

## AUDITS

All financial records of the district will be audited following the close of each fiscal year. The board of education will appoint an independent auditor to conduct this audit. The audit may be done by the Department of Legislative Audit or by a private firm authorized by law to audit financial records of school districts. Trust & Agency funds of the school district must be internally audited annually by a person selected by the board of education. The school district, as defined by statute, must have financial and compliance audits performed at least every two years.

For any necessary reason an audit of the books of any school district may be called at any time by the Board or the electors of the district by petition signed by 20 percent of the resident taxpayers of the district as shown by the assessment roles of the preceding year, or the Attorney General.

The independent auditor will also audit the accounts of other agencies of the district for inclusion in the report to the board.

In addition to the above, the duties of the board-appointed auditor are to:

- A. Conduct this examination in accordance with generally accepted auditing standards and to include such tests of the accounting records and other auditing procedures as may be required.
- B. Examine the balance sheet of the district, and the related statements of transactions in the various funds for the fiscal year then ended.
- C. Render an opinion on the financial statements prepared as of the close of the fiscal year.
- D. Prepare such financial statements for publication as may be required by law.
- E. Make recommendations to the board concerning its accounting records, procedures, and related activities as may appear necessary or desirable.
- F. Perform such other related services as may be requested by the board.

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| Adopted  | 12/15/81 |
| Reviewed | 05/24/88 |
| Reviewed | 01/11/94 |
| Revised  | 10/27/98 |
| Revised  | 08/24/15 |

Legal References:

SDCL 13-16-28 - Audit of school district books called by state  
SDCL 4-11-12 - Publication of notice  
SDCL 4-11-13 - Copies of audit reports received in evidence  
SDCL 4-11-14 - Civil action to recover misappropriated funds  
SDCL 4-11-15 - Notice to attorney general of civil actions  
SDCL 4-11-16 - Attorney general to oversee civil actions  
SDCL 4-11-17 - Attorney general to assist and supervise prosecutions  
SDCL 4-11-18 - Costs of audits  
SDCL 4-11-19 - Deposit and crediting of reimbursed amounts  
SDCL 4-11-5 - Special audit of local accounts  
SDCL 4-11-7.1 - School district audit by private auditing firm  
SDCL 4-11-7.2 - Publication of school district audit results  
SDCL 4-11-9 - Reports of audits