

DESCRIPTOR TERM: Fiscal Management	Millard District Policy File Code: 2030 Approved: 03-12-20
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DISTRICT AUDIT COMMITTEE

A. Purpose of Policy

The purpose of this policy is to comply with the requirement as stated in the Utah Board of Education Rule R277-113-5

B. Composition

The District audit committee is organized by policy through the Board of Education. The audit committee is comprised of two board of education members and three members having appropriate character and qualifications but who are not administrators or other employees of the district who shall be appointed by the board of education. The external auditors and district and school administrators may be invited to attend when applicable.

C. Responsibilities

1. The audit committee shall have the following responsibilities:
 - a. Reporting monthly to the Board of Education on the district's fiscal position;
 - b. ensuring that the district's management properly develops and adheres to a sound system of internal controls consistent with the requirements of R277-113-6;
 - c. developing a process to review financial information, financial statements, and district and individual school records on a regular basis;
 - d. monitoring procurement and use of systems and software applications for compliance with financial and student privacy laws;
 - e. determining the appropriate scope of the independent audit and of non-audit services to be provided and ensuring that the district's management conducts a competitive RFP process to hire external auditors and other professional services and making a recommendation to the Board of Education on the results of the RFP process consistent with the State Procurement Code;
 - f. acting as liaison between the district and independent auditors by facilitating regular communication with independent auditors, receiving independent audit reports and financial statements, ensuring that management implements corrective actions, assessing the performance of

- independent auditors, and reviewing disagreements between independent auditors and district management;
- g. determining the appropriate scope of contracts with management companies that provide business services and student services, managing the procurement process in compliance with the Procurement Code, making recommendations to the Board of Education on the results of the procurement process, assessing the performance of management companies, and ensuring district management implements sufficient internal controls over the functions of the management company;
 - h. receiving communication from or meeting with the external auditors annually and receiving a direct report of the audit findings, exceptions, and other matters noted by the auditor;
 - i. reporting the audit reports and findings or other matters communicated by an auditor or a regulatory body to the Board of Education;
 - j. ensuring that issues and exceptions reported by external audits, internal audits, or other regulatory bodies are resolved in a timely manner;
 - k. receiving reports of reviews or audits conducted by the State Superintendent and ensuring appropriate corrective action is taken in a timely manner.

[Utah Code § 53G-7-401\(2\), \(5\) \(2018\)](#)

[Utah Code § 53G-7-402\(3\), \(4\), \(5\) \(2019\)](#)

[Utah Admin. Rules R277-113-4\(7\) \(June 22, 2018\)](#)

[Utah Admin. Rules R277-113-5\(2\) \(June 22, 2018\)](#)