

SUBJECT: INTERNAL AUDIT FUNCTION

No later than July 1, 2006 the BOCES shall establish an Internal Audit Function to be in operation no later than December 31, 2006. The Internal Audit Function shall include:

- a. Development of a risk assessment of BOCES operations including, but not limited to, a review of financial policies and procedures and the testing and evaluation of BOCES internal controls;
- b. An annual review and update of such risk assessment;
- c. Preparation of reports, at least annually or more frequently as the Board may direct, which analyze significant risk assessment findings; and
- d. Recommendation of changes for strengthening controls and reducing identified risks, and the specification of timeframes for implementation of such recommendations.

The BOCES will not utilize existing BOCES personnel to fulfill the Internal Audit Function. The BOCES shall participate in an inter-municipal cooperative agreement or independent contractors to fulfill the Internal Audit Function as long as the personnel or entities performing this Function comply with any Regulations issued by the Commissioner of Education and meet professional auditing standards for independence between the auditor and the BOCES.

Personnel or entities performing the Internal Audit Function shall report directly to the Board of Education. The Audit Committee shall assist in the oversight of the Internal Audit Function on behalf of the Board.

Education Law Sections 1950, 2116-b and 2116-c

NOTE: Refer also to Policy 1151 – **Duties of the Internal Auditor**

Adopted: June 14, 2006