

Audit Committee Policy

PURPOSE

The Audit Committee assists the Board of Education (Board) in fulfilling its oversight responsibilities for audit, internal control and financial reporting processes, as well as the District's processes for monitoring compliance with laws and regulations and Board policy.

AUTHORITY

The Audit Committee (Committee) is a requirement under New York State Education Law Section 2116-c and is granted authority by the Board to perform the following:

- Provide recommendations regarding the appointment of an independent public accounting firm to perform an audit of the District's Comprehensive Annual Financial Report (CAFR).
- Appoint the Auditor General (AG) and oversee the work of the Board's Office of Auditor General (OAG).
- Strive to ensure that disagreements between District administration and auditors are resolved.

Reports and recommendations of the Committee shall be subject to the approval of the entire Board. The Committee has no authority to act on, behalf of, or represent the Board and/or District in any manner. Neither the Committee nor individual members of the Committee have representative authority to act or speak on behalf of the Board.

The Committee shall be independent of other committees of the Board, and as such is not to be combined with any other committee of the Board.

ROLE

The role of the Committee shall be advisory in nature and the recommendations it provides to the Board shall not substitute for review or acceptance by the Board.

The Committee shall promote, maintain, and enhance the independence and objectivity of the Board's OAG by ensuring broad audit coverage, adequate consideration of audit reports, and appropriate and timely action on recommendations.

MEMBERSHIP REQUIREMENTS

- The Board will appoint Committee members annually at its Organizational Meeting.
- The Committee shall consist of at least three Board members, who shall serve without additional compensation. In addition, the Board President shall serve on the Committee as an ex-officio (non-voting) member.
- The Committee will make recommendations to the Board concerning the appointment of external (non-Board) members. The Board may, in its discretion, accept such recommendations and appoint external members to the Committee. The Committee is empowered to perform all duties assigned to it, whether or not external members have been recommended and appointed; and irrespective of any vacancy in authorized position.
- Employees of the District are prohibited from serving on the Committee.

- At least one member should be a subject matter expert in the areas of internal controls or accounting or auditing.

MEETINGS

The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. The Committee shall not be considered a public body when conducting a meeting.

RESPONSIBILITIES

Due to the broad scope of the Committee's oversight and role, the Committee will perform some of its responsibilities by gathering and analyzing information and personally meeting individuals and entities, as necessary. Other responsibilities involving time-consuming tasks are best conducted through the assistance of others. The Committee assigns most of these tasks to the Board OAG and provides oversight and direction to the Board OAG on execution of these tasks. Likewise, the Board OAG assists the Committee in carrying out its oversight responsibilities by providing objective opinions, information, support and other assistance as directed by the Committee.

Specific responsibilities are outlined in the Audit Committee Charter. The Audit Committee shall provide direct oversight in the following areas:

Office of Auditor General (OAG)

- Provide recommendations regarding the appointment of the AG and evaluate performance of the AG and provide recommendations to the Board.
- Review and approve the Charter for the OAG. Review and make recommendations to the Board regarding the framework under which the OAG operates, including its Charter and Policies.
- Meet separately with the AG to discuss matters that the Committee or AG believes should be discussed privately.

CAFR Auditor

- Ensure, through OAG, that the District complies with Board policy and New York State law regarding utilization of the Request for Proposal process (RFP) in procuring the CAFR Auditor.
- Provide recommendations regarding the appointment of the CAFR Auditor and review the performance of the CAFR Auditor.
- Meet with the CAFR Auditor prior to commencement of the CAFR audit, at the conclusion of the audit, and as warranted during the audit, in Executive Session concerning any matters that the Committee or CAFR Auditor believes should be discussed.
- Review all "communication" issues related to the conduct of the audit that are required to be discussed with Management and the CAFR Auditor consistent with auditing standards (as per AICPA Professional Standards, vol. 1, AU sec. 380).
- Make recommendations to the Board on accepting the CAFR.

References: Education Law 2116-c, and 3811-3813
Public Officers Law Section 105

Adopted May 22, 2012 pursuant to Resolution No. 2011-12: 787