



CHAPTER 5 Financial Policies	SECTION NO. 5.04
REFERENCE 5.04 Audit	<i>Adopted: October 12, 2010</i>
	<i>Reviewed: October 12, 2010</i>
	<i>Revised:</i>

The Board of Trustees will, as of the end of each year, direct an audit to be made by an accountant licensed to practice public accounting in Illinois and appointed by the Board. The College should rotate the lead/coordinating and reviewing partners at least every seven years. *(Section 203*)* The President may not contract with the College’s audit firm for nonaudit services without prior approval of the Board. *(Section 201*)*

The management letter will be submitted to the administration for review and response. The audit firm will then incorporate the administration’s responses into the management letter. The management letter, with auditor’s findings and administrative responses, will then be sent to the Board of Trustees with a copy to the President and Vice President of Institutional Effectiveness. The Board’s Audit Committee should consider meeting with the audit firm outside the presence of management once the administration’s response is included in the management letter and prior to submission to the entire Board of Trustees. *(Section 204*)*

The Audit Committee shall be composed of at least two members of the Board, appointed by the Board Chair, and shall recommend audit policies and procedures to the Board for its review and consideration. *(Section 301*)* The Audit Committee also shall review any audit findings and ensure appropriate action to eliminate any deficiencies.

The President and Vice President of Institutional Effectiveness shall certify along with the annual audit report that:

1. They have reviewed the reports.
 2. Based on their knowledge, the report does not contain any untrue statements of a material fact or omission of a material fact that makes the statements misleading.
 3. Based on their knowledge, the financial statements present in all material respects the financial condition and results of operations.
- (Section 302*)*

**Section numbers refer to sections in the Sarbanes-Oxley Law.*