



## Memorandum of Understanding

This Memorandum of Understanding ("MOU") is entered into by and between the Deschutes County Administrator ("Administrator") and the Deschutes County Internal Auditor ("Auditor") on this 1 day of February, 2024.

### Recitals:

WHEREAS, The Deschutes County Office of the Internal Auditor has traditionally offered policy reviews through feedback to management on new policies and amendments to policy;

WHEREAS, This role is supported by Deschutes County Code which states that,

The purpose of having the Office is to provide independent objective assurance *and consulting services* designed to add value and improve Deschutes County's operations through improved performance and enhanced control environment thereby providing greater accountability to its residents. DC 2.14.001 (emphasis added);

WHEREAS, According to Deschutes County Code, "the County Internal Auditor has neither a management nor a policy role; and no operational authority nor responsibility." DC 2.14.025 (A);

WHEREAS, The Office of the Internal Auditor can provide policy reviews to Deschutes County managers to support improvements in internal control while maintaining independence; and

WHEREAS, Consulting services performed by the Office of Internal Audit must be approved by the County Administrator after consultation with the Audit Committee. (DC 2.14.030 (C)); now therefore it is agreed as follows:

### Terms:

1. Staff from the Deschutes County Office of Internal Audit will provide policy reviews as a framework for conversations and suggestions on new or changing Deschutes County policies while maintaining independence. Services include:
  - Participating as a non-voting member of the Policy Advisory Committee.
  - Providing feedback to department heads and elected officials when policies are added or amended, as requested.
  - Providing feedback to management about policies that are implemented in response to audit recommendations, as requested.

2. The term "Policy Reviews" does not include audit work conducted within the context of an audit following Government Auditing Standards. The term "Policy" includes department or office documented policies and procedures in addition to official Deschutes County Policies.
3. Providing policy reviews does not impair Internal Audit independence because Internal Audit is solely offering a review not drafting policy and is not a voting member of the Policy Advisory Committee.
4. Internal audit staff will provide feedback based on professional knowledge. A representative from Internal Audit will attend Policy Advisory Committee meetings. Internal Audit staff will respond to requests for policy reviews from management in a timely manner with tracked changes to proposed policies.
5. All policy reviews will include the following language.

This policy review is intended to supplement information management should consider when establishing policy and does not constitute an audit under Government Auditing Standards. The policy review may not include all information that should be considered and does not imply auditor endorsement of the policy. Management assumes all management responsibilities, will evaluate the adequacy and results of the policy review, and will accept responsibility for results.

6. Policy reviews do not constitute an audit under Government Auditing Standards.
7. Policy reviews shall be overseen by the department head or elected official responsible for the policy.
8. Management assumes all management responsibilities, will oversee services, will evaluate the adequacy and results of the policy review, and will accept responsibility for results.

Deschutes County Internal Auditor: Edge

Date: 1/29/24

Deschutes County Administrator: Nick White

Date: 1/29/2024