

§ 7A-343.5. Definitions.

The following definitions apply in this Article:

- (1) "Accounting system" means the total structure of records and procedures which discover, record, classify, and report information on the financial position and operating results of the Judicial Department, or a segment of the Judicial Department, or any of its funds, balanced account groups, and organizational components.
- (2) "Internal auditing" means an independent, objective assurance and consulting activity designed to add value to and improve an organization's operations. Internal auditing helps an organization accomplish its objectives by using a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, controls, and governance processes. The types of audits the internal auditors may provide include, but are not limited to:
 - a. Efficiency or economy audits to evaluate areas at risk and require improvements to promote operating effectiveness and efficiency, mitigate the risk of liability, and realize economies.
 - b. Financial audits to determine whether financial operations are properly functioning.
 - c. Compliance audits or reviews to assess compliance with laws and regulations.
 - d. Internal control audits to assess the controls related to financial transactions and reporting.
 - e. Case file and procedural audits to ensure efficiency, effectiveness, and compliance.
 - f. Performance and management audits entail an objective and systematic examination of evidence to provide an independent assessment of the performance and management of a program against objective criteria as well as assessments that provide a prospective focus or that synthesize information on best practices.
 - g. Investigative or fraud audits to make an independent assessment of allegations of fraud, misuse, or process manipulation or alleged violations of federal, State, or local laws. (2009-516, s. 6.)