

Business and Noninstructional Operations
MANAGEMENT OF DISTRICT ASSETS/ACCOUNTS

BP 3400 (a)

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 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 employee and monitoring 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.

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BP 3400 (b)

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.

State:

Ed. Code 1241.5: Audit by county superintendent

Ed. Code 14500-14508: Financial and compliance audits

Ed. Code 35035: Powers and duties of 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: Political Reform Act

Management Resources:

Governmental Accounting Standards Board Pub.: 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.

Policy Adopted: 3/17/24

ORCUTT UNION SCHOOL DISTRICT
Orcutt, California