

| | |
|---------|---------------------------|
| Book | Policy Manual |
| Section | EDGAR for the Board |
| Title | Revised INTERNAL CONTROLS |
| Code | po6111 |
| Status | |
| Adopted | May 24, 2016 |

Revised Policy - Vol. 43, No. 1 - UGG/EDGAR Revisions

6111 - INTERNAL CONTROLS

The Superintendent shall establish, document, and maintain effective internal controls over Federal awards that provide reasonable assurance that the District is managing all awards in compliance with the U.S. Constitution, applicable statutes, regulations, regulations and the terms and conditions of the awards. The District will have a process that provides reasonable assurance regarding the achievement of the following objectives:

- A. effectiveness and efficiency of operations;
- B. reliability of reporting for internal and external use; and
- C. compliance with applicable laws and regulations.

These internal controls should comply with the guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control-Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The internal controls must provide reasonable assurance that transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements and Federal reports; maintain accountability over assets; and demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. The internal controls must also provide reasonable assurance that these transactions are executed in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal award, as well as any other Federal statutes and regulations that are identified in the Compliance Supplement. Finally, the District's internal controls must provide reasonable assurance that all Federal funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

The District shall:

- A. comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal awardawards;
- B. evaluate and monitor its compliance with the U.S. Constitution, statutes, regulations, and the terms and conditions of the award;
- C. take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; and
- D. take reasonable cybersecurity and other measures to safeguard protected information including protected "personally identifiable information" (PII) and other types of information. This also includes information the Federal agency or pass-through entity designates as sensitive or other information the District considers sensitive and is consistent with applicable Federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality"personally identifiable information" (PII) and other information the awarding agency or pass through entity designated as sensitive or the District considers sensitive consistent with applicable Federal, State, local, and tribal laws and District policies regarding privacy and obligations of confidentiality.

PII is defined at 2 C.F.R. 200.1200-79 as "information that can be used to distinguish or trace an individual's

