

The Board shall select an auditing firm for a designated period through a Request for Proposal (RFP) or an engagement letter that outlines the Board's expectations for the annual audit and ensures that the audit firm follows the guidelines and standards of the American Institute of Certified Public Accountants (AICPA) and the Governmental Accounting Standards Board (GASB).

The annual audit of all funds shall be made to determine:

1. The adequacy of the Board's fiscal policies;
2. The execution of those fiscal policies; and
3. A check and review of the College District's fiscal actions for the preceding year.

A comprehensive audit report of all funds and accounts of the College District, including a management letter, shall be submitted annually to the Board. A copy of the independent audit shall become a part of the Board's official minutes and shall be available to the public for inspection during regular office hours.

The external auditor shall be appointed by the Board, upon the recommendation of the College President. All engagement letters with the external auditor shall be approved by the Board and signed by the College President. The Board shall select an auditing firm for a designated period, not to exceed five years, and shall rotate external auditors every five years.

The external auditor shall evaluate all financial operations of the College District and prepare reports to the Board. The duties of the external auditor shall include:

1. Performing audit activities necessary to ensure that the College District's resources are being properly managed and accounted for, that the College District has effective and adequate internal controls, and that internal operating controls are reliable;
2. Ensuring that the College District is complying with approved policies and statutory requirements;
3. Developing an annual audit plan for the College District to present to the College President and the Board for approval; and
4. Performing all duties in accordance with the Standards for the Professional Practice of Internal Auditing, the Code of Ethics, the Statements on Internal Auditing Standards, and the Statement of Responsibilities of Internal Auditing, each as established by the Institute of Internal Auditors.

A comprehensive audit report of all funds and accounts of the College District shall be submitted annually to the Board. A copy of the independent audit shall become a part of the Board's official minutes and shall be available to the public for inspection during regular office hours. The Board shall approve an annual audit report for the fiscal year. This report shall be filed with the Coordinating Board prior to January 1 following the close of the fiscal year for which the audit was made and required copies submitted to other governmental agencies.

The College District prohibits fraud and financial impropriety in the actions of its Board members, employees, vendors, contractors, consultants, volunteers, and others seeking or maintaining a business relationship with the College District.