AGENDA ITEM 5.

FISCAL YEAR 2011 INTERNAL AUDIT CHARTER AND PLAN APPROVAL

Submitted for: Action

Summary: The Commission has been provided with copies of the Internal Audit Charter and the Audit Plan for FY2011 that have already been reviewed and approved by the Executive Director. The Fiscal Control and Internal Auditing Act (FCIAA) requires that the Internal Audit plan for each two-year cycle be completed and approved each fiscal year.

In order to meet requirements of the International Standards for the Professional Practice of Internal Auditing (Standards), the Charter and Plan are required to be approved by both the Executive Director and the Commission on an annual basis.

The Internal Audit Charter provides information on the role of the internal audit function within the organization and authorizes full access to books, records, and Agency personnel or contracted auditors as required for audit purposes. The Audit Plan provides a two-year cycle of scheduled audits based on risk assessment, requirements of the Fiscal Control and Internal Auditing Act, and resource limitations. As these factors may change during the course of a fiscal year, it is common to perform a mid-year assessment and revise the schedule as necessary.

Action requested: That the Commission approve the following resolution:

"**BE IT RESOLVED** that the Commission approves the Internal Audit Charter and Plan for the FY2011 audit cycle."