

POLICY

INDEPENDENCE

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. The objective of internal auditing is to assist members of the organization in the achievement of the organization's goals and objectives. To this end, internal auditing furnishes them with independent appraisals, analyses, and counsel concerning the activities reviewed.

In order for the desired results to be realized, internal auditing must perform their work fully and objectively, that is, be independent of the activities they audit. They must have no authority over or responsibility for the activities they audit.

In order to maintain independence and objectivity, staff members will not be assigned audits involving the following instances:

1. Any situation in which a conflict of interest or bias is present or may reasonably be inferred.
2. Any situation that involves a member of the auditor's immediate family.
3. Any activity that the auditor previously performed or supervised unless a reasonable period of time has elapsed.

If through your actions or state of mind your audit objectivity is or can be inferred to be impaired, notify audit management immediately. To assist in recognizing potential or perceived areas of conflict of interest, an Auditor Independence form will be completed by auditors on the first day of employment and annually thereafter. (Statement should be on office letterhead in memo form.)

Independence Statement

To assist in recognizing potential or perceived areas of conflict of interest, please complete the following questionnaire and return to me by **[enter date]**.

Area where relative¹ works:
(Please write "None" if not applicable.)

Relative's title:

Area(s) where you feel your objectivity could be impaired or inferred impaired:

Area: (Please write "None" if not applicable.)

Reason:

Employee Signature

Date

Reviewed By:

Director Signature

Date

Executive Director Signature

Date

¹ Relative = spouse, child, parent, in-law, grandparent, aunt/uncle