

BP 3400 Management of District Assets/Accounts

Note: [4 AAC 06.120](#) lists state adopted basic guides for public school accounting systems and the annual audit and requires that districts implement procedures consistent with these guides.

Accounting Systems

The Superintendent or designee shall provide ongoing internal accounting controls and a means for the accounting of ~~income~~ revenue and expenditures as outlined in the adopted budget.

(cf. 3440 - Inventories)

Audits

Note: [AS 14.14.050](#) requires an audit by October 1 of each year. The Board is not required to provide for an audit if an audit is conducted pursuant to [AS 29.35.110](#).

The School Board shall provide for an annual audit of all district accounts by an independent public accountant who has no personal interest in district fiscal affairs. The audit shall be conducted in accordance with the requirements of federal and state regulations.

Note: Pursuant to A.S. 14.17.505, if the state department's review of the district's audit finds that the district's unreserved portion of its school operating fund year-end balance exceeds 10% of its expenditures for that year, the amount greater than 10% is deducted from state foundation aid for the current year (waived until 2025).

Legal Reference:

ALASKA STATUTES

[14.08.111](#) Duties (Regional school boards)

[14.14.050](#) Annual Audit

[14.14.060](#) Relationship between borough school district and borough

[14.14.065](#) Relationship between city school district and city

[14.17.505](#) Fund balance in school operating fund

ALASKA ADMINISTRATIVE CODE

[4 AAC 06.120](#) Accounting and audit manuals, charts of accounts, code descriptions

| Business and Noninstructional Operations

[4 AAC 06.121](#) *Annual financial reporting requirements*

[4 AAC 09.130](#) *School district audit*

[4 AAC 09.160](#) *Fund balance*

Adoption Date: 04/09/98

Southeast Island School District