GENERAL

The University of Maine System Department of Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve University operations thereby assisting Trustees and University officials in the effective discharge of their responsibilities. It helps the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and the governance process. To accomplish these objectives, the Board of Trustees has authorized the Department of Internal Audit to have unrestricted access to all University activities, records, property, and personnel.

Based on risk assessments, compliance responsibilities, and management and Trustee requests, Internal Audit annually prepares an Audit Plan which the Audit Committee reviews. The scope of Internal Audit work includes, but is not limited to, the examination and evaluation of the adequacy and effectiveness of the University's system of internal control and the quality of performance in carrying out assigned responsibilities.

Audit results, including opinions, observations, and recommendations are promptly reported to management for response and corrective action. The final audit report is distributed to the auditee, members of Senior Management, and the Board of Trustees Audit Committee. Responses, including Corrective Action Plans, are reviewed for appropriateness.

FOLLOW-UP

Management is responsible for seeing that corrective action is taken promptly on audit recommendations. At its discretion, the Audit Department may subsequently perform a follow-up review or ask the auditee to provide a status report on corrective measures taken. The Director of Internal Audit is responsible for communicating audit results to the Board of Trustees Audit Committee.

To accomplish these objectives:

1. Management is responsible for promptly responding, in writing, to all Internal Audit report findings.

2. Internal Audit will request, in the draft report transmittal letter, that management respond within a set period of time. The response date is typically 2 weeks from when the draft report was issued; however, a longer period may be provided or requested depending on the circumstances.
ADMINISTRATIVE PRACTICE LETTER

SUBJECT: AUDIT REPORT FOLLOW-UP

3. If comments received do not satisfactorily resolve the findings, the Audit Director will take appropriate steps. Such steps may include requesting a revised response or identifying in the body of the audit report the reasons the response is not satisfactory.

APPROVED:

__________________________________
Chief Financial Officer and Treasurer