



Internal Audit Overview



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Finance and Administration Committee

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Charter and Staffing

- Reports to the Commission, through the Finance and Administration Committee.
- Commission-adopted charter specifies role, authority, and professional standards.
- Focus on internal CPUC operations, and not policy issues or decisions.
- Recently fully-staffed, including a Chief, a Supervisor, and four working staff.





Internal Audit Unit Activities

- Organizational risk assessment and initial development of enterprise risk management system.
- Audits:
 - Strategic management audits (motor pool, workforce planning, emergency preparedness, and document management now underway)
 - Fund audits (public purpose program audits authorized, with several underway).
- Consulting and management advice:
 - Intervenor compensation project with ALJ Division.
 - Informal advice, when requested, on various issues (e.g. safety).
 - Additional channel to highlight risks and potential mitigation measures, including through employee input.





Takeaways

- Internal Audit is independent of CPUC management, and focuses on priority concerns due to unit size and resources.
- Audits with potential “leverage” over broader CPUC operations can be a good target.
- Some Internal Audit projects may be complementary to other auditing efforts, either by CPUC staff or external agencies:
 - Desire to avoid overlap or duplication.
- The broad scope of CPUC policies and responsibilities also allows for many other beneficial auditing roles across the agency.





Thank you!
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