

Cache County School District

Policy Series 6000: Finance and Operations

Policy No. 6200

Accounting, Auditing, and Financial Reporting

I. Accounting

- A. The Board delegates to the business administrator responsibility for the proper collection, expenditure, accounting, and reporting of all public funds controlled by the District.
- B. The Board delegates to the business administrator the authority to develop and maintain a comprehensive accounting practices manual to be used as a basis of standardized accounting throughout the District.
- C. The District shall adhere to all applicable GASB standards and GAAP principles in its accounting practices.
- D. The District shall use a modified accrual basis of accounting, recording transactions when they occur.
- E. The District shall maintain an accounting system capable of providing accurate and timely records of financial transactions.
- F. The District shall maintain an account structure in accordance with the state chart of accounts published annually by USBE. Accounts will be set up so they are easily reviewed and audited.
- G. Adjusting journal entries shall be allowed both during the fiscal year and at the end of the fiscal year.
- H. Accounting transactions shall be recorded when they occur.
- I. All program-specific revenues and expenditures shall be recorded in the proper program. Programs shall be reconciled annually.

II. Auditing

- A. All financial transactions and records are subject to and shall be made available for internal and external audits by appropriate federal, state, or district personnel.
- B. The District shall participate in a comprehensive annual financial audit performed by an independent, external audit firm. The District shall ensure that external audits are conducted in accordance with GAAS and GAGAS standards.
- C. As required by Utah code: 53G-7-401(2), the District shall maintain an internal auditor. The internal auditor reports to the audit committee.

III. Audit Committee

- A. In accordance with industry best practices and Utah code: 53G-7-402, the District shall maintain an audit committee to include three of the seven current school board members. Up to two community members with expertise in finance, auditing, or accounting may be invited to serve on the committee.

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- B. Administrators, including the superintendent and business administrator, may not serve as audit committee members, but may be invited to participate in committee meetings.
- C. The audit committee provides independent review and oversight of the District's financial reporting processes, internal controls, and independent auditors. The audit committee also provides a forum, separate from administration, for auditors and other interested parties to candidly discuss financial concerns.
- D. A Board member shall serve as chair of the audit committee and is responsible for organizing the work of the committee.
- E. The audit committee is responsible for procuring both external and internal audit services according to state procurement guidelines.

IV. Financial Reporting

- A. The District shall publish and make available periodic financial reports as required by the federal or state government.
- B. The District shall conduct its financial reporting in accordance with GAAP principles.
- C. The District shall report financial data and information consistent with budgeting, accounting, and auditing standards provided annually by USBE.

Legal References:

§53G-7-402: Public School Internal Audits
R277-113: LEA Fiscal and Auditing Policies

Approved by the Board of Education: February 19, 2026