

POLICY

Internal Audit Policy

RF 5-1

Category: Regional and Foundational Policies

Business Unit Responsible: RA: Program Evaluation and Audit

Policy Owner: Chief Audit Executive

Policy Contact: Matthew LaTour, Chief Audit Executive

Synopsis: This policy establishes an Audit Committee and Audit Department for the Metropolitan Council.

POLICY

The Metropolitan Council will establish and maintain an independent internal audit program to provide independent, objective assurance and consulting services with the goal of adding value and improving Council operations. The internal audit program will be implemented by a Program Evaluation and Audit department.

PURPOSE AND SCOPE

The purpose of the Audit Policy is to establish an Audit Committee to provide structured systematic oversight of the Council's governance, risk management, and internal control practices, as provided in the Bylaws of the Metropolitan Council. In addition, this policy affirms Council support for an independent Audit Department, prescribes reporting relationships for its director, and affirms the right to access information required for the Department staff to discharge its duties.

IMPLEMENTATION & ACCOUNTABILITY

Audit Committee. The Audit Committee shall have a Charter that defines the Audit Committee's authority, composition, operational principles, and operating procedures. The Charter will be approved by the Council.

Audit Committee Members. Pursuant to the Council's Bylaws, the Chair of the Council will recommend to the Council for its approval, the chair, vice chair, and members of the Audit Committee.

Audit Charter. Under the direction of its Director, the Program Evaluation and Audit department will develop and submit to the Audit Committee for its consideration an Audit Charter that defines the purpose, mission, and authority of the internal audit program. The Charter developed for the Audit Committee's consideration must provide for adherence to applicable audit standards, independence and objectivity, scope, and responsibilities.

Program Evaluation and Audit. The Council's internal audit program will be implemented by a Program Evaluation and Audit department. The Director of the department will function as the chief audit executive with overall responsibility for internal audits and coordination responsibility for external audits and assurance providers when appropriate. The Director will be responsible for directing and

supervising the operations and personnel of the Program Evaluation and Audit department. The Director ultimately is responsible for reporting to the Council, but the Director will report functionally to the Audit Committee and administratively (i.e., on day-to-day operations) to the Regional Administrator. In consultation with the Chair of the Council and the Audit Committee, the Regional Administrator is responsible for decisions relating to the recruitment, retention, release, performance management, and compensation of the Director consistent with the terms of the Metropolitan Council Non-Represented Plan (as amended from time to time).

Discharge of Duties. In discharging their responsibilities and fulfilling their respective duties the Audit Committee, the Director, and Program Evaluation and Audit department personnel shall, to the extent permitted by federal or state law, have unrestricted access to: (1) Council management personnel and employees; and (2) relevant information they reasonably consider necessary to discharge their respective duties, including records, data, and reports.

CHARTERS

The following documents are maintained on both internal and external Council websites:

Audit Committee Charter. The Charter further defines the mandate; authority; composition; responsibilities; and operational principles and procedures of the Council's Audit Committee.

Audit Department Charter. The Charter further defines the purpose and mission; authority; independence and objectivity; scope and responsibilities of the Council's Audit Department.

RESOURCES

Other Resources

- [Program Evaluation and Audit Committee Internal Metnet Page](#)
- [Metropolitan Council Bylaws](#)

HISTORY

Version 3 – Administrative Update

3/13/2025 – Update to owner and contact information.

Version 3 – Template Update

10/12/2020 - Updated content into new template.

Version 2 – Approval Date (Business Item [2019-208](#)):

09/25/2019 - Comprehensive Review, Revisions to align Audit Policy with the updates and splitting of the Audit Charter into separate Audit Committee and Audit Department Charters; Modified to fit revised Policy Template.

Version 1 – Approval Date

09/14/1994

Last Reviewed Date

07/07/2021

Next Content Review Date

05/05/2022

Former Reference

3-5

Version

3