

## F.02 Internal Audit Policy

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|                         | V2           | 10-Mar-15              | Reviewed and adopted  |
|                         | V3           | 08-Jul-16              | Reviewed and adopted  |
|                         | V4           | 13-Apr-18              | Reviewed – no changes |
|                         | V5           | 09-July-19             | Reviewed – no changes |
|                         | V6           | 08-May-20              | Reviewed – no changes |

CEO            Chief Executive Officer  
DCCS          Director of Corporate & Community Services  
DES            Director of Engineering Services  
MFS            Manager Financial Services

## 1 OBJECTIVE

The internal audit function is established to provide objective assurance to council that the organisation's operations have been evaluated for the effectiveness of risk management, controls and governance processes.

## 2 SCOPE

The scope of internal audit function extends to all departments, programs, sub-programs, functions, funded schemes and entities over which council has direct management, sponsorship or financial control.

Any dispute as to whether an activity falls within the scope of Council's internal audit function shall be determined by the CEO.

## 3 STATEMENT

The internal audit function will provide council with oversight and recommendations related to key areas of governance, risk and compliance. The internal audit will assess the organisations operation and performance and report on these functions.

The following defines the parameters of the internal audit:

- Reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and report such information.
- Reviewing the systems established to ensure compliance with those policies, plans, procedures, laws and regulations which could have a significant impact on operations and reports and whether the organisation is in compliance. Audit should also be pro-active in offering advice to management in regards to the implications of future legislation, policy and industry changes.
- Reviewing the means of safeguarding assets and, where appropriate, verifying the existence of such assets.
- Reviewing and appraising the economy and efficiency with which resources are employed, identify opportunities to improve operating performance, and recommend solutions where necessary.
- Contribute to the corporate management process by assessing and reporting the relevance, reliability and adequacy of management data and performance indicators and reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Co-ordinating audit work with external auditors to assuring completeness of coverage, preventing a duplication of effort and ensuring the effective use of audit resources.
- Participating (in an advisory role) in the planning, design, development, implementation and operation of major computer based systems to determine whether:
  - Adequate controls are incorporated in the systems
  - Thorough system testing is performed at appropriate stages
  - System documentation is complete and accurate
  - The needs of the user are met
- Conducting periodic audits of computer service centres and post installation evaluations of major data processing systems to determine whether these systems meet their intended purposes, requirements and objectives.

## 4 DEFINITIONS

Nil

## 5 RELATED POLICIES | LEGISLATION | OTHER DOCUMENTS

*Local Government Act 2009*

*Local Government Regulation 2012*

| IX #  | Details                        |
|-------|--------------------------------|
| 91107 | F.01 Audit Committee Policy    |
| 96651 | F.01-A Audit Committee Charter |