

INTERNAL AUDIT FUNCTION

The Board of Education recognizes its responsibility to ensure sound fiscal management of the district. To this end, the Board establishes an internal audit function to carry out the following tasks in any school year in which the district enrollment exceeds 1500 students:

- Develop an annual risk assessment of district fiscal operations which shall include but not be limited to:
 - a. a review of financial policies and procedures,
 - b. the testing and evaluation of district internal controls;
- An annual review and update of such risk assessment; and
- Prepare reports, at least annually or more frequently as the Board may direct, which:
 - a. analyze significant risk assessment findings,
 - b. recommend changes for strengthening controls and reducing identified risks, and
 - c. specify timeframes for implementation of such recommendations.

To fulfill this function, the district may use inter-municipal cooperative agreements, BOCES shared services, or independent contractors as long as such personnel or entities performing the internal audit function comply with the Regulations of the Commissioner and meet professional auditing standards for independence between the auditor and the district. The district may also use existing personnel to fulfill this function but only if such persons shall not have any responsibilities for other business operations of the district while performing such function.

Personnel or entities performing this function shall report directly to the Board. The district's audit committee shall assist in the oversight of this internal audit function.

Cross-ref: 6690, Audit Committee

Ref: Education Law §2116-b

Adoption date: 12/1/14