

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. 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 and Purchases)

(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

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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.

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86
87 Legal Reference:
88 EDUCATION CODE
89 14500-14508 Financial and compliance audits
90 35035 Powers and duties of superintendent
91 35250 Duty to keep certain records and reports
92 41010-41023 Accounting regulations, budget controls and audits
93 42600-42603 Control of expenditures
94 42647 Drawing of warrants by District on county treasurer; form; reports, statements and other
95 data
96 GOVERNMENT CODE
97 53995-53997 Obligation of contract
98
99 Management Resources:
100 GOVERNMENTAL ACCOUNTING STANDARDS BOARD
101 Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - For
102 State and Local Governments, June 1999
103 WEB SITES
104 CSBA: <http://www.csba.org>
105 California Association of School Business Officials: <http://www.casbo.org>
106 California Department of Education, School Finance: <http://www.cde.ca.gov/fg>
107 California State Controller's Office: <http://www.sco.ca.gov>
108 Fiscal Crisis & Management Assistance Team: <http://www.fcmat.org>
109 Governmental Accounting Standards Board: <http://www.gasb.org>
110 School Services of California: <http://www.sscal.com>
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113 CSBA: (7/01 7/03) 7/07
114 Adopted:
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