

EXTERNAL AUDIT GUIDANCE FOR SCHOOL DISTRICT OFFICIALS

accountability includes a provision to enhance the effectiveness of external audits by:

- Requiring CPAs to present audit results directly to school boards.
- Requiring a formal school district response to the management letter and a

corrective action plan for any reportable conditions.

- Expense reimbursements or other payments to board members, administrators and other district personnel should be tested to verify compliance with board

policies, reasonableness, appropriateness of payment, and documentation of expenses.

► **Assets are safeguarded**

School district assets are safeguarded against loss, waste and abuse.

- Verification that a current asset inventory system is in place.
- Physical inspection of assets and personal property items, especially those items most susceptible to theft and abuse (e.g. computers, televisions, video equipment).
- Verification of adequacy of insurance coverage for assets and for employees with authorized access to those assets.