

Internal Audit Committee Guidelines

Charge

To perform financial analysis functions that provide the Warren County School District Board of Directors confidence and additional tools to assist them in fulfilling their fiduciary duty to the taxpayers of Warren County by establishing an internal audit system.

Purpose of the Internal Audit Committee

The Internal Audit Committee will serve in an oversight and advisory capacity to the Business Administrator's Office of the Warren County School District to perform periodic review of financial processes and procedures to ensure professional, effective, and efficient departmental functionality. In addition, the committee will assess current policy and procedure and may recommend improvements or enhancements to existing protocol.

Committee Membership

The Committee is to include three members. One may be a board member. Committee terms should be rotating. Financial experience is preferred.

Duties and Responsibilities

Under leadership of the Committee Chairperson, the Committee will perform a quarterly review of the following activities and operations of administrative and financial functions:

Assure Compliance with

- Purchasing policy and procedures including purchase orders, requisitions, and adherence to bidding policy as mandated by statute.
- Statutory requirements of Local, State and Federal Government entities, as it relates to compensation, contracts, reporting function, and compliance.
- Budgeting process obligations
- Approval policy and procedures, appropriately applied Including compensation, PTO, check requests, reimbursements, expenditure disbursements, budget transfers, etc. Approvals follow appropriate guidelines and chain of command.
- Policy and procedures for efficient and proper paper-flow, and appropriate document retention.

Review of Business and Financial Risk

The Committee will provide assurance services by performing an independent assessment of the soundness of risk management strategies and practices.

Review of Other Financial Activities

The Committee will review other Financial Activities as are deemed appropriate.

Auditing Techniques

Auditing techniques should be performed in a manner consistent with those mandated by the AICPA (American Institute of Certified Public) Accountants and GAAS Generally Accepted Auditing Standards Board). Those techniques are to include random sampling, account analysis, and the application of materiality parameters.

Frequency

The Internal Audit Committee will perform its audits at a minimum once quarterly and at a maximum once monthly, or as needed; to be determined at the discretion of the Finance Committee

Report Findings

Recommendations of internal audit results will be reported to the Business Administrator for review and response. These results should include recommendations for enhancements and establishing management action plans that respond to internal audit observations.

The Business Administrator will share the findings with the Finance Committee along with the Business Administrator's responses and observations.