

**INDEPENDENT AUDITOR**

The Board of Education shall appoint annually, at its Re-Organizational Meeting, an independent Certified Public Accountant or accounting firm to serve for one (1) year as auditor and shall set the annual fees for such audit.

The Board-designated independent Certified Public Accountant or accounting firm shall review and issue annual financial reports on the financial transactions in the Budget, Capital Project, Food Service, Student Activity, and other accounts. The accounts to be audited shall include the General Fund, Trust and Agency, Capital, Food Service, Special Aid, and Student Activities Funds.

A certified written report shall be submitted to the Board of Education between September 1 and October 31 of each year by the said firm of accountants concerning the condition and status of the books of accounts upon completion of the annual audit.

Reference: Education Law §§ 1700; 2526

**INDEPENDENT AUDITOR REGULATION**

The Board of Education will annually designate and appoint an external independent auditor for the District. The independent auditor shall serve at the pleasure of the Board of Education. The Board shall, at least once every five (5) years, consider proposals from interested parties (including the incumbent).

The independent auditor is responsible for:

1. Expression of an opinion as to whether the District's financial statements are fairly presented, in all materials respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the additional supplementary information when considered in relation to the financial statements taken as a whole.
2. Expression of an opinion on the District's internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.
3. Expression of an opinion on the District's internal control related to major programs and an opinion on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.
4. Advise about appropriate accounting principles and their application and assistance in the preparation of the District's financial statements, including the schedule of expenditures of federal awards.
5. Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and judgment about the number of transactions to be examined and the areas to be tested.
6. Planning and performing the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud.
7. Informing the Board of any material errors, fraud or illegal acts that come to their attention.
8. Tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation or receivables and certain other assets and liabilities by correspondence with selected individuals, creditor, and financial institutions.

9. Obtaining an understanding of the design of relevant controls that have been placed in operation, as well as assessing control risk. Tests may be performed to assess the effectiveness of certain controls that are considered relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements.
10. Informing the District of any matters involving internal control and its operation that are considered to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters relating to significant deficiencies in the design or operation of the internal control that, in the independent auditor's judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.
11. Meeting with the Board of Education Audit/Finance Committee at least once each year, or more as necessary.