

FINANCE

Policy 613.1-R

Internal Audit

Internal audit has two primary tasks:

1. Review and independently assess the practices associated with the school district's key financial, administrative and operational activities.
2. Recommend to management where improvements can be made.

The scope of internal audits may include assessing whether:

- a. Transactions and activities comply with applicable statutes and Board Policy.
- b. Assets are sufficiently safeguarded.
- c. Money has been expended with due regard to economy and efficiency.
- d. Satisfactory procedures have been established to measure and support the effectiveness of programs and activities.

Sound systems of internal controls are the prime vehicle for preventing and detecting misappropriations or fraud. Internal audit will maintain an awareness that will permit an adequate inspection of internal controls. However, internal audit is not responsible for preventing and detecting misappropriation or fraud. Internal audit can aid in the deterrence of fraud, dishonesty and theft of assets.

Whenever it is apparent to internal audit that public funds have been improperly retained by any person, the circumstances shall be reported immediately to the Secretary Treasurer, Superintendent of Schools and the Audit Committee of the Board.

Authority

The Board assigns the responsibility of performing internal audits for schools and departments to the Secretary Treasurer. The Secretary Treasurer will determine the frequency of internal audits, while maintaining the assurance of internal controls and compliance.