

Financial Administration

With respect to the actual, ongoing financial condition and activities of the district, the superintendent shall not cause or allow fiscal jeopardy or a material deviation from the annual budget or any budget policies adopted by the Board, or any fiscal condition that is inconsistent with achieving the district's objectives.

Expending district funds

The superintendent shall take reasonable steps to ensure that only funds that have been received in the fiscal year to date are expended, unless authorized by Board resolution.

Reporting to Board and community

Audits

All district funds and accounts shall be audited by an independent auditor annually in accordance with state law and Board policy DIE. All district funds and accounts shall be audited internally on a quarterly basis. Timely and appropriate corrective actions shall be taken in accordance with any internal or external audit findings.

The Board shall receive all audit reports and be informed of all corrective actions taken.

Financial reports

Monthly reports

The superintendent or designee shall prepare and submit to the Board a monthly cash receipts and disbursements report.

The superintendent or designee shall prepare and submit to the Board a quarterly fiscal actions report of all district funds. The quarterly report shall include:

- the actual amounts spent and received as of the date of the report from each of the funds budgeted by the district for the fiscal year, expressed as dollar amounts and as percentages of the annual budget
- the actual amounts spent and received for each fund for the same period in the preceding fiscal year, expressed as dollar amounts and as percentages of the annual budget
- the expected year-end fund balances, expressed as dollar amounts and as percentages of the annual budget
- a comparison of the expected year-end fund balances with the amount budgeted for that fiscal year
- details on the district's major tax and revenue sources, with variance analysis that shows the factors that are affecting revenue inflow.

The format and basis for reporting shall be consistent with the adopted budget and the past year's generally accepted accounting procedures results.

Reconciliation report

The superintendent or designee shall prepare for the Board an itemized reconciliation between the fiscal year-end fund balances based on the budgetary basis of accounting and the modified accrual basis of accounting. The reconciliation shall include, but is not limited to, the liability for accrued salaries and related benefits.

The reconciliation shall be included with the final version of the amended budget and the annual audited financial statements.

The Board shall receive all financial reports in a timely manner and be informed of all corrective actions taken.

The superintendent or designee shall conduct quarterly financial reviews with the Board using reports described above.

The Board may request other financial reports as needed.

Oral notification

The superintendent shall assure that immediate verbal notification be given to the Board regarding any potential financial problem or any matter that may affect the district's financial condition or ability to achieve its mission.

Available to public

All financial and audit reports shall be made available to the public and shall be posted online in accordance with the Public School Financial Transparency Act. See exhibit DAB-E.

Legally-required reports

Reports and filings required by state and federal law and agencies shall be accurately and timely filed.

Record keeping

Complete and accurate financial records shall be kept for all district funds and accounts.

Operating losses or deficits

The superintendent, as well as all fund directors, program directors, department heads and school principals, shall take all reasonable steps to identify funds, programs, departments or schools that may end the fiscal year with an operating loss or deficit. A corrective action plan shall be developed and implemented within 30 days of such identification.

The superintendent, as well as all fund directors, program directors, department heads and school principals, shall develop and implement processes whereby variations or deviations in cash flow, revenues or other important financial indicators can be identified and dealt with in a timely manner.

Employee reporting

The superintendent shall develop and implement procedures to encourage all district employees to report suspected financial problems or wrongdoing. No adverse employment decisions shall be taken in response to a good faith report by an employee.

Contingency planning

The superintendent or designee shall continually be aware of the financial and political landscape both internally and externally and shall develop contingency plans against possible events.

Adopted: 11-13-03

Revised: 9-17-13

LEGAL REFS.: C.R.S. 22-44-105 (1.5)(b) (itemized reconciliation)
C.R.S. 22-44-301 et seq. (Public School Financial Transparency Act)
C.R.S. 22-45-102 (1)(b) (quarterly financial reports)

CROSS REF.: KD, Public Information and Communications

Lone Star School District 101, Otis, CO