

DHHS Directive Number II-14

Title: Delegation of Authority to the Director, Office of the Internal Auditor
Effective Date: November 3, 2008
Revision History: January 1, 2002
Authority: G.S. 143B-10

Purpose

The purpose of this directive is to delegate, clarify and specifically confirm certain authorities of the Secretary to the Director of the Office of the Internal Auditor. This position shall report to the Secretary through the Deputy Secretary.

The Office of the Internal Auditor will provide the management of the North Carolina Department of Health and Human Services (NC DHHS) with independent reviews and analysis of various functions and programs within the department. This includes operational audits, performance audits, compliance audits, financial audits and special reviews. The Office of the Internal Auditor's over-all objective is to provide management with information, analysis, appraisals, technical assistance, recommendations and pertinent comments which are necessary in order for management to properly discharge its responsibilities.

Delegation of Authority

As provided in G.S. 143B-10(a), the Secretary of the DHHS delegates the following functions and responsibilities concerning management and administration to the Director of the Office of the Internal Auditor, subject to state and departmental policy:

1. The functions of management, related to the Office of the Internal Auditor, as defined in G.S. 143B-10, which include: planning, organizing, staffing, directing, coordinating, evaluating, reporting and budgeting.
2. Authority to adopt the audit standards to be followed by the Office of the Internal Auditor while conducting audits of the department.
3. Authority to develop an annual audit plan based on the needs of the management of the department.

4. Supervision of all audits and the preparation of audit reports including but not limited to the following:
 - A. Developing audit policies and procedures;
 - B. Planning audits;
 - C. Conducting audit procedures;
 - D. Reporting the results of audits;
 - E. Establishing an internal quality review system; and
 - F. Arranging for an external quality review.
5. Serving as liaison between the department and the private Certified Public Accounting (CPA) community of professionals, the State Board of CPA Examiners, the NC Association of CPAs, the Office of the State Auditor, the Federal Inspector Generals, and the U.S. General Accounting Office on issues relating to audit standards, policies and procedures.
6. Reviewing audit findings and recommendations resulting from audits performed by the Office of the State Auditor to identify audit issues which may be examined in more depth or on a departmental basis.
7. Reviewing audit reports of subrecipients of the department to identify audit issues to be examined.
8. Perform a technical review and approve compliance supplements prepared by the department for use by public accounting firms.
9. The Director shall be responsible for ensuring that the division is familiar with and adheres to the department's policy and procedures manual.

This delegation of authority shall not deprive the Secretary from performing, in lieu of the Director of the Office of the Internal Auditor, any of the acts set forth above. This delegation of authority may be amended or withdrawn by the Secretary at any time and without notice. This delegation of authority shall not apply to any actions which by law, state policy, or Governor's Executive Order, may only be executed by the Secretary.

APPROVED

Dempsey Benton, Secretary
Department of Health and Human Services