



**SAN FRANCISCO
STATE UNIVERSITY**

Audit Charter

Purpose and Scope

Audit & Advisory Services (A&AS) conducts independent and objective assurance and consulting activities that are guided by a philosophy of adding value to improve the operations of San Francisco State University. A&AS assists San Francisco State University in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, and internal controls so that:

- University assets are safeguarded;
- Information is accurate and reliable;
- University policies and procedures and external laws and regulations are followed;
- Resources are used efficiently and economically;
- Operations and programs are being carried out as planned and results are consistent with the University's objectives;
- Significant legislative or regulatory issues impacting the University are recognized and addressed properly.

Reporting Structure and Independence

To provide independence, the Director of A&AS shall report functionally to the Executive Director of Administration as well as a dotted line to the University President as appropriate. A&AS employees shall have organizational independence and strive to carry out their responsibilities with professional objectivity, regardless of structural reporting constraints.

Authority and Responsibility

A&AS is authorized to have full, complete, and unrestricted access to all University records, physical properties, and personnel relevant to an audit or advisory project. A&AS will handle any documents and information obtained or reviewed during an assignment in a prudent and responsible manner. Auditors however, are to have no authority or responsibility for the activities they audit.

A&AS shall maintain the University's anonymous reporting system whereby stakeholders may report instances of fraud, ethics, or compliance related concerns. A&AS shall review all reports received and make a determination regarding the reported claim. The Executive Director of Administration shall determine next steps based on the reports and findings provided by A&AS and shall make recommendations on any actions to be taken as a result of such reports or findings.

A&AS shall have the responsibility to:

- Develop a flexible annual audit plan using an appropriate risk-based methodology;
- Submit the annual audit plan to the Executive Director of Administration, Administration & Finance as a whole, and the broader campus community for input and consideration;
- Plan and perform audits and reviews as noted on the audit plan;
- Perform special administrative requests, special projects, investigations, and consulting Services as requested by management and deemed high risk;



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- Make recommendations for improvements to the systems of risk management, internal control, and governance processes;
- Report the results of audit work to the appropriate level of management (Executive Director of Administration, the Vice President Administration & Finance and CFO, and the President)
- Work with the external auditors and other agencies to seek to avoid redundancies in audit effort;
- Maintain appropriate professional development to ensure that its staff has the skills and abilities to perform audit assignments;
- Keep the Executive Director of Administration, Administration & Finance as a whole, and the broader campus community aware of emerging trends regarding internal controls, risk management, governance, and internal auditing;
- Strive to comply with The Institute of Internal Auditors' mandatory guidance including the Definition of Internal Auditing, the Code of Ethics, and the International Standards for the Professional Practice of Internal Auditing (Standards).

[Redacted Signature]

Lynn Mahoney, President, San Francisco State University

2-28-20

Date

DocuSigned by:
[Redacted Signature]

Jeff Wilson, Interim Vice President and Chief Financial Officer

02/21/2020 | 10:45 AM PST

Date