

1478

2015-2016 Regular Sessions

I N A S S E M B L Y

January 12, 2015

Introduced by M. of A. ZEBROWSKI, STIRPE -- read once and referred to
the Committee on Education

AN ACT to amend the education law, in relation to modifying the internal
audit function of school districts

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivisions 1 and 2 of section 2116-b of the education
2 law, subdivision 1 as added by chapter 263 of the laws of 2005 and
3 subdivision 2 as amended by section 4 of part A of chapter 57 of the
4 laws of 2013, are amended to read as follows:
5 1. No later than July first, two thousand six, each school district
6 shall establish an internal audit function to be in operation no later
7 than the following December thirty-first. Such function shall include:
8 (a) development of a risk assessment of district operations, including
9 but not limited to, a review of financial policies and procedures and
10 the testing and evaluation of district internal controls; (b) [an annu-
11 al] A review and update of such risk assessment; and (c) preparation of
12 reports[, at least annually] EVERY THREE YEARS or more frequently as the
13 trustees or board of education may direct, which analyze significant
14 risk assessment findings, recommend changes for strengthening controls
15 and reducing identified risks, and specify timeframes for implementation
16 of such recommendations.
17 2. School districts [of less than eight teachers, school districts
18 with actual general fund expenditures totaling less than five million
19 dollars in the previous school year, or school districts] with actual
20 enrollment of less than one thousand [five hundred] students in the
21 previous school year shall be exempt from this requirement. Any school
22 district claiming such exemption shall annually certify to the commis-
23 sioner that such school district meets the requirements set forth in
24 this subdivision.
25 S 2. This act shall take effect immediately and shall apply to all
26 school years commencing on or after July 1, 2015.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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