

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 be performed by an individual or entity appointed as the “internal auditor”. The internal auditor shall be appointed annually and shall serve at the pleasure of the Board. The internal auditor shall report directly to the Board and shall be supervised by the Superintendent of Schools.

The internal auditor shall perform the following tasks as the internal audit function in accordance with generally accepted accounting standards:

1. Develop an annual risk assessment of district fiscal operations which shall include but not be limited to:
 - a. review of financial policies and procedures, and
 - b. testing and evaluation of the District’s internal controls, taking into account risk, control weaknesses, size and complexity of operations.
2. Review and update such risk assessment annually;
3. 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 time frames 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 Commissioner’s Regulations. The District may also use existing personnel to fulfill this function, but only if such persons do not have any responsibilities for other business operations of the District while performing such function. The individual or entity engaged as the internal auditor must meet the test of independence as described in the Commissioner’s Regulations.

Personnel or entities performing this function shall report directly to the Board. The district’s Audit and Finance Committee shall assist in the oversight of this internal audit function.

Cross-ref: 6690 Finance and Audit Committee

Reference: Education Law 2116-b; 8NYCRR 170.12

Adopted: January 17, 2007

Renumbered and revised: December 3, 2008