



# **SWEETWATER**

## **UNION HIGH SCHOOL DISTRICT**

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### **AUDIT SUBCOMMITTEE MEETING**

**PRESENTED TO:  
SWEETWATER UNION HIGH SCHOOL DISTRICT  
AUDIT SUBCOMMITTEE**

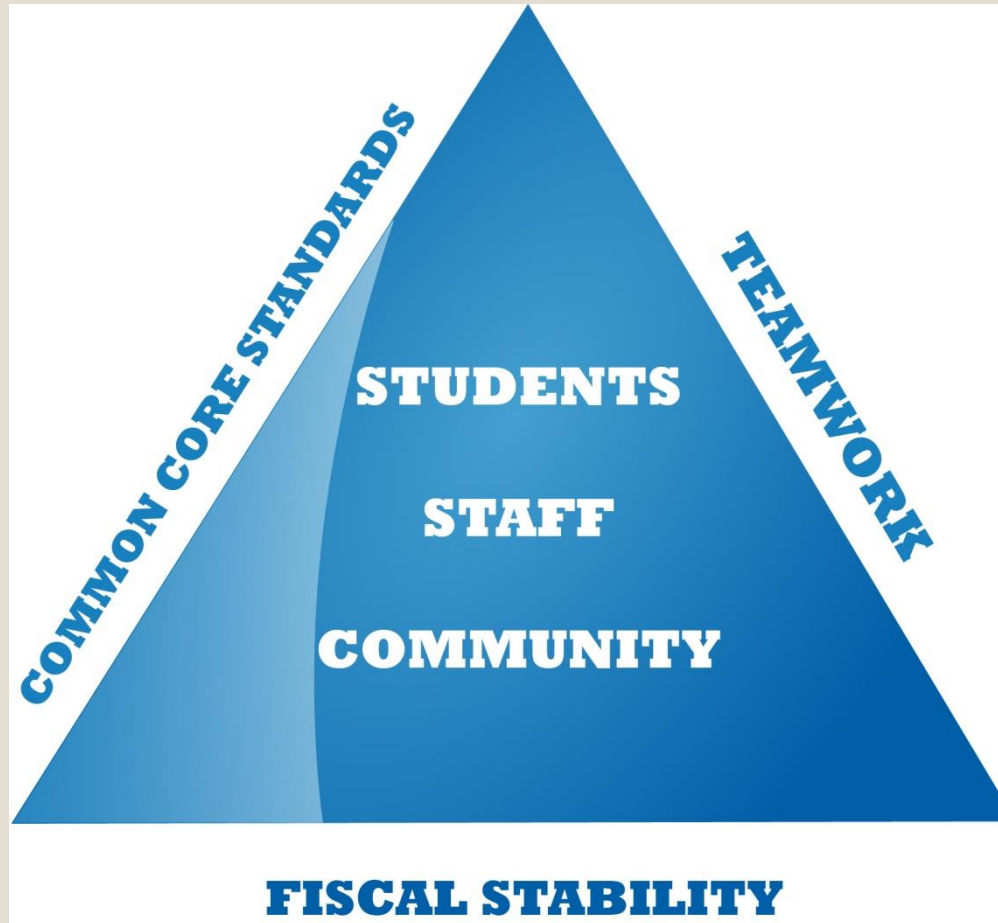
**PRESENTED BY:  
DR. ALBERT G. ALT  
CHIEF FINANCIAL OFFICER**

**MS. FRANCES MARTINEZ  
INTERNAL AUDITOR**

# District Delta:

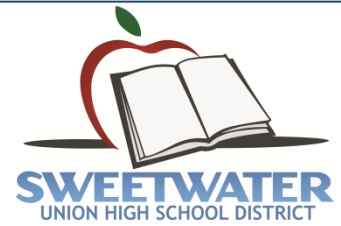


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- **Three Key Components:**
  - I. Well-defined and understood budget development process
  - II. Regular on-going budget monitoring and reporting
  - III. Year-end close activities including the Financial Audit

# Financial Audit:



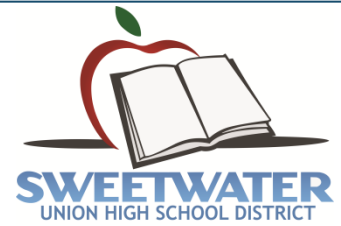
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- Serves multiple purposes:
  - Used for the purposes of evaluating internal controls and systems
  - Evidences good stewardship of the taxpayers money
  - Opportunity to evidence District's financial stability to internal and external stakeholders
- Examples of evidence to external stakeholders:

[http://www.guhsd.net/index.php/component/docman/cat\\_view/41-business-services/143-budget-and-financial-information/147-reports-letters-and-overviews/148-audited-financial-reports](http://www.guhsd.net/index.php/component/docman/cat_view/41-business-services/143-budget-and-financial-information/147-reports-letters-and-overviews/148-audited-financial-reports)

<http://www.cvesd.org/DISTRICT/Pages/services.aspx>

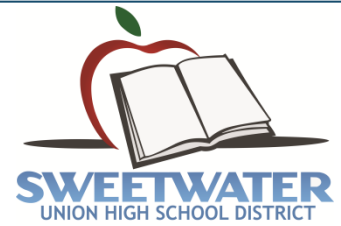
# Best Practices:



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- Audit Committee is identified as a “best practice” by many organizations:
  - Endorsed by National Association of Chief Business Officers
  - Endorsed by Institute of Internal Auditors
  
- Researched and documented:
  - AGA Corporate Partner Advisory Group Research:
    - ✦ [http://www.agacgfm.org/AGA/Documents/Research/CPAG\\_No17-1-.pdf](http://www.agacgfm.org/AGA/Documents/Research/CPAG_No17-1-.pdf)
  - Government Financial Officers Association (GFOA):
    - ✦ [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=1451](http://www.gfoa.org/index.php?option=com_content&task=view&id=1451)
  - American Institute of CPAs:
    - ✦ <http://www.aicpa.org/InterestAreas/BusinessIndustryAndGovernment/Resources/GovernmentResourceCenter/DownloadableDocuments/GovAccBriefJuly2009.pdf>

# Purpose and Benefits of Audit Committee:



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- GFOA recommends; “The governing body of every state and local government should establish an audit committee or its equivalent”
  - Provides forum outside of management
  - Ensures adherence to system of internal controls
  - Ensures independence of auditors (internal and external)
- American Institute of CPAs; “The implementation of audit committees by government entities both enhances financial transparency and controls...”
  - Activities that ensure independence is maintained

# Internal Auditor Role:



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- Independent review of control systems, policies, procedures
- Liaison with all audits
- Coordinates contract audit/external auditors
- Training

# High Risk Areas:

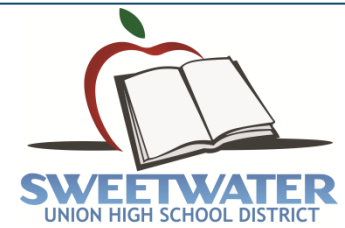


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- Cash handling/distribution
  - ASB
  - Principals Reports
  - Bus Passes
  - Nutrition
  - Commercial Warrants
  
- Compliance
  - Instructional Minutes
  - Fixed Asset Inventory
  - Special Audits/requests

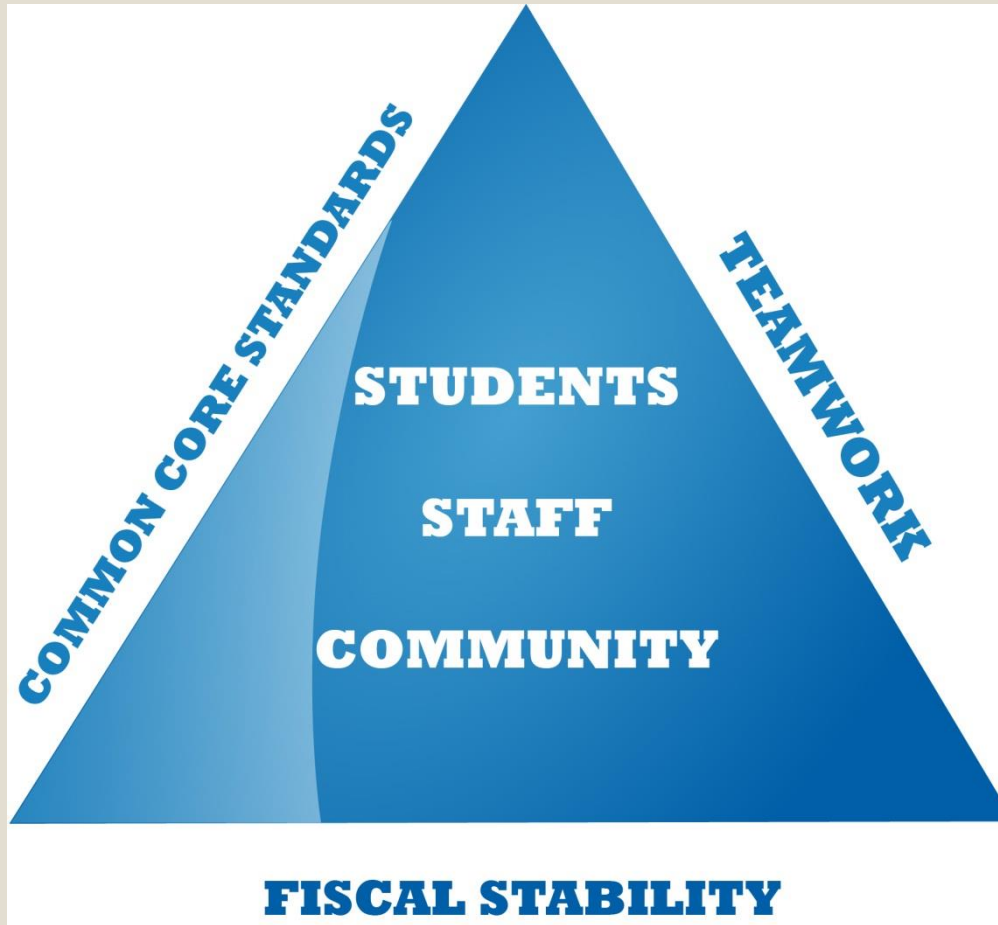
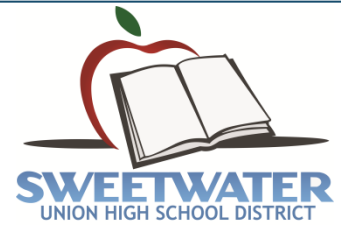


# Draft Schedule:



Task	Due Date	Responsible Party	Completed
Audit Committee Orientation	June	Alt/Martinez	June 19, 2013
Audit Committee Training	1 <sup>st</sup> Quarter	Alt/Martinez	
Audit Review	2 <sup>nd</sup> Quarter	Alt/Martinez	
Acceptance of Audit	3 <sup>rd</sup> Quarter	Alt/Martinez	
Audit Planning/Review	4 <sup>th</sup> Quarter	Alt/Martinez	

# District Delta:





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