

INDEPENDENT SCHOOL DISTRICT 719
PRIOR LAKE - SAVAGE AREA SCHOOLS

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. DEFINITION

III. GENERAL STATEMENT OF POLICY

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

- 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 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 Commissioner of the Department of Education (the Commissioner) on forms prescribed by the Commissioner. The report shall also include those items required by Minnesota Statute.
- D. Prior to November 30 of each year, the school district shall provide audited financial data for the preceding fiscal year to the Commissioner. Prior to December 31 of each year the school district shall provide an audited financial statement in a form that will allow comparison with and correction of material differences in the unaudited data to the Commissioner and the State Auditor. 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 Guide 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 Statute.
- I. The School Board shall annually designate the agency or firm who will perform the annual audit.
- J. The district will conduct a Request for Proposal (RFP) for auditing services every five years.

School Board Adoption: April 8, 2019

An Equal Opportunity School District