

EAST QUOGUE UNION FREE SCHOOL DISTRICT

INTERNAL AUDIT FUNCTION

POLICY 6680

The Board of Education recognizes its responsibility to provide for sound fiscal management of the School District. To this end, the Board of Education establishes an internal audit function to carry out the following tasks:

- Develop an annual risk assessment of School District fiscal operations which shall include but not be limited to a review of financial policies, procedures and practices;
- An annual review and update of such risk assessment;
- Annual Testing and evaluation of one or more areas of the district's internal controls, taking into account risk, control weaknesses, size, and complexity of operations; and
- Prepare reports, at least annually or more frequently as the Board of Education 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 School 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 School District. The School 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 School District while performing such function.

The conduct of the internal audit function shall follow general accepted auditing standards, be independent of the district business operations, and have the requisite knowledge and skills to complete the work.

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

Cross-ref: 6010 *et seq.* as appropriate

Ref: Education Law §2116-b
8 NYCRR 170.12

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Revised: January 30, 2024