

William S. Hart Union HSD

Board Policy

Management Of District Assets/Accounts

BP 3400

Business and Noninstructional Operations

~~In order to oversee the district's financial integrity, the Governing Board desires to have a clear picture of the district's current financial condition readily available at all times. Audits and quality control reviews shall be conducted in accordance with law.~~

~~The district's accounting system shall provide ongoing internal controls and a means of ascertaining that the district's income and expenditures are in keeping with the adopted budget.~~

The Governing Board recognizes its fiduciary responsibility to effectively manage and safeguard the district's assets and resources in order to help achieve the district's goals for student learning. The Superintendent or designee shall establish and maintain an accurate, efficient financial management system that enhances the district's ability to meet its fiscal obligations, produces reliable financial reports, and complies with laws, regulations, policies, and procedures. He/she shall ensure that the district's accounting system provides ongoing internal controls and meets generally accepted accounting standards.

(cf. 3000 - Concepts and Roles)

(cf. 3100 - Budget)

(cf. 3300 - Expenditures/Expending Authority)

(cf. 3312 - Contracts)

(cf. 3314 - Payment for Goods and Services)

(cf. 3460 - Financial Reports and Accountability)

Capital Assets

The Superintendent or designee shall develop a system to accurately identify and value district assets in order to help ensure financial accountability and to minimize the risk of loss or misuse. District assets with a useful life of more than one year and an initial acquisition cost of \$5,000 or more shall be considered capital assets. The Superintendent or designee shall determine the estimated useful life of each capital asset and shall calculate and report the estimated loss of value or depreciation during each accounting period for all capital assets.

(cf. 3440 - Inventories)

Internal Controls/Fraud Prevention

The Board expects Board members, employees, consultants, vendors, contractors, and other parties maintaining a business relationship with the district to act with integrity and due diligence in dealings involving the district's assets and fiscal resources.

The Superintendent or designee shall develop internal controls which aid in the prevention and detection of fraud, financial impropriety, or irregularity within the district. These internal controls may include, but are not limited to, segregating employee duties relating to authorization, custody of assets, and recording or reporting of transactions; providing detailed, written job descriptions explaining the segregation of functions; adopting an integrated financial system; conducting background checks on business office employees; and requiring continuous in-service training for business office staff on the importance of fraud prevention.

All employees shall be alert for any indication of fraud, financial impropriety, or irregularity within their area of responsibility. Any employee who suspects fraud, impropriety, or irregularity shall immediately report those suspicions to his/her immediate supervisor and/or the Superintendent or designee. In addition, the Superintendent or designee shall establish a method for employees and outside persons to anonymously report any suspected instances of fraud, impropriety, or irregularity.

(cf. 4119.1/4219.1/4319.1 - Civil and Legal Rights)

The Superintendent or designee shall have primary responsibility for any necessary investigations of suspected fraud, impropriety, or irregularity, in coordination with legal counsel, the district's auditors, law enforcement agencies, or other governmental entities, as appropriate.

The Superintendent or designee shall provide regular reports to the Board on the status of the district's internal control procedures and recommend any necessary revisions to related Board policies or administrative regulations.

Legal Reference:

EDUCATION CODE

14500-14508 Financial and compliance audits, especially:

14503 Standards; use of audit guide; independent auditors; quality control reviews

14504.2 Quality control reviews

14505 Withholding percentage of audit fee until certification of conformance to audit guide; appeal

35035 Powers and duties of superintendent

35250 Duty to keep certain records and reports (accurate account of expenditures and receipts)

41010 Accounting system; requirements for Accounting Manual

41011 Accounting system requirements

41012 Uniform cost accounting procedure to determine allowances for handicapped minors

41013 Transfers from district general funds; accounting rules and regulations

41014 Requirement of budgetary accounting

41020 Requirement for annual audit

41020.3 Review of annual audit

41020.5 Audit not in conformance

41010-41023 Accounting regulations, budget controls and audits

~~*42600 District budget limitation on expenditures*~~

~~*42601 Transfers between funds to permit payment of obligations at close of year*~~

~~*42603 Transfer of special or restricted funds moneys*~~

42600-42603 Control of expenditures

42647 Drawing of warrants by district on county treasurer; form; reports, statements and other data

GOVERNMENT CODE

53995-53997 Obligation of contract

Management Resources:

CSBA PUBLICATIONS

Maximizing School Board Governance: Budget Planning and Adoption, 2006

Maximizing School Board Governance: Fiscal Accountability, 2006

School Finance CD-ROM, 2005

GOVERNMENTAL ACCOUNTING STANDARDS BOARD

Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - For State and Local Governments, June 1999

WEB SITES

CSBA: <http://www.csba.org>

California Association of School Business Officials: <http://www.casbo.org>

California Department of Education, School Finance: <http://www.cde.ca.gov/fg>

California State Controller's Office: <http://www.sco.ca.gov>

Fiscal Crisis & Management Assistance Team: <http://www.fcmat.org>

Governmental Accounting Standards Board: <http://www.gasb.org>

School Services of California: <http://www.sscal.com>

Policy

WILLIAM S. HART UNION HIGH SCHOOL DISTRICT

Adopted: 08/11/93

Santa Clarita, California

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