

Business and Noninstructional Operations**MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS**

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. The Superintendent or designee shall ensure that the district's accounting system provides ongoing internal controls and meets generally accepted accounting standards as specified by the California Department of Education and, as appropriate, the Governmental Accounting Standards Board (GASB). When required by law or as directed by the Board, and in accordance with Board Policy and Administrative Regulation 3460 - Financial Reports and Accountability, the Superintendent or designee shall submit to the Board reports of the district's financial status.

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.

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.

Board members and district employees involved in the making of contracts on behalf of the district shall comply with the district's conflict of interest policy as specified in Board Bylaw 9270 - Conflict of Interest.

The Superintendent or designee shall develop internal controls which aid in the prevention and detection of fraud, financial impropriety, or irregularity within the district, assist with effective and efficient operation of the district, produce reliable financial information, and ensure compliance with all applicable laws and regulations. These internal controls may include, but are not limited to, segregating and monitoring 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; developing timely reconciliations of budgets, ledgers, and accounts; conducting background checks on business office employees; and requiring continuous in-service training for business office staff and board members on the importance of fraud prevention, financial management, budget, and governance.

Business and Noninstructional Operations

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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 the employee's 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.

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, the Fiscal Crisis and Management Assistance Team (FCMAT), 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:

State

Ed. Code 1241.5
Ed. Code 14500-14508
Ed. Code 35035
Ed. Code 35250
Ed. Code 41010-41023
Ed. Code 42600-42603
Ed. Code 42647

Elec. Code 1090-1099
Gov. Code 53995-53997
Gov. Code 84308
Gov. Code 87100-87500

Management Resources

Governmental Accounting
Standards Board Pub.
Governmental Accounting
Standards Board Pub.
Governmental Accounting
Standards Board Statement
Governmental Accounting
Standards Board Statement

Description

Audit by county superintendent
[Financial and compliance audits](#)
[Powers and duties of the superintendent; transfer authority](#)
[Duty to keep certain records and reports](#)
[Accounting regulations; budget controls and audits](#)
[Control of expenditures](#)
[Drawing of warrants by district on county treasurer; form; reports, statements, and other data](#)
Prohibitions applicable to specified officers
[Obligation of contract](#)
[Campaign Disclosure](#)
[Political Reform Act](#)

Description

[Implementation Guide No. 2019-3, Leases, August 2019](#)
[Implementation Guide No. 2023-1, Implementation Guidance Update –2023, June 2023](#)
[Statement 96, Subscription-Based Information Technology Arrangements, May 2020](#)
[Statement 87, Leases, June 2017](#)

Business and Noninstructional Operations

MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

Legal Reference:

Management Resources

Governmental Accounting
Standards Board Statement

Description

[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.](#)

WESTMINSTER SCHOOL DISTRICT

Westminster, California

Policy Adopted: July 5, 1990

Revised: September 4, 2003

Revised: February 8, 2024