## **2.5 Audit and Financial Statements Policy**

The Board of KC International Academy adopts the following policy which shall be effective on the date that the policy is adopted by the Board.

**SECTION 2.5.1. Annual Audit.**

SECTION 2.5.1.1. Annually, the books and accounts of the School will be audited by an independent certified public accountant in conformance with the prescribed standards and legal requirements. The Business Manager shall place before the Board the matter of the retaining of a certified public accountant. The auditor shall be selected by the Board. The audit shall be presented to the Board for examination and approval.

SECTION 2.5.1.2. Board Action. Once the Board of KC International Academy receives the final report, it shall vote to accept the contents of the audit at either its next regularly called meeting or at a special meeting called in accordance with the Board’s bylaws.

SECTION 2.5.1.3. Submission to Sponsor. The Superintendent or designee shall ensure that a copy of the annual audit report is timely filed with the Sponsor.

The audit report should include a certificate signed by the Board President that the Board voted to accept the contents of the audit. If the Board did not accept the contents of the audit report, that should be noted with the submission.

**SECTION 2.5.2. Annual Financial Statement.**

Section 2.5.2.1. The Superintendent or designee shall prepare, or cause to be prepared, an annual financial statement for each fund subject to the authority of the Board during the fiscal year showing:

a. the total receipts of the fund, itemized by source of revenue, including taxes, assessments, service charges, grants of state money, gifts, or other general sources from which funds are derived;

b. the total disbursements of the fund, itemized by the nature of the expenditure; and

c. the balance in the fund at the close of the fiscal year.

SECTION 2.5.2.2. The Superintendent or designee shall ensure that the annual financial statement is submitted to the Sponsor in a timely manner pursuant to deadlines.