

BUSINESS

Financial Reports And Accountability

The Board of Trustees is committed to ensuring the fiscal health of the district and providing public accountability. The Board shall adopt sound fiscal policies, oversee the district's financial condition, and continually evaluate whether the district's budget and financial operations support the district's goals for student achievement.

The Chief Business Official or designee shall provide the Board with financial reports throughout the year in accordance with law and as otherwise requested by the Board.

The Chief Business Official or designee shall ensure that all financial reports are prepared in accordance with law and in conformity with generally accepted accounting principles and financial reporting standards stipulated by the Governmental Accounting Standards Board and the California Department of Education. He/she shall establish a system of ongoing internal controls to ensure the reliability of financial reporting.

Based on financial reports provided by the Chief Business Official or designee and in accordance with law and administrative regulation, the Board shall:

1. Approve and file an annual statement of the district's receipts and expenditures for the preceding fiscal year (Education Code 42100)
2. Adopt a resolution identifying the district's estimated appropriations limit for the current fiscal year and the actual appropriations limit for the preceding fiscal year (Education Code 42132; Government Code 7910)
3. Approve interim fiscal reports and certify whether the district will be able to meet its fiscal obligations for the remainder of the fiscal year and two subsequent fiscal years (Education Code 42130, 42131)
4. Provide for an annual audit, select an independent auditor, and review the audit report (Education Code 41020, 41020.3)

The independent auditor shall present the audit report to the Board at a public meeting and the Board shall have an opportunity to ask questions of the auditor and request further information about the audit findings.

The Board shall regularly communicate the district's financial position to the public and shall use financial reports to determine what actions and budget amendments, if any, are needed to ensure the district's financial stability.

If district conditions predict fiscal distress or indicate that the district might not be able to meet its fiscal obligations, the Board and Superintendent or designee shall act quickly to identify and resolve these conditions. The Board shall work cooperatively with the

County Superintendent of Schools to improve the district's fiscal health and may contract with an external individual or organization to advise the district on fiscal matters.

Legal Reference:

EDUCATION CODE

- 1240 Duties of County superintendent of schools
- 14500-14508 Financial and compliance audits
- 17150 Public disclosure of non-voter-approved debt
- 17170-17199.5 California School Finance Authority
- 33127 Standards and criteria for local budgets and expenditures
- 33128 Standards and criteria; inclusions
- 33129 Standards and criteria; use by local agencies
- 35035 Powers and duties of superintendent
- 41010-41023 Accounting system
- 41326 Emergency apportionment
- 41344 Repayment of apportionment significant audit exceptions
- 41344.1 Appeals of audit findings
- 41455 Examination of financial problems of local districts
- 42100-42105 Requirement to prepare and file annual statement
- 42120-42129 Budget requirements
- 42130-42134 Financial reports and certifications
- 42140-42142 Public disclosure of fiscal obligations
- 42637 County Superintendent review of district's financial and budgetary conditions
- 42652 Revocation or suspension of warrant authority
- 48300-48316 Student attendance alternatives

GOVERNMENT CODE

- 3540.2 School district; qualified or negative certification; proposed agreement review and comment
- 7900-7914 Appropriations limit
- 16429.1 Local agency investment fund
- 53646 Reports of investment policy and compliance

CODE OF REGULATIONS, TITLE 5

- 15060 Standardized account code structure
- 15070 Submission of reports using standardized account code structure
- 15440-15451 Criteria and standards for school district budgets
- 15453-15464 Criteria and standards for school district interim reports
- 19810-19816.1 Audits

Policy Adopted: May 17, 2011