

Internal Financial Controls

The Board expects all board members, employees, volunteers, consultants, vendors, contractors, students and other parties maintaining any relationship with the school district to act with integrity, due diligence, and in accordance with all laws in their duties involving the school district's resources. The Board is entrusted with public dollars, and no one connected with the school district should do anything to erode that trust.

Internal control is the responsibility of all employees of the school district. The Superintendent, Chief Financial Officer/ Board Treasurer, and business services shall be responsible for developing internal controls and procedures designed to prevent and detect fraud, financial impropriety, or fiscal irregularities within the school district subject to review and approval by the board. Administrators shall be alert for any indication of fraud, financial impropriety, or irregularity within the administrator's area of responsibility.

Any employee who suspects fraud, impropriety, or irregularity shall report their suspicions immediately to their immediate supervisor or to the Superintendent. The Superintendent shall have primary responsibility for any necessary investigations and shall coordinate investigative efforts with the board's legal counsel, auditing firm, and other internal or external departments and agencies, including law enforcement officials, as the Superintendent may deem appropriate.

Employees bringing forth a legitimate concern about a potential impropriety will not be retaliated against and those who do retaliate against such an employee will be subject to disciplinary action up to, and including, discharge.

In the event the concern or complaint involves the Superintendent, the concern shall be brought to the attention of the board president who shall be empowered to contact the board's legal counsel, insurance agent, auditing firm, and any other agency to investigate the concern or complaint.

Upon approval of the board, the Superintendent may contact the State Auditor or elect to employ the school district's auditing firm or State Auditor to conduct a complete or partial forensic/internal control/Statement on Auditing Standards (SAS) No. 99 audit annually or otherwise as often as deemed necessary. The Superintendent is authorized to order a complete forensic audit if, in the Superintendent's judgment, such an audit would be useful and beneficial to the school district. The Superintendent shall ensure the State Auditor is notified of any suspected

embezzlement or theft pursuant to Iowa law. In the event there is an investigation, the Superintendent will maintain records for use in the investigation. Individuals found to have altered or destroyed records will be subject to disciplinary action up to, and including, termination.

The district business office will annually conduct tests of some internal controls and report the findings to the Facilities/Support Services Committee of the Board of Education. The report will be submitted to the full board for approval.

Adopted: February 12, 2007

Reviewed: October 13, 2014

Revised: October 23, 2017

Revised: March 20, 2023