



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 05/27/2025

REQUESTER: Shaakira Calnick, CFE

PRESENTER: Shaakira Calnick, Internal Auditor

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2425-118: A RESOLUTION OF THE COUNCIL OF NORMAN, OKLAHOMA, ESTABLISHING AN INTERNAL AUDIT CHARTER TO FORMALIZE A WRITTEN AGREEMENT WITH CITY COUNCIL, AND THE FINANCE COMMITTEE REGARDING THE PURPOSE, AUTHORITY, AND RESPONSIBILITIES OF THE CITY OF NORMAN'S OFFICE OF THE CITY AUDITOR.

BACKGROUND:

The Internal Audit Charter is an internal formal document that specifies the Office of the City Auditor's purpose, authority, responsibility, organizational position, reporting relationships and commitment to adherence to the Global Internal Audit Standards and other applicable professional auditing standards. The City of Norman's Office of the City Auditor was created by Article V, Section 1 of the City of Norman Charter, and its authority is established by its direct reporting relationship to the City Council, as outlined in Article V, Section 3 of the City of Norman Charter. The Internal Audit Charter authorizes the Office of the City Auditor's access to records, personnel, and physical properties relevant to the performance of engagements, and it defines the scope and types of internal audit activities. Final consideration and approval of the Internal Audit Charter resides with the City Council.

DISCUSSION:

The Institute of Internal Auditors promulgated updated *Global Internal Audit Standards*, effective January 2025. Standard 6.2 (Internal Audit Charter) of Principle 6 (Authorized by the Board) states:

"The Chief Audit Executive must develop and maintain an internal audit charter that specifies, at a minimum, the internal audit function's purpose, commitment to adherence to the Global Internal Audit Standards, mandate, including scope and types of services provided, the board's responsibilities and expectations regarding management's support, organizational position and reporting relationships."

The Internal Audit Charter is integral to managing the Office of the City Auditor and ensuring conformance with the *Global Internal Audit Standards*. The Internal Audit Charter provides a recognized statement for review and acceptance by the City Manager and for approval by City Council. In the event of any question or concern, the Internal Audit Charter serves as a formal, written agreement between the City Council, the City Auditor and the City Manager regarding how the City of Norman's Office of the City Auditor will be managed.

Fiscal Impact:

There are no anticipated significant fiscal impacts associated with adopting the Internal Audit Charter. Implementation will primarily require administrative efforts.

RECOMMENDATION:

The adoption of Resolution R-2425-118 for the Internal Audit Charter is integral to the effective operation of City of Norman's Office of the City Auditor. It is recommended that the City Council approve this resolution to ensure a structured, transparent, and accountable internal auditing function within the City of Norman.