

SYSTEM OF ACCOUNTING

It is the policy of the Board of Education that ***the Superintendent or designee shall be responsible for keeping adequate records and accounts of all financial transactions in the manner prescribed by the State Board of Education.*** ~~a chart of accounts be established in accordance with the requirements of the State for the accounting of all District funds.~~ ***The Superintendent or designee is also responsible for an accounting of all capital assets to protect the financial investment of the District against catastrophic loss. Further, the Superintendent or designee will establish procedures and regulations necessary to properly account for capital assets and comply with generally accepted accounting principles (GAAP) and ensure that the District's capital assets are properly insured.***

- ***Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).***
- ***Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.***
- ***Committed fund balance - amounts the Board intends to use for a specific purpose; intent can be expressed by the Board or by an official or committee to which the Board delegates the authority.***
- ***Assigned fund balance - amounts the Board intends to use for a specific purpose; intent can be expressed by the Board or by an official or committee to which the Board delegates the authority.***
- ***Unassigned fund balance - amounts that are available for any purpose; these amounts are reported only in the general fund.***

The Board authorizes the auditors and directs the Superintendent or designee to take all steps necessary to comply with the requirements of GASB 54. All revenue and funds will be designated to one of the above categories.

The Superintendent **or designee** shall be responsible for the proper accounting of all District funds. S/He shall ensure that expenditures are budgeted under and charged against those accounts which most accurately describe the purpose for which such monies are to be or have been spent. Wherever appropriate and practicable, salaries of individual employees, expenditures for single pieces of equipment, and the like shall be prorated under the several accounts which most accurately describe the purposes for which such monies are to be or have been spent.

The Superintendent or designee is responsible to implement procedures and practices that will determine capitalization policies for District assets and depreciation rates in accordance with applicable law. (Policy 7310 and 7455.)

A report of the revenues and expenditures in the **fund reporting categories established above** General Fund shall be made to the Board on a monthly basis by the Superintendent **or designee**.

The Board's annual financial statements will include information required by applicable law.

Before implementing procedures or changing procedures, the Superintendent or designee will review the proposed procedure with the CPA appointed by the Board of Education to conduct the Board's financial audit. The procedures established shall comply with all statutorily required standards and generally accepted accounting procedures.

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