

Operational Services

Accounting and Audits

~~All reporting formats used for the Annual Financial Report will be consistent. The School District's accounting and audit services shall comply~~ with the *Requirements for Accounting, Budgeting, Financial Reporting, and Auditing* as adopted by the Illinois State Board of Education, (ISBE) State and federal laws and regulations, and generally accepted accounting principles. Determination of liabilities and assets, prioritization of expenditures of governmental funds, and provisions for accounting disclosures shall be made in accordance with government accounting standards as directed by the auditor designated by the Board. The Superintendent, in addition to other assigned financial responsibilities, shall report monthly on the District's financial performance, both income and expense, in relation to the financial plan represented in the budget.

Annual Audit

At the close of each fiscal year, the Superintendent shall arrange an audit of to have the District ~~books funds, and~~ accounts, statements, and other financial matters. The -audited shall be performed by an independent certified public accountant designated by the ~~School~~ Board and be conducted in conformance with prescribed standards and legal requirements. A complete and detailed written audit report shall be provided to each Board member and to the Superintendent.

~~The duties of the independent auditor shall be as follows:~~

- ~~1. — To examine the balance sheet of the school district at the close of its fiscal year and the related statements of transactions in the various funds for the fiscal year then ended.~~
- ~~2. — To conduct such examination in accordance with generally accepted — auditing standards and to include such tests of the accounting records and such other auditing procedures as are necessary considering the circumstances.~~
- ~~3. — To render an opinion on the financial statements prepared at the close of the fiscal year.~~
- ~~4. — To prepare such financial statements for publication as may be required by law.~~
- ~~5. — To make such recommendations to the Board concerning its accounting records, procedures, and related activities as may appear necessary or desirable.~~
- ~~6. — To perform such other related services as may be required by the Board.~~

The Superintendent shall annually, on or before October 15, submit an original and one copy of the audit to the Regional Superintendent of Schools.

Annual Financial Report

The Superintendent or designee shall annually prepare and submit the Annual Financial Report on a timely basis using the form adopted by the ~~ISBE—Illinois State Board of Education~~. The Superintendent shall review and discuss the Annual Financial Report with the Board before it is submitted.

Reporting to the School Board

~~The Superintendent shall provide the School Board with monthly statements showing the financial condition of the District as of the last day of the preceding month.~~

~~The School Board also shall receive monthly statements showing revenues received, disbursements by fund categories, and fund balances.~~

~~The Superintendent shall provide the School Board with such other financial reports and data as it deems appropriate.~~

Inventories

The Superintendent or designee is responsible for ~~establishing~~ ~~developing~~ and maintaining accurate inventory records, ~~an. of District buildings and capital equipment.~~ The inventory record of supplies and equipment shall include ~~such items as~~ a description of each item, ~~the~~ quantity, ~~the~~ location, ~~the~~ date of purchase date, and ~~the~~ cost or ~~the~~ estimated replacement cost.

Disposition of District Property

The Superintendent or designee shall notify the Board, as necessary, of ~~any~~: the following so that the Board may consider its disposition: (1) District personal property (property other than buildings and land) that is no longer needed for school purposes, and (2) school site, building, or other real estate that is unnecessary, unsuitable, or inconvenient, ~~so that the Board may consider its disposition.~~ Notwithstanding the above, the Superintendent or designee may unilaterally dispose of personal property of diminutive value.

Depositories

~~Depositories for District 44 funds shall be designated by the Board in accordance with The School Code of Illinois. It shall be the policy of the School Board to consider primarily banks and savings and loans located within the School District to receive deposits of District funds collected in connection with District operations.~~

Taxable Fringe Benefits

The Superintendent or designee shall: (1) require that all use of District property or equipment by employees is for the District's convenience and best interests unless it is a Board-approved fringe benefit, and (2) ensure compliance with the Internal Revenue Service regulations regarding when to report an employee's personal use of District property or equipment as taxable compensation.

Controls for Revolving Funds and Petty Cash

Revolving funds and the petty cash system are established in Board policy 4:50, *Payment Procedures*. The Superintendent shall: (1) designate a custodian for each revolving fund and petty cash fund, (2) obtain a bond for each fund custodian, and (3) maintain the funds in compliance with this policy, State law, ~~and Illinois State Board of Education ISBE~~ rules. A check for the petty cash fund may be drawn payable to the designated petty cash custodian. Bank accounts for revolving funds are limited to a maximum balance of \$500.00. All expenditures from these bank accounts must be directly related to the purpose for which the account was established and supported with documentation, including signed invoices or receipts. All deposits into these bank accounts must be accompanied with a clear description of their intended purpose. The Superintendent or designee shall include checks written to reimburse revolving funds on the Board's monthly listing of bills indicating the recipient and including an explanation.

Control Requirements for Checks

The Board must approve all bank accounts opened or established in the District's or a District school's name or with the District's Federal Employer Identification Number. All checks issued by the School District must be signed by either the Treasurer or Board President, except that checks from an account containing student activity funds and revolving accounts may be signed by the respective account custodian.

Internal Controls

The Superintendent is primarily responsible for establishing and implementing a system of internal controls for safeguarding the District's financial condition; the Board, however, will oversee these safeguards. The control objectives are to ensure efficient business and financial practices, reliable financial reporting, and compliance with State law and Board policies, and to prevent losses from fraud, waste, and abuse, (10) as well as employee error, misrepresentation by third parties, or other imprudent employee action.

The Superintendent or designee shall annually audit the District's financial and business operations for compliance with established internal controls and provide the results to the Board. The Board may from time-to-time engage a third-party to audit internal controls in addition to the annual audit.

Gifts, Grants and Bequests

~~The District may, by action of the School Board, accept gifts, grants, and donations. Only those gifts that the School Board deems consistent with the policies, programs, and the best interest of the District will be accepted.~~

~~All gifts which are accepted on behalf of the School Board shall be in the name of the District and become the property of the District. Where installation is required, the gift shall be installed under the supervision of the District personnel.~~

Cash in School Buildings

~~Monies collected by school district employees and by student treasurers shall be handled according to proper business procedures both to demonstrate an ability of school system employees to operate in that fashion, and to teach procedures to our students.~~

~~All monies collected shall be receipted and accounted for and directed, without delay, to the proper location of deposit. Petty cash should be kept in a locked vault or other secure place.~~

~~Teachers and others shall be cautioned against leaving cash in desks or cabinets, particularly overnight. The School Board will not be responsible for money left in any school overnight, except for petty cash that has been handled as directed by the Superintendent.~~

Salary Deductions

~~In addition to salary deductions required by law, the District shall, upon the written request of the employee, make salary deductions for qualified District employees for the following purposes:~~

- ~~1. the employee's contribution toward the premium required for family or single coverage of approved hospitalization and major medical insurance programs;~~
- ~~2. participation in a Board approved, tax deferred annuity program of the Individual's choice and paid through a salary deduction;~~
- ~~3. any dues, payments or contributions payable by the employee to any employee labor or professional organization;~~
- ~~4. authorized deductions for other organizations found qualified by the State Comptroller conforming to the Voluntary Payroll Deductions Act, such as credit unions and United Way Fund.~~

~~In the event that the District is served with specially certified Order of Withholding and a Notice of Delinquency, the District is required to withhold payment of income for the support of a child or maintenance of a spouse from an employee under the following acts: the Illinois Public Aid Code; the Illinois Marriage and Dissolution of Marriage Act; the Non-Support of Spouse and Children Act; the Revised Uniform Reciprocal Enforcement of Support Act; the Paternity Act.~~

~~The District may deduct a one dollar service fee each pay period from the employee's income when support or maintenance funds are withheld.~~

Reimbursement Expenses

~~Reimbursements shall be made for expenses incurred or expenditures made for pre-approved authorized activities and/or purchases.~~

~~Claim for reimbursements shall detail the nature of the expense and shall be supported by receipts as required.~~

LEGAL REF.: 2 C.F.R. §200 et seq.
30 ILCS 708/, Grant Accountability and Transparency Act, implemented by 44 Ill. Adm. Code 7000 et seq.
105 ILCS 5/2-3.27, 5/2-3.28, 5/3-7, 5/3-15.1, 5/5-22, 5/10-21.4, 5/10-22.8,
and 5/17-1 et seq.
23 Ill. Admin. Code Parts 110 ~~and 125.~~

CROSS REF.: 4:10 (Fiscal and Business Management), 4:50 (Payment Procedures), 4:55 (Use of Credit and Procurement Cards), 4:90 (Activity Funds)

ADOPTION: July 17, 2018
March 27, 2012
November 16, 2010
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