

**Business and Fiscal Affairs
DRAFT as of 3/12/13**

AP 6400 AUDITS

References:

Education Code Sections 84040(b) and 81644

NOTE: Procedures on audits are legally required.

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

An auditing firm's contract shall be for **no longer than five 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 presented to the Board and submitted to the California Community College Chancellor's Office by December 31.

NOTE: The **red ink** signifies language that is **legally required** and recommended by the Policy and Procedure Service and their legal counsel. Barbara Yesnosky reviewed this procedure on March 12, 2013 and added the language in **green ink**.

Date Approved:

*(This is a new procedure recommended by the
Policy and Procedure Service)*