Internal Audit Standards.

## **INDEPENDENCE AND OBJECTIVITY**

The Office remains free from conditions that may impair the ability of the Office to carry out internal audit responsibilities in an unbiased manner, including matters of engagement selection, scope, procedures,

frequency, timing and communication form or content. The Office does not perform, or have authority over, operational responsibilities or non-audit functions or duties subject to periodic internal audit assessments, as this may compromise its independence or objectivity.

Internal auditors exhibit the highest level of professional objectivity in gathering, evaluating and communicating information about the activity or process being assessed. Internal auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments. Internal auditors have impartial, unbiased attitudes and avoid any conflicts of interest.

The County Internal Auditor annually affirms to the Committee the organizational independence of the internal audit function and the professional objectivity of the internal auditors.

### **SCOPE OF WORK AND RESPONSIBILITIES**

The scope of internal auditing encompasses, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the County's governance, risk management and control process, as well as the quality of performance in carrying out assigned responsibilities to achieve its goals and objectives. The Office provides three types of services – assurance, advisory and investigative.

Assurance services are services through which internal auditors perform objective assessments and provide assurance statements. These statements are intended to increase the level of stakeholders' confidence about the County's governance, risk management, and control processes over an issue, condition, subject matter, or activity under review when compared to established criteria. Examples of assurance services include compliance, financial, operational or performance, and technology engagements. The Office may provide limited or reasonable assurance, depending on the nature, timing, and extent of procedures performed.

Advisory services are consultative and include service activities such as counsel, advice, facilitation, training and participation on standing or temporary management committees or project teams. The objective of advisory services is to add value in the development, modification or validation of County processes, procedures and controls to minimize risk, achieve objectives and foster continuous improvement. Advisory services do not provide assurance or assume management responsibilities.

Investigative services are independent special reviews and investigations addressing allegations of fraud, waste, abuse, or misuse of County assets and resources. The Office develops, implements, and manages the County fraud, waste, and abuse hotline program, the Good Government Hotline.

### **QUALITY ASSURANCE AND IMPROVEMENT PROGRAM**

The Office maintains a quality assurance and improvement program. The program is an evaluation tool that ensures the internal audit function conforms with the Global Internal Audit Standards, achieves performance objectives, and pursues continuous improvement. The County Internal Auditor reviews program results with the Committee at least annually.

The County Internal Auditor reviews and assesses the adequacy of this charter with the Committee at least annually. Revisions are submitted to the Committee for approval. All approved revisions supersede prior Internal Audit charters.

### **COUNTY MANAGEMENT RESPONSIBILITIES**

County management is responsible for the County's governance, risk management, and control processes. The performance of assurance, advisory and investigative services by the Office does not relieve management of any responsibilities.

**Approved as revised this 20<sup>th</sup> day of March 2024 by Internal Audit Oversight Committee vote, and in collaboration with the County Treasurer and the County Internal Auditor.**