

	<p>INTERNAL AUDIT POLICY</p>	<p>Policy No. 6550  June 19, 2013  Page 1 of 2</p>
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It is the policy of the Seattle School Board that the district shall establish and maintain an Office of Internal Audit to conduct performance audits to support and promote integrity, openness and transparency with respect to internal financial controls of all funds and compliance of the district. The Office shall be staffed by an Internal Auditor and such other employees as are approved. The Internal Auditor and his or her staff shall report to and take direction from the Audit & Finance Committee. The Internal Auditor shall be evaluated by the Chair of the Audit & Finance Committee, with input from all Board Directors. The Superintendent shall perform only administrative personnel functions related to the Internal Auditor such as leave approval, provision of office space and supplies, and issuance of paychecks and reimbursements. The Office of Internal Audit shall serve independently from district management to identify areas of risk and test for compliance and strong internal controls by:

- Developing and implementing an annual internal audit timeline and work plan, based on an assessment of risks and best practice, that shall direct the activities of the Office;
- Assisting the School Board in the effective discharge of its oversight of management responsibilities;
- Ensuring fiscal accountability through evaluation of financial controls in high risk areas to strengthen the management and oversight of Seattle Public Schools;
- Helping Seattle Public Schools accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal controls, and governance processes;
- Providing the Board, the Superintendent, and management with analysis, appraisals, recommendations, advice, and other information concerning the activities reviewed;
- Updating the Audit & Finance Committee on a quarterly basis on the status of the work;
- Providing audit reports, findings, and recommendations to the Audit & Finance Committee once they are completed; and

- Submitting an annual report to the School Board indicating the audits completed, major findings, recommendations, corrective actions taken by the district, and significant findings that have not yet been fully addressed.

It is the policy of the Seattle School Board that the Superintendent or designated senior executive responsible for the matter, develop a Corrective Action Plan in response to all internal audit findings and recommendations. The Corrective Action Plans shall detail the steps that management will take, if any, to resolve the audit issues. It is a job expectation of all Seattle Public Schools employees that they work to fully resolve all Corrective Action Plans.

The internal audit function shall be considered an essential element in achieving the mission, goals, and objectives of the district.

Adopted: February 2012

Revised: June 2013

Cross Reference: 6550BP

Related Superintendent Procedure: N/A

Previous Policies: G23.00; G23.01

Legal Reference:

Management Resources: