

# POLICY

Non-Instructional/  
Business Operations

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Adopted 1.25.2016  
Revised 2.27.2017

## **SUBJECT: AUDIT COMMITTEE**

The Audit Committee shall consist of the Board of Education as a whole.

The Audit Committee shall collectively possess knowledge in accounting, auditing, financial reporting, and School District finances. They shall serve without compensation, but shall be reimbursed for any actual and necessary expenditure incurred in relation to attendance at meetings. Employees of the District are prohibited from serving on the Audit Committee. Members of the Audit Committee shall be deemed School District Officers, but shall not be required to be residents of the School District.

The responsibilities of the Audit Committee include the following:

- a) Provide recommendations regarding the appointment of the External (Independent) and Internal Auditors for the District;
- b) Meet with the External (Independent) and Internal Auditors prior to commencement of their audits;
- c) Review and discuss with the External (Independent) and Internal Auditors any risk assessment of the District's fiscal operations developed as part of the Auditor's responsibilities under governmental auditing standards for a financial statement audit, risk assessment audit, and federal single audit standards if applicable;
- d) Receive and review the draft annual audit report and accompanying draft management letter and; working directly with the External (Independent) Auditor, assist the Board in interpreting such documents;
- e) Make a resolution to accept the annual audit report; and
- f) Discuss and analyze every corrective action plan developed by the School District in response to any audit and assist in its implementation.

### **Corrective Action Plan**

Within ninety (90) days of receipt of the report or management letter, the Superintendent shall prepare a corrective action plan approved by the Board in response to any findings contained in:

- a) The annual external audit report or management letter;
- b) A final audit report issued by the District's internal auditor;

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## **SUBJECT: AUDIT COMMITTEE (Cont'd.)**

- c) A final report issued by the State Comptroller;
- d) A final audit report issued by the State Education Department; or
- e) A final audit report issued by the United States or an office, agency or department thereof.

The Audit Committee will review and approve the corrective action plans developed by the Superintendent and Business Official. The corrective action plan must be filed with the State Education Department, and if appropriate, must include the expected date(s) of implementation. The District will also post a copy of this plan on its website in a timely manner. To the extent practicable, implementation of the corrective action plan should begin no later than the end of the next fiscal year.

Additional responsibilities of the Audit Committee include: assisting in the oversight of the Internal Audit Function including, but not limited to, providing recommendations regarding the appointment of the Internal Auditor; reviewing significant findings and recommendations of the Internal Auditor; monitoring the School District's implementation of such recommendations; and participating in the evaluation of the performance of the Internal Audit Function.

Audit committee meetings shall be conducted in compliance with NYS Public Officers Law, Article 7 "Open Meetings Law". If applicable, the Audit Committee may conduct an Executive Session pursuant to Public Officers Law Section 105 pertaining to the following matters:

- a) To meet with the External (Independent) Auditor prior to commencement of the audit;
- b) To review and discuss with the External (Independent) Auditor any risk assessment of the District's fiscal operations developed as part of the Auditor's responsibilities under governmental auditing standards for a financial statement audit and federal single audit standards if applicable; and
- c) To receive and review the draft annual audit report and accompanying draft management letter and, work directly with the External (Independent) Auditor, to interpret such documents.

Education Law Sections 2116-c, and 3811-3813  
Public Officers Law Sections 105(b), 105(c) and 105(d)  
8 NYCRR Section 170.12(d)

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