

### **Internal Controls**

The Board of Directors believes that internal controls are an important part RSU 40's financial and business policies and procedures. Internal control policies/procedures allow the district to:

1. Properly safeguard its assets against waste, fraud, and inefficiency;
2. Ensure accuracy and reliability in accounting and operating data;
3. Secure compliance with the policies of the district; and
4. Evaluate the level of performance in all organizational units of the district.

The Superintendent/designee will establish a system of internal control policies/procedures to ensure proper safeguarding and management of RSU 40's funds, including federal and state grant monies.

The system will include:

- A. A reliable and accurate accounting system with a clear segregation of financial duties;
- B. A well-defined organizational and reporting structure;
- C. Sound personnel and business office procedures;
- D. Management awareness and monitoring of school unit operations, income and expenses; and
- E. Regularly providing to the Board such accurate and timely information that the Board needs to ensure that expenses are properly documented and paid.

The initial system will be subject to Board approval. The Superintendent will approve/disapprove any future changes/revisions.

Adopted: December 5, 2013

Revised: March 19, 2015  
Reviewed: September 6, 2018