

Bedford Central School District
Audit Committee Charter
(Amendment July 11, 2012)

By resolution dated December 14, 2005, the Board of Education of the Bedford Central School has established an audit committee as required by Education Law Section 2116-c. The audit committee shall act in an advisory capacity to assist the Board with overseeing the District's internal audit function and external audit and review.

MISSION

The mission of the audit committee will be to ensure the District's fiscal accountability by providing independent assistance to the Board of Education in the oversight of the external and internal audits.

MEMBERSHIP

The audit committee shall be composed of five (5) members, who will include; (2) two Board members, (1) one Board member of the Finance Subcommittee, and two (2) representatives from the community. The Board will appoint all members of the Committee and they shall serve without compensation in three (3) year terms and each member shall serve no more than two (2) terms. All members of the Audit committee shall be residents of the District.

Members of the audit committee are school district officers. Each member must take the District's oath of office. In addition, committee members may not reveal any confidential information obtained during the exercise of their duties.

The audit committee must collectively possess knowledge in accounting, auditing, financial reporting and school district finances. The following individuals are prohibited from serving on the audit committee:

1. An employee of the District;
2. An individual who within the last two (2) years provided or currently provides services or goods to the District;
3. An individual who owns or has a direct and material interest in a company providing goods or services to the District;
4. A close or immediate family member of an employee, officer or contractor providing goods or services to the District. The term "close or immediate family member" includes parent, sibling, nondependent child, spouse, spouse equivalent, or dependent, whether or not related, and

DUTIES

The duties of the audit committee shall include the following:

1. Review of the external auditor and the internal auditor;
2. Interview and provide recommendations regarding the appointment of the external auditor, claims auditor and the internal auditor for the District;
3. Meet with the external auditor, the claims auditor and internal auditor before and after their audits and reviews;
4. Assist in the oversight of the external audit function, including, but not limited to:
 - Review and discuss with the external 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;
 - Receive and review the draft annual audit report and draft management letter and, working directly with the external auditor, assist the Board in interpreting these documents;

- Make recommendations to the Board on whether to accept the annual audit report;
 - Review every corrective action plan that the Education Law Section 2116-a requires school districts to develop and assist the Board in the implementation of this plan;
5. Assist 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 District's implementation of the internal audit function.
 - Participate in the evaluation of the performance of the internal audit function
 6. Report to the Board on its activities on an as-needed basis, but not less than annually. Each report must address or include, at a minimum;
 - The audit committee's activities;
 - A summary of the committee meeting minutes;
 - Significant findings brought to the committee's attention;
 - Any indications of suspected fraud, waste or abuse;
 - Significant internal control findings; and
 - Activities of the internal audit function.
 7. Hold regularly scheduled meetings sufficient to fulfill all committee duties, and
 8. At least annually, review the audit committee charter and present recommended modifications, if any, in writing to the Board.

MEETINGS

The audit committee will meet at least three (3) times each year. All audit committee decisions must be made by a quorum or simple majority of the total membership. Audit committee meetings may not be conducted unless a quorum is present.

As a public body the audit committee is subject to the requirements of the Open Meetings Law. Education Law Section 2116-c provides that the audit committee may conduct an executive session, in addition to the reasons set forth in Public Officers Law §105, to:

1. Meet the external auditor prior to the commencement of the audit;
2. Review and discuss with the external auditor any risk assessment of the district's fiscal operations;
3. Receive and review the draft annual audit report and accompanying draft management letter and, working directly with the external auditor, assist the Board in interpreting these documents; and

If authorized by Board resolution, any Board member who does not serve on the audit committee may attend an executive session of the committee.

Reference: 6600, Duties of the Independent Auditor; 6650, Duties of the Claims Auditor; 6680, Duties of the Internal Auditor

Adoption Date: December 14, 2005

Revision: March 2009

Revision July 11, 2012