

MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

A. Purpose and Scope

To establish procedures to ensure the district remains in compliance with the definitions, instructions and procedures set forth in the California Department of Education School Accounting Manual.

B. General

ACCOUNTS

The district's accounting system shall fully comply with the definitions, instructions and procedures set forth in the California Department of Education School Accounting Manual.

The Superintendent or designee shall ensure that funds are encumbered in the district accounting records immediately after an expenditure is committed for subsequent payment.

AUDIT

By April 1 of each year, the Governing Board shall provide for an audit of all district accounts, any other funds which are administered pursuant to a joint powers agreement, and attendance procedures. To conduct this audit, the Board shall select a certified public accountant or public accountant licenses by the State Board of Accountancy. The Superintendent or designee shall establish a timetable for the completion and review of the audit within the deadlines established by law.

The audit shall be conducted in accordance with General Accounting Office standards for financial and compliance audits.

The audit shall identify all expenditures by source of funds and shall contain:

1. A statement that the audit was conducted pursuant to standards and procedures established in the audit guides developed by the State Controller.
2. A summary of audit exceptions and management improvement recommendations.

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3. A description of the specific actions that are planned or that have been taken to correct any problem indentified by the auditor.

The Superintendent or designee shall file the report of the audit with the County Superintendent of Schools.

By January 31 of each year, the Board shall review, at an open meeting, the annual district audit for the prior year, any audit exceptions identified in that audit, the recommendations of findings of any management letter issued by the auditor, and any description of correction or plans to correct any exceptions or any issue raised in a management letter.

Fraud Prevention and Investigation

Fraud, financial improprieties or irregularities include but are not limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the district
2. Forgery or unauthorized alteration of a check, bank draft or any other financial document
3. Misappropriation of funds, securities, supplies or other assets
4. Impropriety in the handling of money or reporting of financial transactions
5. Profiteering as a result of insider knowledge of district information or activities
6. Disclosing confidential and/or proprietary information to outside parties
7. Disclosing investment activities engaged in or contemplated by the district
8. Accepting or seeking anything of material value from contractors, vendors or persons providing services or materials to the district
9. Destroying, removing or inappropriately using of records, furniture, fixtures or equipment
10. Failing to provide financial records to authorized state or local entities
11. Any other dishonest or fraudulent act

The Superintendent or designee shall investigate reports of fraudulent activity in a manner that protects the confidentiality of the parties and the facts. All employees involved in the investigation shall be advised to keep information about the investigation confidential.

If an investigation substantiates the occurrence of a fraudulent activity, the Superintendent or designee shall issue a report to appropriate personnel and to the Governing Board. The final disposition of the matter and any decision to file a criminal complaint or refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation shall be made in consultation with legal counsel. The result of the investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate need to know.

C. Forms Used and Additional References

None.

D. Procedure

None.

E. Reports Required

The Superintendent or designee shall annually verify that all information regarding the school district and the Board is filed accurately with the Roster of Public Agencies in the office of the Secretary of State and the County Clerk. The verified information shall include the name of the school district, the mailing address of the Board, and the names and addresses of the Board presiding officer, the Board clerk or secretary and other members of the board.

F. Record Retention

Various

G. Responsible Administrative Unit

Business Services

H. Approved By

Assistant Superintendent for Business Services