

ACCOUNTING
AUDITS

CDC
(LOCAL)

FINANCIAL AUDITS

The Board shall ~~select~~engage ~~an firm of -independent Certified Public Accountants (CPA) auditing firm-~~ for a designated period through a Request for Qualifications (RFQ) solicitation processer ~~an engagement letter~~ that outlines the Board's expectations for the annual financial audit -which includes rendering opinions on the College's financial statements. Such engagement shall be conducted according to auditing standards generally applicable in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Additionally, the selected audit firm is required to audit the compliance of the College with the types of compliance requirements described in the U.S. Office of Management and Budget's OMB Compliance Supplement and the State of Texas Single Audit Circular that could have a direct and material effect on each of its major federal and state programs.

In each fiscal year that ends with an odd digit the independent auditor is required to comply with the Public Funds Investment Act (PFIA), Texas Government Code Section 2256.005(n), by submitting the Biennial Compliance Audit Report to the State Auditor's Office and ensures that the audit firm follows the guidelines and standards of the American Institute of Certified Public Accountants (AICPA) and the Governmental Accounting Standards Board (GASB).

~~The annual financial audit of all funds shall be made to determine:~~

~~The adequacy of the Board's fiscal policies.~~

~~The execution of those fiscal policies.~~

~~A check and review of the College's fiscal actions for the preceding year.~~

A Comprehensive Annual Financial audit Report (CAFR) ~~sof all funds and accounts of the College~~ shall be submitted annually to the Board for approval no later than December 31. A copy of the independent audit shall become a part of the Board's official minutes and shall be available to the public for inspection during regular office hours.

INTERNAL AUDITS

All College operations are subject to internal audit.