

**AGENDA ITEM DETAILS**

- Subject:** Review, Discussion and Consideration of Internal Audit Administrative Items – (ACTION)
- Internal Audit Charter
  - Internal Audit Committee Charter

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**RECOMMENDED ACTION:**

Move that the Audit Committee of the Employees Retirement System of Texas approve updates to the Internal Audit Charter and/or the Audit Committee Charter as discussed in this agenda item.

Per the Internal Audit Charter, the Internal Audit Director, “*will review the internal audit charter on an annual basis to assess the need for changes due to updates in standards or laws as well as updates requested by Board members.*” Per the Audit Committee Charter, the Committee will “*review and approve the internal audit charter annually.*”

The Internal Audit Director recommends the above Audit Committee Charter language be updated to reflect the Audit Committee will “*review, discuss and consider the internal audit charter annually.*” This revision will better align with Board action item language, eliminate the requirement for annual approval and signatures in the event no revisions are implemented and improve version history tracking. A red-line version of proposed changes to the Audit Committee Charter is located at Exhibit B.

**ATTACHMENTS:**

1. Exhibit A – Internal Audit Charter
2. Exhibit B – Audit Committee Charter, red-line
3. Slides – Internal Audit Administrative Items