

<p><b>TUCSON UNIFIED</b> SCHOOL DISTRICT</p> <p><b>GOVERNING BOARD POLICY</b></p>	<p><b>POLICY TITLE: Fraud, Theft, or other Intentional Acts of Crime Discovered by the Internal Auditor</b></p>
	<p><b>POLICY CODE: DIFB</b></p>

**Fraud Reporting**

**Internal Auditor exercises professional skepticism**

Fraud could negatively impact a school district in many ways such as financially and reputational. Therefore, the internal auditor must exercise due professional care and maintain professional skepticism.

Professional skepticism is an attitude that includes a questioning mind, being alert to conditions which may indicate possible misstatement due to error or fraud, and a critical assessment of audit evidence. The auditor should not take communication, critical information, and data at face value. The auditor should “trust but verify”.

**With sufficient evidence, Internal Auditor shall consult with General Counsel and take appropriate action**

If the auditor believes he/she has gathered sufficient evidence to support that fraud, theft, or any other intentional acts of crime has occurred the auditor shall consult with TUSD’s General Counsel immediately. The auditor and General Counsel shall jointly review the facts and take appropriate action, including but not limited to, notifying the Governing Board, law enforcement, Arizona Office of the Auditor General and/or the TUSD Audit Committee.

Adopted: January 30, 2018  
Revised: \_\_\_\_\_

Cross Ref:  
DIF  
DIFA  
DIFA-R