Warren-Newport Public Library District
Lake County, Illinois
Board of Trustees

Policy 2013 Audit

The Board of Trustees of the Warren-Newport Public Library District (WNPLD) recognizes that an annual audit is an important process for understanding and managing risk. This policy guides the Board of Trustees in its use.

ARTICLE 1. PURPOSE

The audit process is the Board's means of assessing, on behalf of WNPLD's resident taxpayers and regulators, if the Executive Director's presentation of WNPLD's annual financial statements and the Executive Director's assessment of WNPLD's past performance are materially misstated. In this context, materiality means a measure of the level of risk that the Board will assume if members base decisions on those assertions of the Executive Director.

The audit also gathers information the Board needs to assess and manage risk in the areas of the financial strength and financial management of WNPLD, of financial controls, and of asset existence, ownership, and valuation.

To accomplish these tasks, the Board engages a Certified Public Accountant (CPA) to audit the accuracy of the annual financial statements.

ARTICLE 2. PRACTICES

The Board shall act as the Audit Committee.

The Board will select the independent auditors to be engaged by WNPLD, establish the audit fees of the independent auditors, and pre-approve any non-audit services provided by the independent auditors before the services are rendered. It will also review with WNPLD management and the independent auditors both WNPLD's annual financial statements, including related footnotes, and the report of the independent auditors' audit of the financial statements.

WNPLD will engage an independent auditing firm for a period of no longer than eight (8) years. When the Board decides to select a new auditing firm, the President will form an Audit Firm Search Committee to research possible auditing firms. This Committee shall include the Treasurer, two (2) other Trustees, the Executive Director, and the Finance Manager. If no Trustees are CPAs, the Board shall seek out a CPA to serve as an advisor to the Audit Firm Search Committee. At the conclusion of their search, the Audit Firm Search Committee will recommend one (1) auditing firm to the Board. The outgoing auditing firm will not be eligible to be reengaged for a period of three (3) years.

Adopted: March 19, 2013
Reviewed/Revised: July 19, 2016; April 23, 2019; October 17, 2023; September 15, 2026