



**WEST VIRGINIA DIVISION OF ADMINISTRATIVE SERVICES  
AGENCY POLICY STATEMENT**

**SUBJECT: INTERNAL AUDIT COMMITTEE**

**INDEX NUMBER: 141.00**

**EFFECTIVE DATE: October 17, 2022**

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**PURPOSE:** To establish and maintain the Division of Administrative Services (hereinafter the Division) Internal Audit Committee. The primary duty of the Internal Audit Committee is to assist the Director monitor and oversee the performance of the Internal Audit function, the integrity of Division data reporting and systems of internal controls, and compliance with applicable law, rule, and policy.

**REFERENCE:** West Virginia Code §15A-2-1, et seq. Policy Statement 140.00 “*Internal Controls Program*” and Policy Statement 142.00 “*Internal Audit Unit.*”

**RESPONSIBILITY:** The Internal Audit Committee (hereinafter the Committee) is delegated the authority to issue staff notices deemed necessary to fulfill its purpose.

**CANCELLATION: None.**

**APPLICABILITY:** All employees. This Policy Statement is available for general distribution and is not exempt from Freedom of Information Act requests.

**DEFINITIONS:** None.

**Director, Deputy Director, Assistant Director, Chief Financial Officer, and Internal Auditor:** means those individuals employed by the Division in those capacities.

**POLICY:**

- I.** The Division’s Internal Audit Committee is created as a standing committee under the Director’s statutory powers and duties as set forth in West Virginia Code §15A-2-2. The Committee shall be comprised of any three of the Director, Deputy Directors, Assistant Directors, or Chief Financial Officer as determined by the Director and assigned by memorandum.
- II.** **At least annually,** the Internal Auditor shall make a performance review and budget presentation to the Committee during which the Committee shall evaluate the performance, responsibilities, budget and staffing of the Internal Audit Unit (see Policy Statement 142.00 “*Internal Audit Unit*”) and review the proposed internal audit plan for the upcoming fiscal year as recommend by the Internal Auditor.

**III. At least quarterly, the Committee shall:**

A. Receive presentations from the Internal Auditor, which should include:

- 1) Reviewing the results of any completed internal audits.
- 2) Status report for in-progress internal audits.
- 3) Identification of weaknesses in the Division's internal control environment (see Policy Statement 140.00 "*Internal Controls*"), including any significant deficiencies in the design or operation of internal controls that could adversely affect the Division's ability to record, process, summarize, and report data along with any remediation or corrective actions taken by the appropriate manager or supervisor.

B. When reviewing the results of internal audits, the Committee should evaluate whether the Division's internal controls are sufficient to prevent or detect irregularities or fraud. Where deficiencies are found, ensure remediation or corrective action is being taken by the appropriate supervisor or manager.

**IV.** If the Director determines that it would be in the best interests of the Division to retain the services of an independent, external auditor, the Audit Committee will develop the specifications for the scope of work and receive all reports issued by the external auditor. In such cases, the Division's Internal Auditor will serve as the Committee's liaison with the external auditor while the scope of work is being completed.

**ATTACHMENTS: None**

**APPROVED SIGNATURE:**



10/13/2022

**Michael V. Coleman, Director**

**Date**