

## POLICY 2040

### Audits

- A. In accordance with state statutes, all financial records of the district including all elementary and secondary schools, will be audited following the close of each fiscal year. ([Utah Code § 51-2a-201](#))
- B. The Board will appoint a qualified independent auditor to conduct this audit, after considering the recommendation of the audit committee, which shall conform to all requirements contained in [Utah Code § 51-2a](#).
- C. The Board will select three members to serve on an audit committee. The committee shall be composed of two other people who are not administrators or employees of the School District. The District website shall post the names of the Board members serving on the audit committee, the name and contact information of the internal audit director, and a copy of the District's annual audit plan.

[Utah Code § 53G-7-401\(1\) \(2018\)](#)  
[Utah Admin. Rules R277-113-4\(3\) \(July 8, 2025\)](#)

- D. Training
  - 1. The president of the Board of Education shall ensure that members of the Board and of the audit committee are provided with training on the requirements of [Utah Code Title 53G, Chapter 7, Part 4](#), Internal Audits and of [Utah Admin. Rules R277-113-4](#) as part of the member on-boarding process. This training shall comply with [Utah Code Title 63G, Chapter 22](#), State Training and Certification Requirements and shall use the online training and informational materials provided by the State Superintendent in accordance with [Utah Admin. Rules R277-113-3\(3\)](#).

[Utah Admin. Rules R277-113-4\(1\), \(2\) \(July 8, 2025\)](#)

- E. The District Audit Committee has the following responsibilities: ([Utah Admin. Rules R277-116-3](#))

[Utah Code § 53G-7-401\(1\) \(2018\)](#)  
[Utah Admin. Rules R277-113-4\(3\) \(August 7, 2024\)](#)

1. Ensure that corrective action on findings, concerns, issues and exception reported by independent external auditors, internal auditors, or other regulatory bodies are resolved in a timely manner by District administration.
2. Present, as appropriate, information and reports from the audit committee's meetings to the Board of Education;
3. With regard to engagements completed by an independent external auditor, the District audit committee shall
  - a. Manage the audit procurement and quality process in compliance with the state procurement code ([Utah Code Title 63G, Chapter 6a](#)) and [Utah Administrative Rules R123-5](#),
  - b. Ensure that the independent external auditor has access to directly communicate with the audit committee,
  - c. Review disagreements between independent external auditors and District administration,
  - d. Consider District responses to audits or agreed-upon procedures, and
  - e. Determine the scope and objectives of other non-audit services, as necessary;
4. Establish an internal audit program that provides audit services for the programs administered by the District.
5. Ensure copies of all reports of audit findings issued by the internal auditor are available upon request to audit director of the State Board of Education, the Office of the State Auditor, or the Office of Legislative Auditor General.
6. Ensure that significant audit matters that cannot be appropriately addressed by the district's internal auditor are referred to the audit director of the State Board of Education, the Office of the State Auditor, or the Office of Legislative Auditor General.
7. The Audit Committee will recommend an Audit Director and/or a consultant for internal audit services to the Board of Education.

F. Audits will be conducted using the current standards of the International Standards for Professional Practice of Internal Auditing or The Government Auditing Standards issued by the Comptroller General of the United States.

[Utah Code § 53G-7-401\(2\), \(5\) \(2018\)](#)  
[Utah Code § 53G-7-402\(3\), \(4\), \(5\) \(2019\)](#)  
[Utah Admin. Rules R277-113-4\(4\), \(5\), \(6\) \(July 8, 2025\)](#)

G. The internal audit function shall include the following:

1. Independent appraisal to examine and evaluate the adequacy and effectiveness of internal control systems within the district.
2. A plan which includes a prioritized list of audits to be performed within a specific amount of time.
3. Independent evaluation of the effectiveness of the district governance, risk management, and efficiency of the operations.
4. The independent auditors shall complete their field work in sufficient time to verify necessary audit adjustments included in the District's Annual Financial Report which shall be submitted to the state superintendent not later than October 1 each year.
5. The annual audit shall be completed and copies delivered to the District Board of Education and state superintendent, not later than November 30 each year.
6. An official copy of the audit shall be placed on file in the office of the District business administrator and shall be available for public inspection.

[Utah Code § 53G-7-401\(2\), \(5\) \(2018\)](#)  
[Utah Code § 53G-7-402\(3\) \(2019\)](#)  
[Utah Admin. Rules R277-113-4\(3\), \(6\) \(July 8, 2025\)](#)