

Reviewed:

703 ANNUAL AUDIT

[Note: The provisions of this policy reflect the applicable statutes and are not discretionary in nature.]

I. PURPOSE

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

II. GENERAL STATEMENT OF POLICY

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

III. REQUIREMENTS

- A. The school board shall appoint independent certified public accountants to audit, examine, and report upon the books and records of CCS. 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 CCS 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. CCS shall, prior to September 15 of each year, submit unaudited financial data for the preceding year to the Minnesota Commissioner of Education (Commissioner) on forms prescribed by the Commissioner. The report shall also include those items required by Minnesota Statutes section 123B.14, subdivision 7.
- D. CCS shall, prior to November 30 of each year, provide to the Commissioner audited financial data for the preceding fiscal year. CCS 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 CCS 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 CCS 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 Districts)
 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: MSBA/MASA Model Policy 702 (Accounting)

