

Lyon County School District Board Memo

Date: December 16, 2025

To: Board of School Trustees

From: Harman Bains, Executive Director of Operations
Lilliana Camacho-Polkow, Chief Financial Officer

Re: Business Bookkeeper

Recommendation:

That the Board of Trustees approve the addition of a Business Bookkeeper.

Background Information:

Over the past 24 months, Lyon County School District has undertaken a significant initiative to strengthen internal controls and reduce financial risk associated with Student Activity Funds. For nearly a decade, these funds had been a primary concern due to the decentralized and inconsistent manner in which school sites were required to manage them. Because of banking restrictions, Student Activity Fund bank accounts were often tied to an individual at the school site rather than to the District. This structure created substantial vulnerability, as the District had zero oversight of these funds and therefore site personnel could unintentionally or intentionally manage money without sufficient district controls and oversight in place.

Recognizing the level of liability and the potential exposure involving hundreds of thousands, and at times nearly a million dollars at some larger high schools, the District committed to resolving this long-standing issue in 2023-24. After nearly two years of coordinated work between site administrators, the Business Office, and Wells Fargo, all school-site Student Activity Fund accounts have now been formally transitioned into the District's centralized banking structure under Wells Fargo. These funds are no longer connected to personal accounts and are instead independently tracked, audited, and monitored.

While the transition of all Student Activity Fund bank accounts into the District's centralized banking structure has greatly improved accountability, transparency, and the safeguarding of student-generated funds, it has also placed significantly expanded oversight responsibilities on both the Business Office and school-site personnel. The FY25 audit results confirmed that these responsibilities exceed current capacity, resulting in a "Significant Deficiency" finding. A major contributing factor is the longstanding challenge at school sites: high turnover, limited bookkeeping expertise among staff traditionally assigned these duties, and competing operational priorities. These conditions have led to required monthly bank reconciliations not being completed or being completed late or inconsistently. Without a uniform reconciliation process and reliable monitoring, the risks remain high: misstated cash balances, undetected errors or irregularities, and potential misuse of student funds.

***Mission Statement** Lyon County School District fosters learning for life, empowers connected learners, promotes student ownership, and encourages discovery learning for success in a rapidly evolving world.*

To strengthen internal controls and protect these substantial District assets, the FY25 audit recommendation stresses the need for timely, accurate monthly reconciliations at every school. Given the volume and complexity of student activity transactions, hiring and assigning a qualified business bookkeeper to prepare and or review these reconciliations would provide the level of oversight and support necessary for school sites. A dedicated bookkeeper would ensure reconciliations are completed timely, consistently accurate, variances are identified and resolved quickly, and all activity is recorded and appropriate. This added professional capacity is not simply beneficial but essential for eliminating recurring audit deficiencies, ensuring compliance, and fully safeguarding student funds.

The District Business Office has also conducted an internal workload review and concluded that there is no capacity within the current staffing structure to absorb additional responsibilities. The department has experienced significant workload increases associated with P-Cards, Benefits administration, Nutrition Services (CEP), Investments and cash management, Senate Bill 500, and soon Assembly Bill 398 implementation. These obligations, combined with existing fiscal duties, leave no practical room for workload redistribution. Without additional staffing support, the Business Office cannot effectively meet the heightened reconciliation and oversight requirements identified in the audit.

Addressing this finding is critical not only for strengthening internal controls but also for protecting the District's broader financial standing. Repeat "Significant Deficiency" findings increase auditor concern and can, if unresolved, be elevated to a material weakness. A material weakness signals that there is a reasonable possibility of a material misstatement in the District's financial statements. Such a designation can draw negative attention from credit rating agencies, potentially affecting the District's bond rating. Ensuring timely, accurate reconciliations through the addition of a dedicated business bookkeeper is therefore not just an operational improvement but a necessary step to safeguard the District's financial credibility and maintain confidence among auditors, stakeholders, and the investment community.

Budget Considerations:

Business Bookkeeper salary on the employer pay retirement scale ranges from \$36,774 to \$53,830 depending on experience.

Discussed at Previous Meeting:

N/A

Attachment(s):

Business Bookkeeper Job Description