



## 3000 - Finance 300 - Audit Committee

### 1. Policy

- 1.1. The Board of Trustees (Board) is responsible for mandating procedure development to school administration and must review both policies and procedures on an ongoing (periodic) basis. The Board, typically through the audit committee, shall periodically review written procedures and forms.
- 1.2. The Board shall ensure that all Board members and audit committee members complete training on the requirements of 53G-7-4, Internal Audits and their completion of mandatory annual training modules provided by the USBE Internal Audit section on their website, as required in R277-113 LEA Fiscal and Auditing Policies.
- 1.3. The Board shall establish an audit committee per Administrative Rule R277-113, comprised of Board members (not a quorum) and community members (optional). The names of governing Board members who serve on the audit committee shall be listed on Providence Hall Charter School (PHCS)' website.
- 1.4. The audit committee shall develop processes and/or procedures to:
  - 1.4.1. Seek to understand its role and duties as outlined in the GFOA Audit Committees guide
  - 1.4.2. Be responsible for the scope, procurement, appointment, compensation, retention, review, and oversight of independent accounting firm(s) engaged for the purpose of preparing or issuing an independent audit report or performing other independent audit, review, or attest services
  - 1.4.3. Ensure PHCS obtains and retains copies of all audits, agreed-upon procedures, engagements, and financial reports required by 52-2a-201.
  - 1.4.4. Review external audit reports prior to submission to any outside party or authority, ensuring direct communication with the audit committee is provided to audit firm representatives
  - 1.4.5. Report to the Board information and reports from the audit committee's meetings, and any relevant discussions with management, internal auditors, external auditors, and among committee members, and assessment of the reports fair and accurate representation to the extent such a determination can be made by the committee
  - 1.4.6. Provide an independent forum for internal auditors, internal audit contractors, and other regulatory bodies to report findings of fraud, waste, abuse, non-compliance, or control weaknesses, particularly if administration is involved
  - 1.4.7. Ensure corrective action on findings, concerns, issues, and exceptions reported by independent external auditors, internal auditors, or other regulatory bodies are resolved in a timely manner by administration
  - 1.4.8. Review and sign off on original bank statements and account reconciliations from the accounting system for each reconciled period, or delegate to the Executive Director in writing
  - 1.4.9. Review PHCS' processes, procedures, and forms to ensure adequate internal controls are in place and consistently used
  - 1.4.10. Ensure completion and submittal of the annual Fraud Risk Assessment as required
  - 1.4.11. Ensure all audit committee members complete the required annual training provided by the State Auditor and the USBE Internal Audit department and documentation of such completion is retained
  - 1.4.12. Annual review of PHCS' finance policies (per R277-113) and periodic review of



- associated procedures
- 1.4.13. When possible, committee members should possess knowledge of and experience in finance, accounting, or auditing
  - 1.4.14. Perform periodic internal audits PHCS' fiscal records using the Transaction Audit Report or other resources