

SOUTHWESTERN COMMUNITY COLLEGE	BUSINESS SERVICES INTERNAL CONTROL AND AUDITS	Policy 7.02.04
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Southwestern Community College's book of accounts shall be audited a minimum of once every two years or, if additional audits are necessary, as required by the State Board. The College may use state funds to contract with the North Carolina State Auditor or with a certified public accountant to perform the audit. The College shall submit the results of the audit to the State Board. The audit provides assurances that departments are complying with internal and external policies, procedures and regulations as well as verifying that financial statements and required reporting is completed in a timely and accurate manner.

Additionally, all state fund reports are submitted monthly to the North Carolina Community College System's finance office. These reports are reviewed and reconciled prior to the release of state funds for the subsequent months.

The College evaluates its Internal Control Structure annually through the use of the "Self-Assessment of Internal Controls" provided by the Office of the State Controller.

Components of the "Self-Assessment of Internal Controls" address the following areas:

- Financial Reporting
- Control Environment
- Budget Reporting
- Accounts Receivable Cycle
- Purchasing/Accounts Payable Cycle
- Human Resources
- Fixed Asset Control
- Cash Receipts Cycle
- Risk Assessment

The "Self-Assessment of Internal Controls" ensures that there are adequate controls in place to promote efficiency and protect the College's assets.

Nothing herein would prohibit the President, if he/she deemed it necessary, from requesting a special audit of the College's accounting records by an outside agency.

Legal Citation: N.C.G.S. § 115D-58.16

Adopted: January 2006

Revised: April 22, 2014