



601.2 AP External and Internal Audit Responsibilities

ESTABLISHED: 01.24.2024

UPDATED:

REVIEWED:

LEGAL REFERENCE:

- *Education Act Sections - 33, 52, 53, 55, 68, 137, 138, 139, 140, 141, 143, 197, 222*
- Funding Manual for School Authorities
- Guide to Education ECS to Grade 12

CROSS REFERENCE:

- [102BP Board Committees](#)
- [602BP Financial Matters](#)
- [603BP External Financial Services](#)
- [602.13AP School Generated Funds](#)

BACKGROUND:

It is a requirement of Alberta Education, the Board of Trustees, and the Superintendent that all Division funds regardless of their source be properly managed and accounted for. The school division requires that all funds received and expended (including school-generated funds) be accounted for in a manner consistent with internal control guidelines, public sector accounting standards, and Alberta Government guidelines.

To this end, the following procedures are established.

PROCEDURES:

1. An external auditor shall perform an audit of the school division's financial statements to ensure compliance with Board policies, administrative procedures and with Alberta Education policies, guidelines, and procedures. The external auditor shall report significant deficiencies in accordance with generally accepted auditing standards to the Superintendent and Board of Trustees, in consultation with the Secretary Treasurer.

2. The Board has established an Audit Committee with specific terms of reference.
3. The Secretary Treasurer may perform internal audits on any department or school at any time, and budget managers, staff, and contractors shall cooperate fully with the internal audit.
4. The Secretary Treasurer shall establish internal controls for the Division as needed to ensure reasonable business practices and protect the financial interest of the school division.
5. The Secretary Treasurer may plan for internal audits and a review of internal controls to be done as needed for school-based funds, and may plan for such audits to be conducted for each school at least once every two years and where a change in principal or school administrative assistant has occurred.
6. Concerns about the internal controls of the school division by the Secretary Treasurer, including financial irregularities, shall be reported to the Superintendent, and as reasonable and if needed to the Audit Committee or the Board.
7. The Secretary Treasurer shall, when identified, discuss with the applicable budget manager any perceived over and/or under expenditures that represent a risk to the school division. Areas of particular concern shall be brought to the attention of the Superintendent and, if needed, the Board.