

Regulation 3400 Management of District Assets/Accounts

Status: ADOPTED

Original Adopted Date: 10/1993

Last Revised Date: 06/26/2024

Accounts

The district's accounting system shall fully comply with the definitions, instructions and procedures set forth in the California Department of Education (CDE) School Accounting Manual. (Education Code 41010)

The district shall utilize CDE's standardized account code structure (SACS) software to develop financial reports. The district's accounting system shall comply with generally accepted accounting principles prescribed by the Governmental Accounting Standards Board (GASB) and meet other state and federal reporting guidelines.

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

Fraud and Misappropriation of Funds

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. Overstating income, expenses, or misreporting time
12. Failing to report a conflict of interest
13. Any other dishonest or fraudulent act

District Investigation

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, any decision to file a criminal complaint or refer the matter to the appropriate law enforcement and/or regulatory agency for independent investigation, and discussing or disclosing the result of any investigation shall be made in consultation with legal counsel.

County Office of Education Investigation

The district shall cooperate with the County Superintendent of Schools, Fiscal Crisis and Management Assistance Team (FCMAT), law enforcement, or other governmental entities that conduct a fraud investigation, in accordance with law. (Education Code 1241.5)

10/93
02/09/94
06/95
06/10
06/26/2024

Policy Reference Disclaimer:

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	Description
Ed. Code 1241.5	Audit by county superintendent
Ed. Code 14500-14508	Financial and compliance audits
Ed. Code 35035	Powers and duties of the superintendent; transfer authority
Ed. Code 35250	Duty to keep certain records and reports
Ed. Code 41010-41023	Accounting regulations; budget controls and audits
Ed. Code 42600-42603	Control of expenditures
Ed. Code 42647	Drawing of warrants by district on county treasurer; form; reports, statements, and other data
Elec. Code 1090-1099	Prohibitions applicable to specified officers
Gov. Code 53995-53997	Obligation of contract
Gov. Code 84308	Campaign Disclosure

Gov. Code 87100-87500

Management Resources

Governmental Accounting Standards Board
Pub.

[Political Reform Act](#)

Description

[Implementation Guide No. 2019-3, Leases, August 2019](#)

Governmental Accounting Standards Board
Pub.

[Implementation Guide No. 2023-1, Implementation
Guidance Update –2023, June 2023](#)

Governmental Accounting Standards Board
Statement

[Statement 96, Subscription-Based Information Technology
Arrangements, May 2020](#)

Governmental Accounting Standards Board
Statement

[Statement 87, Leases, June 2017](#)

Governmental Accounting Standards Board
Statement

[Statement 34, Basic Financial Statements and Management's
Discussion and Analysis - For State and Local Governments,
June 1999](#)

Website

[CSBA District and County Office of Education Legal Services](#)

Website

[Governmental Accounting Standards Board](#)

Website

[California Department of Education, Finance and Grants](#)

Website

[California State Controller](#)

Website

[CSBA](#)

Website

[Fiscal Crisis and Management Assistance Team](#)

Website

[California Association of School Business Officials](#)

Website

[School Services of California, Inc.](#)

Cross References

Code

3000

Description

[Concepts And Roles](#)

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[Budget](#)

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[Budget](#)

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[Transfer Of Funds](#)

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[Federal Grant Funds](#)

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[Personnel Files](#)

4119.1

[Civil And Legal Rights](#)

4119.23

[Unauthorized Release Of Confidential/Privileged
Information](#)

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[Employee Compensation](#)

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4219.1	Civil And Legal Rights
4219.23	Unauthorized Release Of Confidential/Privileged Information
4251	Employee Compensation
4312.6	Personnel Files
4319.1	Civil And Legal Rights
4319.23	Unauthorized Release Of Confidential/Privileged Information
4351	Employee Compensation
5126	Awards For Achievement
5126	Awards For Achievement
9124	Attorney
9270	Conflict Of Interest
9270-E(1)	Conflict Of Interest