

***Riverside County Office of Education
Board Policy 3400 Management of Assets/Accounts***

BUSINESS AND NONINSTRUCTIONAL OPERATIONS

SUBJECT: Management of Assets/Accounts

The County Superintendent of Schools or designee (County Superintendent) shall establish and maintain an accurate, efficient financial management system that enhances the County Office's ability to meet its fiscal obligations, produces reliable financial reports, and complies with laws, regulations, policies, and procedures. The County Superintendent shall ensure that the County Office's accounting system provides ongoing internal controls and meets generally accepted accounting standards as specified by the California Department of Education and, as appropriate, the Governmental Accounting Standards Board (GASB). When required by law or as directed by the County Board, and in accordance with Board Policy and Administrative Regulation 3460 - Financial Reports and Accountability, the County Superintendent shall submit to the County Board reports of the County Office's financial status.

Capital Assets

The County Superintendent shall develop a system to accurately identify and value County Office assets in order to help ensure financial accountability and to minimize the risk of loss or misuse. County Office assets with a useful life of more than one year and an initial acquisition cost of \$5,000 or more shall be considered capital assets. The County Superintendent shall determine the estimated useful life of each capital asset and shall calculate and report the estimated loss of value, or depreciation, during each accounting period for all capital assets.

Internal Controls/Fraud Prevention

The County Superintendent expects all employees, County Board members, consultants, vendors, contractors and other parties maintaining a business relationship with the County Office to act with integrity and due diligence in duties involving the County Office's fiscal resources.

County Board members and County Office employees involved in the making of contracts on behalf of the County Office shall comply with the County Office's conflict of interest policy as specified in Board Bylaw 9270 - Conflict of Interest.

The County Superintendent shall be responsible for developing internal controls which aid in the prevention and detection of fraud, financial impropriety or irregularity within the County Office, assist with effective and efficient operation of the County Office, produce reliable financial information, and ensure compliance with all applicable laws and regulations. These internal controls may include, but are not limited to, segregating and monitoring employee duties relating to authorization, custody of assets, and recording or reporting of transactions; providing detailed, written job descriptions explaining the segregation of functions; adopting an integrated financial system; developing timely reconciliations of budgets, ledgers, and accounts; conducting background checks on business office employees; and requiring continuous in-service training for business office staff and board members on the importance of fraud prevention, financial management, budget, and governance.

All employees shall be alert for any indication of fraud, financial impropriety or irregularity

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within their area of responsibility. An employee who suspects fraud, impropriety or irregularity shall immediately report those suspicions to the employee's immediate supervisor and/or the County Superintendent. In addition, the County Superintendent shall establish a method for employees and outside persons to anonymously report any suspected instances of fraud, impropriety, or irregularity.

The County Superintendent shall have primary responsibility for any necessary investigations of suspected fraud, impropriety, or irregularity, in coordination with legal counsel, the district's auditors, the Fiscal Crisis and Management Assistance Team (FCMAT), law enforcement agencies, or other governmental entities, as appropriate.

Policy Reference Disclaimer:

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

Management Resources

Governmental Accounting Standards Board Statement

Website
 Website
 Website
 Website
 Website
 Website

Description

Statement 34, Basic Financial Statements and Management's Discussion and Analysis - For State and Local Governments, June 1999
 State Controller's Office
 School Services of California, Inc.
 Governmental Accounting Standards Board
 Fiscal Crisis and Management Assistance Team
 California Department of Education, Finance and Grants
 California Association of School Business Officials

State

Ed. Code 14500-14508
 Ed. Code 35250
 Ed. Code 41010-41023
 Ed. Code 42600-42603
 Ed. Code 42647

 Gov. Code 53995-53997

Description

Financial and compliance audits
 Duty to keep certain records and reports
 Accounting regulations, budget controls and audits
 Control of expenditures
 Drawing of warrants by district on county treasurer; form; reports, statements and other data
 Obligation of contract

Cross References

Code
 3100
 3110
 3551

Description

Budget Adoption And Revision
 Transfer Of Funds
[Food Service Operations/Cafeteria Fund](#)