

DRAFT
May 6, 2016

DRAFT Commission POLICY	
Category: Commission-Staff Linkage	Title: POLICIES AND PRIORITIES FOR THE INTERNAL AUDITOR
Committee of Origin: Policy and Governance	Policy Number: CL-4
Date of Adoption:	Resolution No.
Revision:	Resolution No.

This policy addresses the linkage between the President of the Commission, the five-member Commission acting as a body, and the Internal Auditor.

The Internal Auditor is appointed by the five-member Commission. The President of the Commission, acting in consultation with the other four Commissioners, functionally directs the Internal Auditor.

In addition, the five-member Commission, acting as a body, may set out policies and principles by which the Internal Auditor shall carry out his or her duties, consistent with the law. The Internal Auditor's duties are set out in the Internal Audit Charter, which is approved by the Commission, and this policy is to be carried out consistent with the approved Internal Audit Charter.

It is the Commission's policy that:

1. The Internal Auditor shall conduct his or her work in compliance with the law and with the purpose of maximizing the value of the CPUC to Californians.
2. The Internal Auditor shall conduct his or her work work diligently to fulfill the responsibilities defined in the Internal Audit Charter approved by the Commission.
3. The Internal Auditor shall exercise prudent judgment.
4. The Internal Auditor shall report regularly to the full Commission on Internal Audit Unit activities to achieve the Internal Audit Charter.
5. As the Executive Director has final hiring authority for all Commission staff pursuant to Pub. Util. Code section 309, the Internal Auditor shall regularly and upon request seek approval for Internal Audit Unit hiring and employment practices from the Executive Director. The Internal Auditor shall advise the Executive Director and shall assist the Executive Director with ensuring that such practices are designed and implemented to comply with the law and achieve the Commission's goals set out in the Internal Audit Charter.

6. The Internal Auditor is authorized to establish further policies, make decisions, take actions, establish practices, and develop activities in accordance with CPUC policies and direction from the President and/or the full Commission.
7. Where the Internal Auditor determines, in consultation with the President, that there is a need for policies or delegations to direct the Internal Audit Unit that are not addressed within CPUC policies, the Internal Auditor shall propose new policies or delegations to the full Commission. In the event that the new policies or delegations result in recommended changes to the Internal Audit Charter, the Internal Auditor shall bring them forward to the Commission for approval.

Monitoring Method: Commission Report
Frequency: Annual