

DUTIES OF THE EXTERNAL INDEPENDENT AUDITOR-REGULATION

The Board of Education will annually designate and appoint an External Independent Auditor for the District. The External Independent Auditor shall serve at the pleasure of the Board.

The External Independent Auditor is responsible for:

1. Expression of an opinion as to whether the Board's financial statements are fairly presented, in all material 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. 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. 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 Board'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 of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, 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.

Board of Education Policy

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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 External 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 Claims Auditor at least two times per year or more as necessary.

Adopted: 02/09/2005
Reviewed: 11/18/2009 08/26/2015 11/20/2019
Revised: 12/16/2009 09/30/2015 12/11/2019