

By-Laws**SUBJECT: APPOINTMENT AND DUTIES OF THE CLAIMS AUDITOR**

The Board will appoint a Claims Auditor to audit and approve claims, to certify that each claim listed on the claims warrant was audited and payment authorized, and to perform other such tasks consistent with law and regulation. The Claims Auditor will hold his/her position subject to the pleasure of the Board and report directly to the Board. The Board may, in its discretion, require that the Claims Auditor report to the District Clerk or the Board, or to the Superintendent for administrative matters such as workspace, time and attendance, only.

Qualifications

The Claims Auditor must have the necessary knowledge and skills to effectively audit claims including experience with purchasing, bidding and claims. The Claims Auditor must be bonded or included in the District's blanket undertaking, prior to assuming his/her duties.

The Internal Claims auditor must be vigilant in review of claims cognizant of Board policy, contracts, and State and Federal laws and regulations, and willing to seek legal opinion from the school's attorney should he or she require training in or be unsure of said laws and regulations. Failure to seek such advice and opinion or to comply with all applicable legal requirements will be grounds for dismissal. He or she must also be familiar with the actions of the Board of Education through review of Board minutes, a listing of vendors and product categories of bid awards, service contracts and amounts, District claimants, and any other information pertaining to a specific claim. The Internal Claims Auditor shall compare claims against this information to insure compliance with Board action, and assistance from the District's Independent Auditor in the event of any encountered uncertainty in the execution of internal audits.

Furthermore, the Internal Claims Auditor is to notify the Board, through the Board President and the Chairperson of the Audit Committee, by writing or by e-mail, immediately of any instances where, in the execution of an audit, there appears to be a potential for violation of either legal requirements or non-compliance with expected and accepted practices and/or policies which cannot be readily resolved by consultation with the Finance Office. The Internal Claims Auditor shall not authorize the payment of any item which is the subject of such notification until that notification has been received by the Board President and Chairperson of the Audit Committee.

No person shall be eligible for appointment to the office of Claims Auditor who shall be:

- a) A member of the Board;
- b) The Clerk or Treasurer of the Board;
- c) The Superintendent or official of the District responsible for business management;
- d) The Purchasing Agent;

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- e) Clerical or professional personnel directly involved in accounting and purchasing functions of the District or under the direct supervision of the Superintendent;
- f) The individual or entity responsible for the internal audit function (the Internal Auditor);
- g) The External (Independent) Auditor responsible for the external audit of the financial statements;
- h) A close or immediate family member of an employee, officer, or contractor providing services to the District. A "close family member" is defined as a parent, sibling or nondependent child; an "immediate family member" is a spouse, spouse equivalent, or dependent (whether or not related).

Delegation of the Claims Audit Function

Notwithstanding the foregoing, the Board may delegate the claims audit function by using inter-municipal cooperative agreements, shared services through a Board of Cooperative Educational Services, or independent contractors, provided that the individual or organization serving as independent contractor meets the following standards for independence between the Claims Auditor and the District:

- a) Has no other responsibilities related to the business operations of the School District;
- b) Has no interest in any other contracts with, and does not provide any goods or services to, the School District; and
- c) Is not a close or immediate family member of anyone who has responsibilities related to business operations of the School District, or has an interest in any other contracts with the District. A "close family member" is defined as a parent, sibling or nondependent child; an "immediate family member" is a spouse, spouse equivalent, or dependent (whether or not related).

If the District delegates the claims audit function using an intermunicipal cooperative agreement, shared service or an independent contractor, the Board remains responsible for auditing all claims for services from the entity providing the delegated Claims Auditor, either directly or through a delegation to a different independent entity.

Education Law Sections 1604(35), 1709(20-a), 2526 and 2554(2-a)
8 NYCRR Section 170.12(c)

Adopted: 11/9/04

Revised: 3/28/06; 6/26/12; 10/8/14;

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SUBJECT: APPOINTMENT AND DUTIES OF THE CLAIMS AUDITOR

The Board may adopt a resolution establishing the appointment of a Claims Auditor who shall hold the position subject to the pleasure of the Board and report directly to the Board on the results of audits of claims. The Board may require that the Claims Auditor report to the Clerk of the District or the Board, or to the Superintendent for administrative matters such as workspace, time and attendance.

Qualifications

The Claims Auditor must have the necessary knowledge and skills to effectively audit claims including experience with purchasing, bidding and claims. The Claims Auditor must be bonded prior to assuming his/her duties.

No person shall be eligible for appointment to the office of Claims Auditor who shall be:

- a) A member of the Board;
- b) The Clerk or Treasurer of the Board;
- c) The Superintendent or official of the District responsible for business management;
- d) The Purchasing Agent;
- e) Clerical or professional personnel directly involved in accounting and purchasing functions of the District or under the direct supervision of the Superintendent;
- f) The individual or entity responsible for the internal audit function (the Internal Auditor);
- g) The External (Independent) Auditor responsible for the external audit of the financial statements;
- h) A close or immediate family member of an employee, officer, or contractor providing services to the District. A "close family member" is defined as a parent, sibling or nondependent child; an "immediate family member" is a spouse, spouse equivalent, or dependent (whether or not related).

The Claims Auditor is not required to be a resident of the District and shall be classified in the civil service exempt class.

The Board may delegate this claims audit function by using inter-municipal cooperative agreements, shared services through a Board of Cooperative Educational Services, or independent contractors, providing that the individual or organization serving as independent contractor meets the following standards for independence between the Claims Auditor and the District:

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- a) Has no other responsibilities related to the business operations of the School District;
- b) Has no interest in any other contracts with, and does not provide any goods or services to, the School District; and
- c) Is not a close or immediate family member of anyone who has responsibilities related to business operations of the School District, or has an interest in any other contracts with the District. A "close family member" is defined as a parent, sibling or nondependent child; an "immediate family member" is a spouse, spouse equivalent, or dependent (whether or not related).

Valid claims against the District shall be paid by the Treasurer only upon the approval of the Claims Auditor. The Claims Auditor shall certify that each claim listed on the warrant was audited and payment was authorized. He/she shall:

- a) Examine all claim forms with respect to the availability of funds within the appropriate codes and adequacy of evidence to support the District's expenditure;
- b) Meet such other requirements as may be established by the Regulations of the Commissioner of Education and/or the Comptroller of the State of New York.

Education Law Sections 1604(35), 1709(20-a), 2526 and 2554(2-a)
8 New York Code of Rules and Regulations (NYCRR) Section 170.12(c)

Adopted: 11/9/04
Revised: 3/28/06; 6/26/12