



AP 6400 **Financial Audits**

References:

Education Code Sections 84040 subdivision (b), 84040.5, and 81644;
CCR Title 5 Sections 59012 59100 through 59116;
ACCJC Accreditation Standard III D.7

On or before April 1 of the fiscal year, the Board of Trustees shall approve the selection of an auditor who shall be a certified public accountant licensed by the California State Board of Accountancy.

The length of an auditing firm's contract shall be determined by the District but shall be for no longer than five (5) years. The audit shall include all funds under the control or jurisdiction of the District. The audit shall identify all expenditures by source of funds and shall contain:

- A statement that the audit was conducted pursuant to standards and procedures developed in accordance with Education Code Section 84040.5, and
- A summary of audit exceptions and management recommendations.

Audit reports for the preceding fiscal year must be submitted to the state California Community Colleges Chancellor's Office by December 31.

~~Internal Audit is an independent, objective assurance and consulting activity designed to add value to the institution's operations through a systematic approach to evaluate and improve the effectiveness of the District's governance, risk management and control processes. The Internal Audit Department should operate in a manner consistent with the Standards for Professional Practice of Internal Auditors & Code of Ethics adopted by the Institute of Internal Auditors. The Internal Audit Department reports to the Board of Trustees with direction provided by the Disbursing Officer for the pre-audit of disbursements. The Internal Auditor does not have direct responsibility or authority over any of the operations reviewed. Nor does the Internal Auditor develop or implement policies or procedures, prepare records, or engage in activities which would normally be reviewed as part of the audit function. Internal audit recommendations related to a specific activity under audit may be communicated in a written report or as appropriate, verbally to operating management to review and implement at their discretion or direction of their direct report.~~

~~Both the external and internal auditors are authorized complete access to all District records, properties and personnel relevant to the performance of audits and investigations.~~

Approved: 5/8/06
Revised: 11/9/15



Revised: 1/8/18
Revised: 3/9/20