

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 9/27/2016	(3) CONTACT/PHONE Kerry Bailey 788-2979	
(4) SUBJECT Submittal of the Internal Audit Division's Quality Assurance and Improvement Program Self-Assessment Report and Request for Approval of the Internal Audit Charter. All Districts.			
(5) RECOMMENDED ACTION It is recommended the Board 1) receive and file the Internal Audit Division's Quality Assurance and Improvement Program Internal Assessment Report and 2) approve the Internal Audit Charter.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Auditor - Controller - Treasurer - Tax Collector / Kerry Bailey 788-2979

DATE: 9/27/2016

SUBJECT: Submittal of the Internal Audit Division's Quality Assurance and Improvement Program Self-Assessment Report and Request for approval of the Internal Audit Charter. All Districts.

RECOMMENDATION

It is recommended the Board 1) receive and file the Internal Audit Division's Quality Assurance and Improvement Program Internal Assessment Report and 2) Approve the Internal Audit Charter.

DISCUSSION

The San Luis Obispo County Internal Audit division is required to undergo a peer review every five years. In order to prepare for our upcoming peer review as well as to assess the divisions' strengths and challenges, internal audit staff have conducted a self-assessment. We determined the internal audit activity is in general compliance with the Institute of Internal Auditors' *Standards*, and we identified several best practices the internal audit division utilizes consistently. We also identified areas of noncompliance with the *Standards* as well as best practice areas where improvements could be made. Further background and results of our analysis are detailed in the attached report which is submitted for the Board's review.

Additionally, internal auditing standards require the internal audit division to have a Board-approved Charter which defines the Internal Audit division's mission, purpose, authority, responsibility, independence and access. We have attached our charter for the Board's approval.

OTHER AGENCY INVOLVEMENT/IMPACT

None

FINANCIAL CONSIDERATIONS

There is no financial impact resulting from the self-assessment or the Internal Audit Charter.

RESULTS

By adhering to professional standards and adopting best practices, the internal audit division contributes to the County's vision of a well-governed community.

ATTACHMENTS

1. Internal Audit Charter
2. Quality Assurance and Improvement Program Internal Assessment Report