

Book	Board Policy Manual
Section 1.	Governance & School Board Operations
Title	Advisory Committees - Audit Committee
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Status	Active
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ADMINISTRATIVE REGULATION

The responsibility of the Audit Committee is to assist the superintendent and the board in ensuring that management promotes accountability, integrity and efficiency throughout the organization. The Audit Committee is to independently determine whether financial and other reports are being provided that disclose fairly, accurately, and fully all information that is: (a) required by law, and regulation; (b) necessary to ascertain the nature and scope of programs and activities; and (c) necessary to establish a proper basis for evaluating the results of programs and activities including the collection of, accounting for, and depositing of revenues and other resources.

To accomplish this, the Audit Committee will:

- Select and recommend to the board the independent auditors, including the establishment of the audit fees and budget;
- Review and evaluate the performance of the independent auditors;
- Require prompt notification by management of the engagement of auditors by federal and state governments and by Atlanta Public Schools management that are other than those of the principal independent auditors;
- Monitor the compliance with government laws and regulations, as disclosed in the audit reports;
- Ask members of management or others to attend the meetings and provide pertinent information, as necessary;
- Review the superintendent's recommendation for the appointment, including the establishment of compensation, replacement, reassignment, or dismissal of the Executive Director of Internal Audit, and provide the Committee's independent opinion to the Board on the appropriateness of said action;
- Inquire of management, the Executive Director of Internal Audit, and the independent auditors about significant risks and exposures facing Atlanta Public Schools;
- Review and approve the Director of Internal Compliance's annual work plan;
- Review with management the Executive Director of Internal Audit's reported findings on internal audits and administrative investigations, and management's responses and corrective action plans, thereto;
- Review with management and the Executive Director of Internal Audit any difficulties the Office of Internal Audit team encountered in the course of their audits, reviews or administrative investigations, including any restrictions on the scope of their work or access to required information;
- Review with management and the Executive Director of Internal Audit the Office of Internal Audit's budget and staffing, its charter, and its compliance with International Standards for the Professional Practice of Internal Auditing, promulgated by the Institute of Internal Auditors, Inc.;
- Review the results of any Quality Assurance Review of the Office of Internal Audit as performed by an independent outside agency on a three-year cycle, as recommended by the Audit Committee and approved by the board;

- Consult regularly with the Executive Director of Internal Audit (Internal Auditor);
- Consult regularly with advisors to the Audit Committee;
- Consult with the superintendent, and/or his or her designee;
- Provide an open avenue of communication between and among the Executive Director of Internal Audit, the state and federal auditors, outside independent auditors, and the Audit Committee;
- Review the independent auditors' report on the annual audit of the financial statements and management letter, including management's response and corrective plan to address the resulting recommendations;
- Review with management and the independent auditors matters related to the conduct of the audit of the financial statements, which are to be communicated to the Atlanta Public Schools' superintendent and Audit Committee under generally accepted auditing standards; including the strengths and weaknesses of the organization's systems of internal controls,
- Recommend policy changes to the board, particularly those that result in any material fiscal impact to the Atlanta Public Schools.
- Review major internal control changes in the Atlanta Public Schools' information systems network, data center, and architecture, infrastructure and systems development by management and the adequacy of systems development and planning (after implementation).
- Review the timely resolution of internal and external audit findings of the Executive Director of Internal Audit, federal and state auditors and outside independent auditors, as reported.
- Periodically review and recommend changes to the Office of Internal Audit's charter to the board,
- Review procedures for the receipt, retention, and treatment of complaints received by Atlanta Public Schools and the Executive Director of Internal Audit regarding questionable accounting, internal control, or auditing matters that may be submitted by any party internal and external to the organization;
- Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters;
- Review with the Atlanta Public Schools' General Counsel and the Executive Director of Internal Audit the results of their review of the monitoring of compliance with the Board's ethics and conflict of interest policies and make recommendations for policy changes as appropriate.
- Annual Report and Follow up of Corrective Actions

The Audit Committee will monitor the activities of the Office of Internal Audit and management's corrective actions taken. To accomplish the tasks, the Audit Committee will:

- Review the Executive Director of Internal Audit's annual report to the board on activities performed by that office for the previous fiscal year. Such report shall include at least:
 - A description of audit findings relating to the administration of programs and operations of Atlanta Public Schools disclosed by administrative investigations, audits, reviews, or other activities during the reporting period;
 - A summary of each audit, review and administrative investigation completed during the reporting period;
 - The identification of work projects in-process;
 - Total Office of Internal Audit staffing and operating expenditures for the period; and
 - A comparison of the audit projects planned to those actually completed.
- Review the Executive Director of Internal Audit's follow-up practices on actions taken by management to implement audit recommendations. The Executive Director of Internal Audit reports to the board in the annual report the results of follow-up activity. The report shall include at least:
 - A description of the recommendations for corrective action made by the Executive Director of Internal Audit with respect to significant problems, abuses, or deficiencies identified;
 - An identification of the responsible Atlanta Public Schools' department, school, unit and/or office, and
 - The status of the implementation.

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See the statutory charter of the Atlanta Public Schools.

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