Non-Instructional Operations and Business Services Contact: Director of Finance

703 ANNUAL AUDIT

I. PURPOSE

The purpose of this policy is to provide for an annual audit of the books and records of the school district in order to comply with law, to provide a permanent record of the financial position of the school district, and to provide guidance to the school district to correct any errors and discrepancies in its practices.

II. GENERAL STATEMENT OF POLICY

The policy of this school district is to comply with all laws relating to the annual audit of the books and records of the school district.

III. REQUIREMENT

A. The school board shall appoint independent certified public accountants to audit, examine and report upon the books and records of the school district. The school board may enter into a contract with a person or firm to provide the agreed upon services.

B. After the close of each fiscal year, the books, records and accounts of the school district shall be audited by said independent certified public accountants in accordance with applicable standards and legal requirements. The superintendent and members of the administration shall cooperate with the auditors.

C. The school district shall, prior to September 15 of each year, submit unaudited financial data for the preceding year to the Minnesota Commissioner of Education (the Commissioner) on forms prescribed by the Commissioner. The report shall also include those items required by Minnesota Statutes section 123B.14, subdivision 7.

D. The school district shall, prior to November 30 of each year, provide to the Commissioner audited financial data for the preceding fiscal year. The school district shall, prior to December 31 of each year, provide to the Commissioner and the State Auditor an audited financial statement in a form that will allow comparison with and correction of material differences in the unaudited data. The audited financial statement must also provide a statement of assurance pertaining to compliance with uniform financial accounting and reporting standards and a copy of the management letter submitted to the school district by its auditor.

E. The audit must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act and the Minnesota Legal Compliance Audit Guide for School Districts issued by the Office of the State Auditor.

F. The school board must approve the audit report by resolution or require a further or amended report.

G. The administration shall report to the school board regarding any actions necessary to correct any deficiencies or exceptions noted in the audit.

H. The accounts and records of the school district shall also be subject to audit and inspection by the State Auditor to the extent provided in Minnesota Statutes chapter 6.

Legal References: Minn. Stat. Ch. 6 (State Auditor)
Minn. Stat. § 123B.02 (General Powers of Independent School District)
Minn. Stat. § 123B.09 (Boards of Independent School Districts)
Minn. Stat. § 123B.14, Subd. 7 (Officers of Independent School Districts)
Minn.Stat. § 123B.77, Subds. 2 and 3 (Accounting, Budgeting, and Reporting Requirement)

Cross References: School District Policy 702 (Accounting)

POLICY ADOPTED: December 14, 2009
POLICY REVIEWED/REVISED: October 16, 2017; October 19, 2020; March 18, 2024; November 9, 2026
Monitoring Method: Administrative Review
Monitoring Frequency: Every three years