



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Auditor-Controller
Department No.: 061
For Agenda Of: June 5, 2018
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Theodore A. Fallati, CPA CPFO
Director(s) Auditor-Controller, 568-2100
Contact Info: David A. Medrano, CPA CFE CIA
Internal Audit Chief, 568-2456

SUBJECT: Internal Audit Charter

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: CEO

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve a charter formalizing the purpose, authority, and responsibilities of the County of Santa Barbara Internal Audit Division (Division); and
- b) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(4) of the CEQA Guidelines because they consist of the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The Internal Audit Charter (Charter) has been developed to define the Division's purpose, authority, and scope of duties. The Charter also serves to affirm the importance of the Division's activity and role within the County's governance structure, and authorizes the Division's access to records, personnel, and physical properties relevant to the performance of its work activities. This Charter is being submitted to the Board of Supervisors in accordance with International Standards for the Professional Practice of Internal Auditing (Standards), which requires the Chief Audit Executive (or equivalent) to develop an Internal Audit Charter and present it to the Board (or governing body) for approval. The Auditor-Controller for the County of Santa Barbara serves as its Chief Audit Executive under this Charter. This Charter serves to formalize current existing practices.

Background:

The Standards are established by the Institute of Internal Auditors (IIA), regarded as the internal audit profession's authoritative guide and standards setting body. Conformance with the Standards is essential to maintaining the Division's credibility and to meeting its responsibilities with respect to the internal audit profession. Consistent with the Standards, the authority, scope of duties, and other significant aspects of the internal audit activity have been formally identified in the Charter.

The Charter affirms the importance of the Division within the County's governance structure and authorizes access to records, personnel, and physical properties relevant to the performance of engagements. In addition, the Charter formalizes the professional standards to be used, directs that a Quality Assurance and Improvement Program be administered to assess conformance with the Standards, and conveys the Division's scope of duties, authority, independence, objectivity and reporting and monitoring obligations.

Special Instructions:

Return copy of executed document to Auditor-Controller

Attachments:

Internal Audit Charter

Authored by:

Jeremy Sturz, CPA

David A. Medrano, Internal Audit Chief

cc: Mona Miyasato, County Executive Officer