

R567-1. Purpose: To establish policies and standards for internal audit departments within the Utah System of Higher Education (USHE).

R567-2. References

- 2.1. Utah Code [§53B-6-102](#) (Standardized Systems Prescribed by the Board)
- 2.2. Utah Code [§53B-7-101](#) (Financial Affairs Under the General Supervision of the Board)
- 2.3. Policy and Procedures [R565](#), Audit Review Subcommittee
- 2.4. Policy and Procedure [R120-3.3.2.7](#), Bylaws of the Board of Regents, Auditing Records

R567-3. Definitions

- 3.1. **Internal Auditing:** Internal auditing is an independent appraisal function established to examine and evaluate activities as a service to management. The objective of internal auditing is to assist USHE personnel in the effective discharge of their responsibilities. To this end, internal auditing furnishes analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed.
- 3.2. **Institutional Audit Department:** An institutional audit department is an employee or department of a USHE institution responsible to provide internal auditing services, as defined above, and whose functions are governed by a statement of purpose, authority, and responsibility which has been proposed by the president and approved by the institution's Board of Trustees.
- 3.3. **State Board of Regents Audit Department:** The State Board of Regents audit department is an internal audit department resident in the Commissioner's Office responsible to provide internal auditing services, as defined above, and whose functions are governed by a statement of purpose, authority, and responsibility which has been approved by the Commissioner.

R567-4. Policy

- 4.1. **Internal Audits Required at All Institutions:** The State Board of Regents requires each Utah System of Higher Education institution to complete internal audits as directed by the State Board of Regents, the Commissioner, the institutional President, or the appropriate authority at the institution.
- 4.2. **System Wide Audits—Financial Audits:** Institutional audit departments shall conduct system wide audits for their institutions and the State Board of Regents audit department shall conduct system wide audits at institutions having no resident audit department.
- 4.4. **Coordination of System Wide Audits:** Assignments to conduct system wide internal audits will be coordinated between the Commissioner of Higher Education and the institutional Presidents.

¹ Adopted April 24, 1973, amended May 29, 1973, June 26, 1973, November 27, 1973, January 28, 1975 and April 22, 1975; replaced January 17, 1992, amended April 17, 1992 and March 18, 2005.

4.5. Special Audits Directed by the Commissioner: The Commissioner, with prior notification to the President of the institution, may direct the State Board of Regents audit department to schedule and conduct an audit at the institution, separately or in cooperation with a resident internal audit group, provided the audit is not part of a system wide audit. (See State Board of Regents Bylaw [R120-3.3.2.7.](#))

4.6. General Standards: the functions and activities of internal audit departments within USHE shall be consistent with the "Standards for the Professional Practice of Internal Auditing" as promulgated by the Institute of Internal Auditors. Other professional standards (such as "generally accepted auditing standards" as promulgated by the American Institute of CPAs) may also apply to particular audit assignments as determined by the institution's Board of Trustees or the State Board of Regents.

4.7. Reports to the Board of Trustees: The President and the internal audit director shall meet periodically as needed with the institutional Board of Trustees, or an Audit Subcommittee of the institutional Board of Trustees, to review completed audits, institutional responses, and to discuss concerns of the institutional Board of Trustees or the director.